



**OFFICE OF
INSPECTOR GENERAL**
U.S. DEPARTMENT OF THE INTERIOR

MAR 21 2014

Memorandum

To: Sylvia Mathews Burwell
Director, Office of Management and Budget

From: Kimberly Elmore *Kimberly Elmore*
Assistant Inspector General for Audits, Inspections, and Evaluations

Subject: Progress Made by the U.S. Department of the Interior in Implementing
Government Charge Card Recommendations
Report No. X-SP-MOI-0009-2014

This memorandum provides the status of progress made by the U.S. Department of the Interior (DOI) in implementing previous Government charge card recommendations as of the end of fiscal year (FY) 2013.

On October 5, 2012, the President signed into law the Government Charge Card Abuse Prevention Act of 2012 (Act), Public Law 112-194, which reinforced efforts to prevent fraud, waste, and mismanagement of Governmentwide charge card programs. In addition to guidance in the Office of Management and Budget (OMB) Circular No. A-123, Appendix B, Revised, "Improving the Management of Government Charge Card Programs," and OMB Memorandum M-12-12, "Promoting Efficient Spending to Support Agency Operations," the Act requires all executive branch agencies to establish and maintain safeguards and internal controls for purchase, travel, and centrally billed accounts.

The Act and OMB Memorandum M-13-21, "Implementation of the Government Charge Card Abuse Prevention Act of 2012," require our office to conduct periodic risk assessments of agency purchase cards and convenience checks, combined integrated card programs, and travel card programs to analyze the risks of illegal, improper, or erroneous purchases and payments. We will use these risk assessments to determine the necessary scope, frequency, and number of audits or reviews of these programs. We are also required to report to the OMB Director 120 days after the end of each fiscal year on DOI's progress in implementing audit recommendations related to Government charge cards; starting in FY 2013, the submission is due to OMB by January 31, 2014.

The travel, purchase, and fleet charge cards provide DOI with efficient ways for making small purchases and a low-cost means to acquire goods and services, which significantly streamlines traditional Federal procurement and payment processes; saves taxpayers millions of dollars by reducing administrative costs and providing rebates; and allows DOI to reduce administrative costs to recover State and local taxes and to collect detailed fleet management

data regarding fuel, related maintenance, and service procurements. Figure 1 depicts DOI's volume of business-line spending using Government charge cards.

Charge Card Program	FY 2012 Business Line Spending	FY 2013 Business Line Spending
Purchase Card	\$461,290,218	\$420,765,482
Travel Card	157,220,652	115,220,652
Fleet Card	49,432,973	46,766,026
Total	\$667,943,843	\$582,752,160

Figure 1. DOI's volume of business-line spending using Government charge cards in FYs 2012 and 2013.

Our office has issued several reports related to internal controls over Government purchase and travel charge cards within the last 2 years. In FYs 2012 and 2013, we issued 10 reports relating to Government charge cards that contained 76 recommendations. Of the 76 recommendations, we determined that 36 were resolved, implemented, and closed; 37 were resolved but not implemented; and 3 were unresolved. DOI is working to resolve those 3 recommendations. The enclosed attachment provides detailed information about the reports, recommendations, and the status of the recommendations.

If you have any questions about this memorandum or require further information, please contact me at 202-208-5745.

Attachment

**Summary and Status of Government Charge Card Recommendations
For Fiscal Years 2013 and 2012**

C-EV-MOA-0009-2011, "Controls Over Check-Writing," Report Date: 10/31/2012 Latest Tracking Update: 10/31/2012 Number of Recommendations: 2 Status: 2 Resolved, 0 Closed, 0 Unresolved	
1. All bureaus should evaluate their monthly reconciliation processes, considering lessons learned from the Department's pilot program. 2. The Department should require Government charge card training for check writers and their approving officials more frequently than the current minimum of every 3 years.	Resolved, not implemented.
WR-IN-NPS-0008-2013, "GovTrip Use and Monitoring by the U.S. Department of the Interior – National Park Service," Report Date: 9/11/2013 Latest tracking update: 11/15/2013 Number of Recommendations: 8 Status: 8 Resolved, 0 Closed, 0 Unresolved	
1.a. NPS should require supervisors to verify that vouchers contain supporting documentation as required by the Federal Travel Regulations (FTR) and accurately reflect costs incurred during travel. 1.b. NPS should require supervisors to ensure travel authorizations are created and approved prior to travel with the only exception being bona fide emergency travel. 1.c. NPS should require supervisors to review vouchers thoroughly and address any unresolved flagged items 1.d. NPS should require supervisors to verify that the use of a privately owned vehicle (POV) or Government owned vehicle (GOV) is the most advantageous to the Government as required by the FTR and clearly document the basis of the decision in the travel documents. 1.e. NPS should require supervisors to disallow per diem for travel that does not meet the minimum requirements set forth by DOI travel policy. 1.f. NPS should require supervisors to verify and approve all charges on charge card statements. 1.g. NPS should require supervisors to ensure that both the traveler and supervisor sign and date charge card statements. 2. NPS should make changes to correct existing deficiencies, including creating and implementing policy requiring supervisors to reconcile charge card statements with travel vouchers.	Resolved, not implemented.

