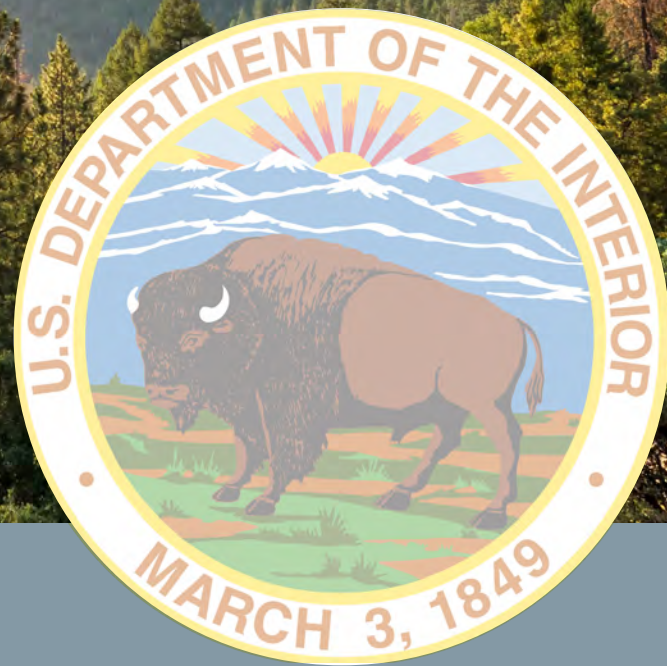




OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR



# Progress Made by the U.S. Department of the Interior in Implementing Government Charge Card Recommendations, Fiscal Year 2024



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

JAN 27 2025

Matthew Vaeth, Acting Director  
Office of Management and Budget  
725 17th Street, NW  
Washington, DC 20503

Subject: *Progress Made by the U.S. Department of the Interior in Implementing Government Charge Card Recommendations, Fiscal Year 2024*  
Report No. 2025-FIN-008

Dear Mr. Vaeth,

This letter 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) 2024, as well as information about other DOI-related charge card activities and Office of Inspector General (OIG) reviews.

The Government Charge Card Abuse Prevention Act of 2012 (Pub. L. No. 112-194) requires all executive branch agencies to establish and maintain safeguards and internal controls for purchase, travel, and centrally billed accounts. The Act is intended to reinforce efforts to prevent fraud, waste, and mismanagement of Governmentwide charge card programs. In addition, the Act requires Federal agency OIGs to conduct periodic risk assessments of agency purchase card or convenience check programs to analyze the risk of illegal, improper, or erroneous purchases and payments. We use these risk assessments to determine the necessary scope, frequency, and number of audits or reviews that we will perform related to these programs. The Government Charge Card Abuse Prevention Act also requires us to report on DOI's progress in implementing our recommendations regarding Government charge cards.

We issued one final audit report and one final evaluation report during FY 2024 that included charge card-related findings and recommendations. The status of the recommendations for both reports as of September 30, 2024, is as follows (see the attachment for a complete list of the recommendations and their status):

- We issued [\*Stronger Controls Needed Over the Bureau of Reclamation's Central Valley Project Cost Allocation and Ratesetting Processes\*](#) (Report No. 2022-WR-048) on August 12, 2024. In the report, we made 11 recommendations related to charge cards, 10 of which we considered implemented as of September 30, 2024, with 1 remaining recommendation with a revised target implementation date of April 30, 2025.
- We issued [\*The U.S. Department of the Interior Needs To Better Protect Data Stored in the Cloud From the Risk of Unauthorized Access\*](#) (Report No. 2022-ITA-025) on February 21, 2024. In the report, we made one charge card-related recommendation, which we considered resolved as of September 30, 2024, with a target implementation date of December 16, 2024.

As of September 30, 2024, our office had no ongoing charge card-related projects.

In addition to the two reports issued in FY 2024, we reviewed the status of the outstanding recommendations issued in prior years:

- We issued [\*The National Park Service Could Improve Oversight of Contract Services and Purchase Card Transactions for Alcatraz Island\*](#) (Report No. 2021-CGD-033) on August 10, 2023. In the report,

we made two recommendations related to charge cards, one of which was considered implemented and the other which remained resolved as of September 30, 2023. This recommendation was implemented in FY 2024.

- We issued *The Chemawa Indian School Did Not Account for Its Financial Resources, and the Bureau of Indian Education Did Not Provide Financial Oversight* (Report No. 2022-CR-012) on July 14, 2023. In the report, we made one charge card-related recommendation, which remained resolved as of September 30, 2023. This recommendation was implemented in FY 2024.
- We issued *Pandemic Purchase Card Use* (Report No. 2020-FIN-073) on October 22, 2021. In the report, we made 10 recommendations, 9 of which we considered implemented and 1 resolved as of September 30, 2023. The remaining recommendation was implemented in FY 2024.
- We issued *The U.S. Department of the Interior Needs to Strengthen Charge Card Internal Controls When Using Disaster Relief Funds* (Report No. 2020-FIN-002) on March 30, 2021. In the report, we made eight recommendations, seven of which we considered implemented and one resolved as of September 30, 2023. The remaining recommendation was implemented in FY 2024.
- We issued *The U.S. Department of the Interior Needs to Improve Internal Controls Over the Purchase Card Program* (Report No. 2018-FIN-059) on November 13, 2019. In the report, we made five recommendations, four of which we considered implemented and one resolved as of September 30, 2023. As of FY 2024, the remaining recommendation had a revised target implementation date of September 1, 2025.

