



UNITED STATES CAPITOL POLICE OFFICE OF INSPECTOR GENERAL

Performance Audit of the United States Capitol Police Travel Card Program

Report Number OIG-2019-12

September 2019

REPORT RESTRICTION LANGUAGE

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INSPECTOR GENERAL

PREFACE

The Office of Inspector General (OIG) prepared this report pursuant to the Inspector General Act of 1978, as amended. It is one of a series of audits, reviews, and investigative and special reports OIG prepares periodically as part of its oversight responsibility with respect to the United States Capitol Police (USCP) to identify and prevent fraud, waste, abuse, and mismanagement.

This report is the result of an assessment of the strengths and weaknesses of the office or function under review. Our work was based on interviews with employees and officials of relevant agencies and institutions, direct observation, and a review of applicable documents.

We developed our recommendations based on the best knowledge available to OIG and discussed in draft with those responsible for implementation. It is my hope that the recommendations will result in more effective, efficient, and/or economical operations.

I express my appreciation to those contributing to the preparation of this report.

Michael A. Bolton
Inspector General

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Abbreviations and Acronyms

Agency Program Coordinator	APC
Budget Object Classification Code	BOC
Office of Financial Management	OFM
Office of Inspector General	OIG
United States Capitol Police	USCP or the Department

EXECUTIVE SUMMARY

In accordance with our *Annual Performance Plan Fiscal Year 2019*, the Office of Inspector General (OIG) conducted a performance audit of the United States Capitol Police (USCP or the Department) Travel Card Program. OIG objectives were to determine if the Department (1) established adequate internal controls and processes for ensuring compliance with Department policies, and (2) complied with applicable policies and procedures, as well as applicable laws, regulations, and best practices. Our scope included controls, processes, and operations from October 1, 2018, through March 31, 2019.

Overall, the Department lacked internal controls for ensuring that cardholders received the required recertification training. Directive [REDACTED], dated July 24, 2015, states “to maintain status as a travel cardholder, periodic recertification is required.” However, as of May 2019, 223 of the 1,168 cardholders at USCP had not taken recertification training in the last 3 years. The Department also lacked clear guidance specifying the frequency of training. Although the online travel card training module states “to maintain status as a cardholder or an approving official, annual recertification is required” the travel policy directive states that recertification is required only on a “periodic” basis.

The Department also did not comply with its policies and procedures related to the checkout process for employees separating from the Department. USCP did not retain documentation verifying that it collected travel cards from cardholders upon separation from the Department. As part of the checkout process for separating employees, travel cardholders must turn in travel cards. However, the Department did not maintain the separation checklists as documentation for 5 of the 10 sampled separated cardholders.

Finally, opportunities exist to use resources in a more efficient and effective manner. USCP cardholders did not make every effort to obtain exemption from lodging taxes. The 25 samples we reviewed for the audit period revealed that USCP reimbursed cardholders \$4,689 in lodging taxes. The Department did not enforce compliance of its Travel Policy Directive encouraging cardholders to obtain and complete tax exemption certificates prior to traveling.

OIG made three recommendations as shown in Appendix A. On September 4, 2019, OIG provided a draft report to the Department for comments. We incorporated the Department’s comments and attached its response in its entirety in Appendix B.

BACKGROUND

Although the Department is a legislative branch agency and therefore not required to comply with the Federal Travel Regulation and executive branch guidelines, the United States Capitol

Police (USCP or the Department) used those principals when developing its policies and procedures.

The Office of Financial Management (OFM) is responsible for executing and managing the USCP Travel Card Program. OFM's other responsibilities include reviewing, validating, and tracking travel vouchers submitted for payment.

In March 2009, the Office of Inspector General (OIG) issued Report Number OIG-2009-02, *Controls Over Travel Vouchers*. In that audit, OIG found that the Department did not fully disseminate its various versions of interim travel guidance to all of its employees and recommended that the Department finalize the draft [REDACTED] and disseminate the policy to employees. Additionally, OIG found that:

- Travel guidance was outdated and incomplete.
- Official travel cards were not always used appropriately.
- Travel expenditure oversight needed improvement.