WR-IN-BOEM-0007-2013, “GovTrip Use and Monitoring by the U.S. Department of the Interior – Bureau of Ocean Energy Management,” Report Date: 9/09/2013 Latest tracking update: 10/29/2013 Number of Recommendations: 7 Status: 7 Resolved, 2 Closed, 0 Unresolved	
1.a. BOEM should require supervisors to verify that vouchers contain supporting documentation as required by the FTR and accurately reflect costs incurred during travel. 1.b. BOEM should require supervisors to ensure travel authorizations are created and approved prior to travel with the only exception being bona fide emergency travel. 1.c. BOEM should require supervisors to review vouchers thoroughly and address any unresolved flagged items. 1.d. BOEM should require supervisors to verify and approve all charges on charge card statements. 1.e. BOEM should require supervisors to ensure that both the traveler and supervisor sign and date charge card statements.	Resolved, not implemented.
2.a. BOEM should make changes to correct existing deficiencies, including working with the bureau travel leads to ensure that profiles of existing and past employees are not deleted from the system. 2.b. BOEM should make changes to correct existing deficiencies, including creating and implementing policy requiring supervisors to reconcile charge card statements with travel vouchers.	Resolved, implemented, and closed.
WR-IN-BOR-0004-2013, “GovTrip Use and Monitoring by the U.S. Department of the Interior – Bureau of Reclamation,” Report Date: 9/09/2013 Latest tracking update: 11/14/2013 Number of Recommendations: 9 Status: 9 Resolved, 0 Closed, 0 Unresolved	
1.a. USBR should require supervisors to verify that vouchers contain supporting documentation as required by the FTR and accurately reflect costs incurred during travel. 1.b. USBR should require supervisors to verify that vouchers contain adequate justification for per diem claims, or reduce per diem for travel over 30 days, in accordance with applicable travel regulations and policies. 1.c. USBR should require supervisors to ensure travel authorizations are created and approved prior to travel with the only exception being bona fide emergency travel.	Resolved, not implemented.

<p>1.d. USBR should require supervisors to verify that use of a POV is advantageous to the Government and clearly justified in the travel authorization.</p> <p>1.e. USBR should require supervisors to ensure that use of a GOV is consistently documented in the travel authorization and voucher.</p> <p>1.f. USBR should require supervisors to verify and approve all charges on charge card statements.</p> <p>1.g. USBR should require supervisors to ensure that both the traveler and supervisor sign and date charge card statements.</p> <p>2.a. USBR should make changes to correct existing deficiencies, including creating and implementing policy limiting the use of auto-approval by employees to legitimate emergency travel.</p> <p>2.b. USBR should make changes to correct existing deficiencies, including creating and implementing policy requiring supervisors to reconcile charge card statements with travel vouchers.</p>	
<p>WR-EV-MOA-0006-2011, “GovTrip Use and Monitoring by the U.S. Department of the Interior,” Report Date: 9/09/2013 Latest tracking update: 10/01/2013 Number of Recommendations: 12 Status: 12 Resolved, 0 Closed, 0 Unresolved</p>	
<p>1. Prevent the removal of user profiles, vouchers, and authorizations from the active production system through E-Gov Travel Service (ETS-2) development and implementation.</p> <p>2. Ensure through ETS-2 development and implementation that complete transaction histories are generated and maintained in the new e-travel system and that accurate and streamlined routing lists are used.</p> <p>3. Restrict the Autobooking and T-entering features in the new system to only bona fide emergency travel or for arranging of travel for those without legitimate access to the travel system, with any exceptions to these circumstances to be documented and approved by the bureau or office head.</p> <p>4. Develop and implement policy and procedures that require reconciliation of travel transactions among travel, financial, and other management systems to ensure data integrity across data management systems in DOI.</p> <p>5. Establish minimum voucher testing requirements that address sampling, method, frequency, error rate, and reporting obligations across DOI.</p>	<p>Resolved, not implemented.</p>