If you have any questions about this progress report or require further information, please contact me at [aie\\_reports@doioig.gov](mailto:aie_reports@doioig.gov).

Sincerely,



Nicki Miller  
Acting Assistant Inspector General for Audits,  
Inspections, and Evaluations

cc: Kenneth R. Casey, Charge Card Program Manager, Office of Acquisition and Property Management, DOI  
Megan Olsen, Director, Office of Acquisition and Property Management, DOI

Attachment

## Attachment: Status of Government Charge Card Recommendations

***Stronger Controls Needed Over the Bureau of Reclamation's Central Valley Project Cost Allocation  
and Ratesetting Processes (Report No. 2022-WR-048)***  
Report Date: August 12, 2024

Recommendations	Status
We recommend that the U.S. Department of the Interior (DOI):	
8. Revise the Department's <i>Purchase Card Program Policy</i> to clarify that the supporting documentation for the date of receipt of goods include evidence, such as an email or annotation on a receipt, that the recipient received the items purchased.	Implemented
We recommend that the Bureau of Reclamation (BOR):	
9. Implement the requirement for maintaining packing slips and shipping documentation to support micropurchase transactions as established in the Department's <i>Purchase Card Program Policy</i> .	Implemented
10. Revise the <i>Purchase Business Line Requirement Handbook</i> to:	
(a) Align with the requirement that cardholders maintain copies of packing lists or shipping documents for all micropurchase transactions as established in the Department's <i>Purchase Card Program Policy</i> .	Implemented
(b) Reflect the changes made to the Department's <i>Purchase Card Program Policy</i> regarding supporting documentation requirements for the date or receipt.	
11. Develop a mechanism to enforce the use of the Central California Area Office's micropurchase request form and ensure the form has the required approvals.	Implemented
12. Develop a mechanism to enforce the use of the South-Central California Area Office micropurchase request form and ensure the form has the required approvals.	Implemented
We recommend that DOI:	
14. Discontinue the South-Central Area Office's current practice of allowing purchase card information to be kept at stores.	Implemented
15. Notify all area office cardholders that storing purchase card information at stores is not permitted.	Implemented
16. Revise the <i>Purchase Business Line Requirement Handbook</i> to reflect any future changes made to the Department's <i>Purchase Card Program Policy</i> regarding prohibiting the storage of purchase card information at stores.	Implemented
17. Resolve the \$1,685 in questioned costs for the two travel invoices.	Implemented
18. Implement routine sampling of micropurchase transactions at the Central California, Northern California, and South-Central California Area Offices to ensure compliance with applicable laws, regulations, policies, and procedures.	Resolved



***The U.S. Department of the Interior Needs To Better Protect Data Stored in the Cloud  
From the Risk of Unauthorized Access (Report No. 2022-ITA-025)  
Report Date: February 21, 2024***

Recommendation	Status
We recommend that the Office of the Chief Information Officer:	
7. Establish a process to regularly review purchase card transactions to identify and ensure that all cloud-computing systems used by Department employees and contractors on behalf of the Department are included in the Department's authoritative information system inventory.	Resolved

***The National Park Service Could Improve Oversight of Contract Services and Purchase Card Transactions for Alcatraz Island (Report No. 2021-CGD-033)  
Report Date: August 10, 2023***

Recommendations	Status
We recommend that the National Park Service (NPS):	
3. Direct AIS [Alcatraz Island Services, LLC] to develop appropriate controls for the timely submission and reconciliation of purchase card charges, invoices, and receipts.	Implemented
4. Remedy the questioned costs of \$3,408 related to the duplicate charges.	Implemented

***The Chemawa Indian School Did Not Account for Its Financial Resources, and the Bureau of Indian Education Did Not Provide Financial Oversight (Report No. 2022-CR-012)  
Report Date: July 14, 2023***

Recommendation	Status
We recommend that the Bureau of Indian Education:	
22. Require Chemawa Indian School to establish a mechanism to review Government-issued purchase card transactions monthly to ensure that cardholders are following requirements in <i>Indian Affairs Manual</i> part 22 and are not using Government-issued purchase cards to purchase accountable system-controlled property items.	Implemented

