



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

January 28, 2020

OIG-CA-20-011

The Honorable Russell T. Vought, Acting Director
Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Mr. Vought:

In accordance with the *Government Charge Card Abuse Prevention Act of 2012* (Public Law 112-194) I am providing my report on the progress of implementation of any charge card related audit recommendations issued by my office.

In fiscal year 2018, my office issued one audit report on the Department of the Treasury's (Treasury) charge card use within its Office of Financial Research (OFR) titled: *Treasury OIG Review of the Office of Financial Research's Government Purchase Card Program* (OIG-18-038; February 8, 2018). This report identified two findings related to OFR's purchase cardholders making split purchases and OFR's purchase card files not meeting documentation requirements. As a result, my office made seven recommendations. According to the Joint Audit Management Enterprise System (JAMES) used to track audit recommendations, OFR management reported that it implemented 4 of the 7 recommendations and had planned to fully implement the following 3 open recommendations by August 2019:

- when approving official duties are transferred from Treasury Departmental Offices to OFR employees in 2018, develop and implement a policy to require OFR approving officials to review purchase card transactions for potential split purchases on a monthly basis;
- ensure a review of purchase cardholders' files to ensure all documents required by policy and procedures are included in the files; and
- develop and implement a policy for storing and maintaining Government purchase card transaction documentation in a centralized location.

We followed up on the status of these recommendations and noted that corrective action had not been implemented by the scheduled due date. In

following up with OFR, management plans to fully implement the recommendations by March 2020 although JAMES has not been updated to reflect this. We will continue to follow up on the status of these open recommendations as part of our Semiannual Report to Congress as of March 31 and September 30, 2020.

In addition, my office conducted a risk assessment of Treasury's charge card and convenience check program in fiscal year 2019. In a September 2019 memorandum, *Risk Assessment of the Department of the Treasury's Charge Card and Convenience Check Program* (OIG-CA-19-024; September 12, 2019), my office reported Treasury's overall risk of illegal, improper, or erroneous purchases and payments as low. However, moderate risks were identified at the component entity level for the Bureau of Engraving and Printing (BEP) and the Office of the Comptroller of the Currency (OCC). As a result, my office is currently performing an audit of the purchase card activities at OCC and plans to start an audit of BEP's charge card activities in fiscal year 2020. A risk assessment of Treasury's charge card and convenience check program for fiscal year 2020 is currently underway. We will use that risk assessment to make decisions for other future audits.

Please note, my office does not have oversight over the Internal Revenue Service and the Troubled Asset Relief Program. Those entities are under the respective jurisdictional oversight of the Treasury Inspector General for Tax Administration and the Special Inspector General for the Troubled Asset Relief Program.

If you have any questions, please contact me at 202-622-1090 or Deborah L. Harker, Assistant Inspector General for Audit, at 202-927-5400.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard K. Delmar". The signature is fluid and cursive, with a long horizontal stroke at the end.

Richard K. Delmar
Deputy Inspector General