<ol style="list-style-type: none"> 6. Provide training, checklists, and periodic tips and best practices to travelers and travel managers, so that individual roles and responsibilities in the e-travel system are understood and that documentary requirements are known and established in the new system. 7. Establish controls through ETS-2 development and implementation that limit administrative access rights to the minimum level necessary and require approval of administrative delegation of additional rights by the appropriate travel officials. 8. Ensure through ETS-2 development and implementation that personally identifiable information, including credit card information, is safeguarded and disclosed to only those individuals in the e-travel environment that have a bona fide need to know in accordance with the Privacy Act. 9. Identify authorizations and vouchers that have not been completely processed, take actions to either complete or cancel these documents in the active GovTrip database. 10. Through ETS-2 software development and implementation ensure that all future authorizations and vouchers are either processed completely or canceled, as appropriate. 11. Create a directory of standard reports based on DOI and bureau needs to provide reliable and timely travel management information that includes verification that documents are approved and processed within prescribed timeframes, established checks on various travel activities, and statistical information for overall travel management. 12. Ensure that the new e-travel system provides for auditor and management read-only access to the travel database. 13. Proactively work with GSA and the contractor during ETS-2 implementation and operation to ensure system deliverables, features, functionality, and reporting meet DOI and agency expectations. 	
WR-IN-GSV-0006-2013, "GovTrip Use and Monitoring by the U.S. Department of the Interior – U.S. Geological Survey," Report Date: 6/18/2013 Latest tracking update: 09/19/2013 Number of Recommendations: 6 Status: 3 Resolved, 3 Closed, 3 Unresolved	
<ol style="list-style-type: none"> 1.b. USGS should require supervisors to verify and approve all charges on charge card statements. 1.c. USGS should require supervisors to ensure that both the traveler and supervisor sign and date charge card statements. 	<p>Unresolved and awaiting resolution.</p>

2.b. USGS should make changes to correct existing deficiencies, including creating and implementing policy requiring supervisors to reconcile charge card statements with travel vouchers.	
1.a. USGS should require supervisors to ensure travel authorizations are created and approved prior to travel with the only exception being bona fide emergency travel. 2.a. USGS should make changes to correct existing deficiencies, including creating and implementing policy limiting the use of auto-approval by employees to legitimate emergency travel. 3. USGS should review the vouchers identified in this report to determine the appropriateness of the claimed expenses and initiate steps to recollect all overpayments.	Resolved, implemented, and closed.
WR-IN-FWS-0012-2012, "GovTrip Use and Monitoring by the U.S. Department of the Interior – U.S. Fish and Wildlife Service," Report Date: 5/21/2013 Latest tracking update: 05/30/2013 Number of Recommendations: 10 Status: 10 Resolved, 10 Closed, 0 Unresolved	
1.a. FWS should require supervisors to verify that vouchers contain supporting documentation as required by the FTR and accurately reflect costs incurred during travel. 1.b. FWS should require supervisors to ensure travel authorizations are created and approved prior to travel with the only exception being bona fide emergency travel. 1.c. FWS should require supervisors to review vouchers thoroughly and address any unresolved flagged items. 1.d. FWS should require supervisors to verify and approve all charges on charge card statements. 1.e. FWS should require supervisors to ensure that both the traveler and supervisor sign and date charge card statements. 2.a. FWS should make changes to correct existing deficiencies, including working with the bureau travel leads to ensure that profiles of existing and past employees are not deleted from the system. 2.b. FWS should make changes to correct existing deficiencies, including creating policy limiting the use of auto-approval by employees to legitimate emergency travel. 2.c. FWS should make changes to correct existing deficiencies, including creating policy requiring supervisors to reconcile charge card statements	Resolved, implemented, and closed.