As of July 2013, recommendations from Report Number OIG-2009-02 are closed.

Directive [REDACTED], dated July 24, 2015, established the Department's travel policies and procedures. The travel policy:

- Sets forth the requirements, terms, and responsibilities pertaining to the USCP Travel Card Program, including card application and issuance, card use, payment of account balances, handling disputed transactions, independent monitoring of travel card usage, and internal reporting of identified questionable transactions.
- Provides guidance for the process and procedures about preparation, approval, and submission of claims for reimbursement of travel expenses.
- Is intended to assist employees required to travel in the performance of their duties (operational assignments and training).

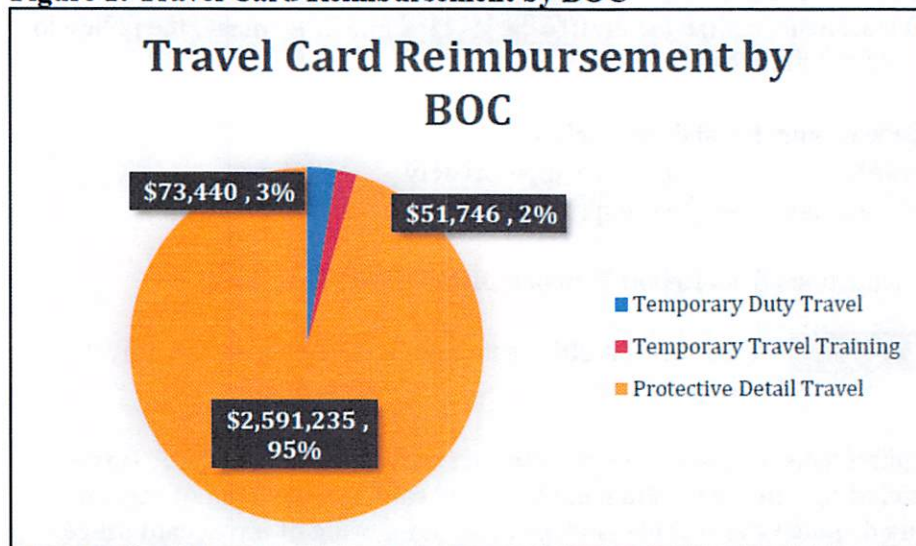
Any employee required to travel must obtain and use a USCP travel card while on official travel. To be eligible to apply for a USCP travel card, employees must first complete the Department's Travel Card Program training. To maintain status as a cardholder, periodic recertification is required. Cardholders accomplish that by retaking an online travel card training course.

In advance of official travel, a travel authorization is created in [REDACTED]. Employees seeking reimbursement for expenses incurred for official travel must complete a [REDACTED], citing the applicable travel authorization as well as attach applicable receipts such as transportation, lodging, or car rentals. The employee's Bureau Commander/Office Director or designee approves the travel voucher. OFM reviews the voucher and supporting documentation

for completeness or discrepancies. Once a travel voucher is processed for payment, subsequent claims are submitted using a supplemental travel voucher that references the original voucher, contains original signatures, and is annotated at the top as “supplemental.”

Travel card reimbursements during the scope of our audit totaled \$2,716,421. The Department provided a breakdown of travel card reimbursements by budget object classification codes (BOCs). Protective detail travel accounted for most of the travel card reimbursements during our audit period. See Figure 1 below for a breakdown of travel card reimbursements by BOC.

Figure 1: Travel Card Reimbursement by BOC



Source: OIG compiled from information provided by OFM.

OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with our *Annual Performance Plan Fiscal Year 2019*, OIG conducted a performance audit of the USCP Travel Card Program. OIG objectives were to determine if the Department (1) established adequate internal controls and processes for ensuring compliance with Department policies, and (2) complied with applicable policies and procedures, as well as applicable laws, regulations, and best practices. Our scope included controls, processes, and operations from October 1, 2018, through March 31, 2019.