***Pandemic Purchase Card Use (Report No. 2020-FIN-073)***  
**Report Date: October 22, 2021**

<b>Recommendations</b>	<b>Status</b>
We recommend that the Bureau of Indian Affairs (BIA):	
1. Resolve the \$19,810 in questioned costs for items not received.	Implemented
We recommend that the Bureau of Land Management:	
2. Update its policy on purchase cards to require cardholders and approving officials to review transactions and attach supporting documents that can be used to identify what was purchased and from whom.	Implemented
3. Resolve the \$11,321 in questioned costs due to insufficient documentation.	Implemented
4. Reallocate the transaction, totaling \$5,410, to the correct funding source.	Implemented
We recommend that the NPS:	
5. Reallocate the 10 transactions, totaling \$18,015, to the correct funding source.	Implemented
We recommend that the BIA:	
6. Reallocate the 13 transactions, totaling \$826, to the correct funding source.	Implemented
We recommend that the U.S. Fish and Wildlife Service (FWS):	
7. Reallocate the four transactions, totaling \$832, to the correct funding source.	Implemented
We recommend that the NPS:	
8. Review transactions using CARES Act [Coronavirus Aid, Relief, and Economic Security Act] funds and verify that those purchases were only for PPE [personal protective equipment] or cleaning supplies as permitted by the operational plan.	Implemented
9. Reallocate the one transaction, totaling \$5,870 to the correct funding source.	Implemented
We recommend that the DOI:	
10. Develop and implement a process that includes accountability measures to ensure that existing policies establishing internal controls for purchase card reviews are followed.	Implemented

***The U.S. Department of the Interior Needs To Strengthen Charge Card Internal Controls When Using Disaster Relief Funds (Report No. 2020-FIN-002)***  
**Report Date: March 30, 2021**

<b>Recommendations</b>	<b>Status</b>
We recommend that the DOI and its bureaus:	
1. Develop internal controls that ensure the supporting documentation includes information that identifies what was purchased, for whom, and for what purpose.	Implemented
2. Establish policies and procedures providing guidance on how to pay for allowable evacuation costs when employees do not have a Government charge card.	Implemented
We recommend that the BOR:	
3. Resolve the \$279 in questioned costs due to insufficient documentation.	Implemented
We recommend that the FWS:	
4. Resolve the \$20,640 in questioned costs due to missing documentation.	Implemented
5. Resolve the \$1,309 in questioned costs of purchases not associated with disaster relief.	Implemented
We recommend that the NPS:	
6. Resolve the \$30,143 in questioned costs due to missing or insufficient documentation.	Implemented
7. Resolve the \$29,291 in questioned costs of purchases not associated with disaster relief.	Implemented
We recommend that the U.S. Geological Survey:	
8. Resolve the \$1,503 in questioned costs of purchases not associated with disaster relief.	Implemented

***The U.S. Department of the Interior Needs To Improve Internal Controls Over the Purchase Card Program***  
**(Report No. 2018-FIN-059)**  
**Report Date: November 13, 2019**

<b>Recommendations</b>	<b>Status</b>
We recommend that the DOI and its bureaus:	
1. Develop internal controls and increase accountability actions so that cardholders and approving officials review transactions and attach supporting documents that can be used to identify what was purchased, for whom, and why.	Implemented
2. Hold the individuals accountable who do not perform reviews in accordance with policy.	Implemented
3. Work with the vendor bank to develop an online review and approval system for cardholders and approving officials and develop policies and procedures that require cardholders and approving officials to use the bank's online system to review and approve transactions.	Resolved
4. Develop internal controls to ensure that cardholders and approving officials are taking and documenting completion of the required annual purchase card training.	Implemented
5. Develop internal controls to ensure that only warranted contracting officers make purchases above the micropurchase threshold.	Implemented





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## **REPORT FRAUD, WASTE, ABUSE, AND MISMANAGEMENT**

The Office of Inspector General (OIG) provides independent oversight and promotes integrity and accountability in the programs and operations of the U.S. Department of the Interior (DOI). One way we achieve this mission is by working with the people who contact us through our hotline.

### **WHO CAN REPORT?**

Anyone with knowledge of potential fraud, waste, abuse, misconduct, or mismanagement involving DOI should contact the OIG hotline. This includes knowledge of potential misuse involving DOI grants and contracts.

### **HOW DOES IT HELP?**

Every day, DOI employees and non-employees alike contact OIG, and the information they share can lead to reviews and investigations that result in accountability and positive change for DOI, its employees, and the public.

### **WHO IS PROTECTED?**

Anyone may request confidentiality. The Privacy Act, the Inspector General Act, and other applicable laws protect complainants. Specifically, 5 U.S.C. § 407(b) states that the Inspector General shall not disclose the identity of a DOI employee who reports an allegation or provides information without the employee's consent, unless the Inspector General determines that disclosure is unavoidable during the course of the investigation. By law, Federal employees may not take or threaten to take a personnel action because of whistleblowing or the exercise of a lawful appeal, complaint, or grievance right. Non-DOI employees who report allegations may also specifically request confidentiality.

If you wish to file a complaint about potential fraud,  
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or call OIG's toll-free hotline number: **1-800-424-5081**