



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

The U.S. Government Accountability Office's Referral of Bureau of Land Management and National Park Service High-Risk Disaster Relief Purchases



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Memorandum

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To: Michael D. Nedd
Deputy Director, Operations
Bureau of Land Management

Shawn Bengé
Deputy Director, Operations, Exercising the Delegated Authority of the Director
National Park Service

From: Chris Stubbs 
Director, Office of Financial and Contract Audits

Subject: Final Inspection Report – *The U.S. Government Accountability Office's Referral of Bureau of Land Management and National Park Service High-Risk Disaster Relief Purchases*
Report No. 2021-FIN-023

This report presents the results of our inspection of 15 high-risk purchase card transactions the Bureau of Land Management (BLM) and National Park Service (NPS) made between September 2018 through September 2019 in support of disaster relief efforts.

Why We Conducted This Inspection

The Government Accountability Office (GAO) identified 15 high-risk BLM and NPS purchase card transactions during an audit, issued in November 2020, on the use of U.S. Government purchase cards to support disaster relief. The GAO referred these transactions to us for further review to determine whether they were appropriate. We agreed with the GAO that these transactions warranted additional analysis and initiated this inspection.

Executive branch agencies, including the U.S. Department of the Interior (DOI), use purchase cards to quickly and easily acquire items needed to support daily operations and reduce the administrative costs associated with such small purchases. Purchase cards are the preferred method for making micropurchases. In May 2018, the Office of the Secretary increased the micropurchase threshold from \$3,500 to \$10,000.

The DOI's Office of Acquisition and Property Management oversees and develops policy for the DOI charge card program, and each bureau has a program coordinator who is responsible for general oversight of the bureau's charge card accounts. Approving officials oversee designated cardholders and review and sign cardholder statements to approve transactions. The DOI's Integrated Charge Card Program (ICCP) policy, dated August 27, 2015, was the relevant

DOI policy in place when the 15 transactions we reviewed were made. The ICCP policy detailed the policies and procedures for the ICCP and described the responsibilities of those who administered and managed it.¹

What We Reviewed

The objective of our inspection was to determine whether the 15 transactions were:

1. Allowable purchases related to disaster relief
2. Properly supported in accordance with the policies of the DOI and the bureaus

See the attachment for the inspection's scope and our methodology.

What We Found

We found that all 15 transactions were related to disaster relief. The purchases were for emergency stabilization and rehabilitation services, such as archaeological inventories of fire-damaged areas, remote first aid training, debris removal, surveys of damaged wildlife habitats, and research.

We also found that all 15 transactions were supported in accordance with DOI and bureau policies. The ICCP policy states that controls must exist to ensure proper supporting documentation accompanies all transactions. In addition, the BLM's and the NPS' purchase card program policies both require each transaction to be supported with a receipt or invoice and supporting documentation. While the BLM's policy has not been updated in 15 years and does not require the purchaser to document the vendor or the purpose of the purchase, the supporting documentation we obtained from the BLM and NPS cardholders with respect to the transactions at issue here did identify the vendors and the reasons for the purchases.

Because we are not offering recommendations, we do not require a response to this report. We will notify Congress of our findings in our next semiannual report, as required by law. We will also post a public version of this report on our website.

If you have any questions, please contact me at 202-208-5745.

Attachment

¹ The ICCP policy is no longer in effect. Between November 2019 and January 2020, the DOI transitioned from the ICCP to separate programs for travel, fleet management, and purchase cards, and established a policy for each program.

Attachment: Scope and Methodology

Scope

The scope of our inspection included the 15 purchase card transactions (listed below) that the Government Accountability Office (GAO) forwarded to us for review. These transactions were made from September 2018 through September 2019 by the Bureau of Land Management (BLM) and the National Park Service (NPS).

Bureau	No.	Reason for Referral	Commitment Item	Amount (\$)
BLM	1	Third Party Payment Processor	252R00: Contracts	9,995.00
	2	Third Party Payment Processor	252R00: Contracts	9,999.00
	3	Third Party Payment Processor	252R00: Contracts	3,000.00
	4	Third Party Payment Processor	252R00: Contracts	3,500.00
	5	Third Party Payment Processor	252R00: Contracts	2,143.00
	6	Third Party Payment Processor	261A00: Office Supplies & Material	1,023.57
	7	Third Party Payment Processor	261A00: Office Supplies & Material	4,518.75
	8	Third Party Payment Processor	252R00: Contracts	6,000.00
	9	Third Party Payment Processor	252R00: Contracts	2,480.00
	10	Third Party Payment Processor	252R00: Contracts	2,250.00
	11	Blocked MCC	265F00: Food & Bev–Human Consumption	5.10
	12	Third Party Payment Processor	252Z00: Other	2,000.00
	13	Third Party Payment Processor	252Z00: Other	2,100.00
NPS	14	Third Party Payment Processor	252Z00: Other	9,450.00
	15	High Risk/Third Party Payment Processor	256M00: Med & Health Care Service	428.58

The GAO identified these transactions after completing a fraud analysis of Government purchase card data, including such fraud indicators as blocked or high-risk merchant category codes, duplicate purchases, and purchases made via third-party financial entities. The GAO used professional judgment to determine which transactions to refer to us, excluding some that seemed likely to be appropriate given the nature and intent of Government purchase card use when responding to disasters.

Methodology

We conducted our inspection in accordance with the *Quality Standards for Inspection and Evaluation* as put forth by the Council of the Inspectors General on Integrity and Efficiency. We believe that the work performed provides a reasonable basis for our findings.

To accomplish our objective, we:

- Gathered and reviewed general, administrative, and background information to gain a working knowledge of the Department of the Interior's (DOI's) Integrated Charge Card Program and Purchase Card Program
- Obtained and reviewed relevant audit reports as well as applicable laws and regulations
- Identified and reviewed DOI, BLM, and NPS policies and procedures related to the purchase cards
- Reviewed purchase charge card statements and supporting documentation

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