

U.S. International Trade Commission

2018 Charge Card Risk Assessment Report



OIG-MR-18-08

January 31, 2018



Office of Inspector General

The U.S. International Trade Commission is an independent, nonpartisan, quasi-judicial federal agency that provides trade expertise to both the legislative and executive branches of government, determines the impact of imports on U.S. industries, and directs actions against certain unfair trade practices, such as patent, trademark, and copyright infringement. USITC analysts and economists investigate and publish reports on U.S. industries and the global trends that affect them. The agency also maintains and publishes the Harmonized Tariff Schedule of the United States.

Commissioners

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UNITED STATES INTERNATIONAL TRADE COMMISSION

WASHINGTON, DC 20436

January 25, 2018

OIG-QQ-001
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Chairman Schmidlein:

The purpose of this Management Report is to transmit the results of the Office of Inspector General's annual risk assessment of the Commission's charge card program, as required by the Government Charge Card Abuse Prevention Act of 2012.

In October of 2016, the Council of the Inspectors General on Integrity and Efficiency (CIGIE) initiated a project to develop data analytical and statistical tools to identify high risk purchase card transactions. Our office participated in the CIGIE purchase card project and is using the work completed from that audit as the basis for our annual risk assessment report.

We reviewed 57 purchase card transactions identified by the CIGIE analytical tools as high risk transactions. Based on the CIGIE methodology, we found two exceptions related to recovering sales tax and two exceptions related to charge card accounts of departed employees

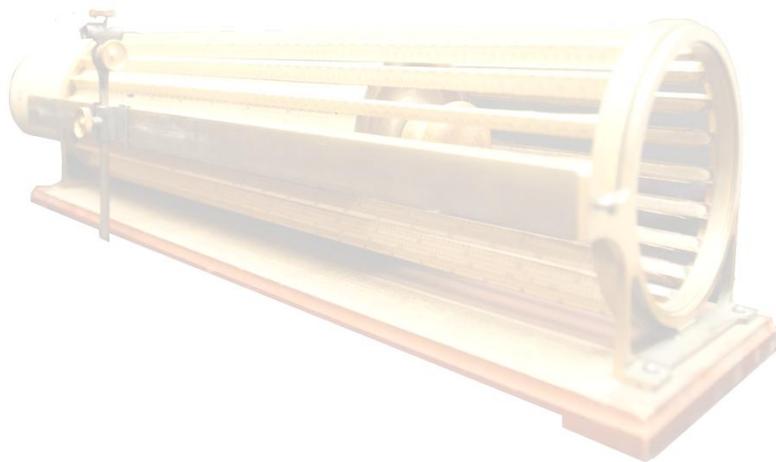
In assessing the risk of these transactions, we considered the number of purchase cardholders, the dollar amount of sales tax paid, and the automated controls in place to prevent cardholders from exceeding the single purchase card limits and monthly purchase card limits.

We have determined that the overall risk of improper, illegal, and erroneous purchase card transactions is low. As a result, we do not intend to perform any additional reviews of the Commission's charge card program in fiscal year 2018.

During our audit, we did identify two areas where the Commission can improve the internal control over the purchase card program and a contract issue that requires management attention. These matters, along with our recommendations will be discussed in a separate letter to management.

Sincerely,

Philip M. Heneghan
Inspector General



“Thacher’s Calculating Instrument” developed by Edwin Thacher in the late 1870s. It is a cylindrical, rotating slide rule able to quickly perform complex mathematical calculations involving roots and powers quickly. The instrument was used by architects, engineers, and actuaries as a measuring device.

To Promote and Preserve the Efficiency, Effectiveness, and Integrity of the U.S. International Trade Commission



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