<p>with travel vouchers.</p> <p>2.d. FWS should make changes to correct existing deficiencies, including rescinding the May 27, 2010 memorandum permitting use of third-party travel vendors.</p> <p>2.e. FWS should make changes to correct existing deficiencies, including clarifying the responsibility of FWS and/or NBC to follow up on errors found in post-payment voucher audits.</p>	
<p>WR-IN-OSM-0014-2012, “GovTrip Use and Monitoring by the U.S. Department of the Interior – Office of Surface Mining and Reclamation,” Report Date: 5/21/2013 Latest tracking update: 01/24/2014 Number of Recommendations: 7 Status: 7 Resolved, 6 Closed, 0 Unresolved</p>	
<p>1.a. OSM should require supervisors to verify that vouchers contain supporting documentation as required by the FTR and accurately reflect costs incurred during travel.</p> <p>1.b. OSM should require supervisors to ensure travel authorizations are created and approved prior to travel, with the only exception being bona fide emergency travel.</p> <p>1.c. OSM should require supervisors to verify that POV mileage claimed by travelers is advantageous to the Government and clearly documented in the travel authorization.</p> <p>1.d. OSM should require supervisors to ensure that use of a GOV is consistently documented in the travel authorization and voucher.</p> <p>1.e. OSM should require supervisors to verify and approve all charges on charge card statements.</p> <p>2.a. OSM should make changes to correct existing deficiencies, including creating and implementing policy limiting the use of auto-approval by employees to legitimate emergency travel.</p>	<p>Resolved, implemented, and closed.</p>
<p>2.b. OSM should make changes to correct existing deficiencies, including creating and implementing policy requiring supervisors to reconcile charge card statements with travel vouchers.</p>	<p>Resolved, not implemented.</p>
<p>WR-IN-BLM-0013-2012, “GovTrip Use and Monitoring by the U.S. Department of the Interior – Bureau of Land Management,” Report Date: 5/23/2013 Latest tracking update: 07/18/2013 Number of Recommendations: 7 Status: 7 Resolved, 7 Closed, 0 Unresolved</p>	
<p>1.a. BLM should require supervisors to verify that vouchers contain supporting documentation as required by the FTR and accurately reflect costs incurred during travel.</p>	<p>Resolved, implemented, and closed.</p>

<p>1.b. BLM should require supervisors to ensure travel authorizations are created and approved prior to travel, with the only exception being bona fide emergency travel.</p> <p>1.c. BLM should require supervisors to review vouchers thoroughly and address any unresolved flagged items.</p> <p>1.d. BLM should require supervisors to verify and approve all charges on charge card statements.</p> <p>1.e. BLM should require supervisors to ensure that both the traveler and supervisor sign and date charge card statements.</p> <p>2.a. BLM should make changes to correct existing deficiencies, including creating and implementing policy limiting the use of auto-approval by employees to legitimate emergency travel.</p> <p>2.b. BLM should make changes to correct existing deficiencies, including creating and implementing policy requiring supervisors to reconcile charge card statements with travel vouchers.</p>	
<p>WR-IN-BIA-0005-2013, “GovTrip Use and Monitoring by the U.S. Department of the Interior – Bureau of Indian Affairs,” Report Date: 5/21/2013 Latest tracking update: 09/12/2013 Number of Recommendations: 8 Status: 8 Resolved, 8 Closed, 0 Unresolved</p>	
<p>1.a. BIA should require supervisors to verify that vouchers contain supporting documentation as required by the FTR and accurately reflect costs incurred during travel.</p> <p>1.b. BIA should require supervisors to ensure travel authorizations are created and approved prior to travel with the only exception being bona fide emergency travel.</p> <p>1.c. BIA should require supervisors to review vouchers thoroughly and address any unresolved flagged items.</p> <p>1.d. BIA should require supervisors to verify and approve all charges on charge card statements.</p> <p>1.e. BIA should require supervisors to ensure that both the traveler and supervisor sign and date charge card statements.</p> <p>2.a. BIA should make changes to correct existing deficiencies, including working with the bureau travel leads to ensure that profiles of existing and past employees are not deleted from the system.</p>	<p>Resolved, implemented, and closed.</p>

2.b. BIA should make changes to correct existing deficiencies, including creating policy limiting the use of auto-approval by employees to legitimate emergency travel.	
2.c. BIA should make changes to correct existing deficiencies, including creating policy requiring supervisors to reconcile charge card statements with travel vouchers.	