To accomplish our objectives, we interviewed officials from OFM and reviewed documentation to gain an understanding of the Travel Card Program as well as the travel voucher process. To determine the adequacy of internal controls, we tested several attributes of the Program. To determine compliance, we reviewed the following guidance, consisting of USCP policies and best practices:

- USCP Standard Operating Procedure [REDACTED], dated March 10, 2016
- USCP Directive [REDACTED], dated July 24, 2015
- Public Law 112-194, *Government Charge Card Abuse Prevention Act of 2012*, approved October 5, 2012
- Office of Management and Budget, *Improving the Management of Government Charge Card Programs*, Circular Number A-123, Appendix B, (revised January 15, 2009)
- Public Law 105-264, *Travel and Transportation Reform Act of 1998*, approved October 19, 1998

In order to test compliance, we selected a random sample of 25 from the 1,168 travel cardholders in the Department to determine if the cardholders prepared the required documentation and whether the Department appropriately approved the documentation prior to issuing a travel card. We also tested that sample to ensure that the cardholders received appropriate training. Of the 1,168 travel cardholders, we selected a random sample of 25 to test the travel voucher and reimbursement process. From a population of 47 approving officials, we selected a random sample of 10 to determine if those officials prepared the appropriate documentation as well as completed required training. We then selected another random sample of 10 from 25 travel cardholders who separated from the Department during the scope of our audit to determine if cardholders returned their travel cards prior to separation.

OIG conducted this performance audit in Washington, D.C., from March through August 2019 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence that will provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. On September 4, 2019, we provided a draft copy of this report to Department officials for comments. See Appendix A for a complete list of OIG recommendations. OIG incorporated Department comments as applicable and attached their response to the report in its entirety as Appendix B.

RESULTS

Overall, the Department lacked an internal control that would ensure cardholders obtained recertification training. The Department also did not comply with policies and procedures related to the checkout process. Finally, opportunities exist to use resources in a more efficient and effective manner.

Lack of Internal Control to Ensure Cardholders Obtain Recertification Training

Travel cardholders did not complete the required training for recertification in a timely manner. Directive [REDACTED], dated July 24, 2015, states “to maintain status as a travel cardholder, periodic recertification is required and accomplished by retaking the online travel training course and answering all questions correctly.” As of May 2019, of the 1,168 cardholders in the Department, 223 did not take recertification training in the last 3 years. Even more strikingly, for example, the last time one cardholder took the recertification training was in 2001. The Department also lacks clear guidance for the frequency of training. The travel policy directive states only that recertification is required on a “periodic” basis, but the online travel card training module states “to maintain status as a cardholder or approving official, annual recertification is required.” An official of OFM stated that travel cardholders are required to take a refresher course every 2 years.

Department officials did not monitor compliance of the Travel Policy Directive requiring that cardholders recertify cardholder training by taking an online course. However, Directive [REDACTED] does not define the frequency of “periodic” recertification and many cardholders have not taken the recertification training in the last 3 years. Without up-to-date recertification training, employees may not be aware of changes in policies and procedures.

Conclusions

The Department did not comply with Directive [REDACTED] related to recertification training. Additionally, the Department lacked clear guidance for the frequency of training. Thus, OIG makes the following recommendation.

Recommendation 1: We recommend that the United States Capitol Police (USCP or the Department) update Directive [REDACTED] dated July 24, 2015, to include the frequency cardholders must accomplish recertification training. The directive should include controls that will ensure the Department is monitoring travel cardholders recertification dates.

Non-compliance with Policies and Procedures Related to the Checkout Process

USCP officials did not retain documentation verifying that they collected travel cards from cardholders upon separation from the Department. Directive [REDACTED], dated July 24, 2015, states: “as a part of the check-out process, a travel cardholder separating from the USCP will turn in his/her travel card to the APC [Agency Program Coordinator] after which the APC will immediately take action to close the credit card account.” OIG tested a sample of 10 cardholders that separated from the Department during the audit period. The Department could not provide completed separation checklists for 5 of the 10 sampled separated cardholders.

The Department did not maintain documentation verifying that separated employees had actually returned travel cards upon separation. Without maintaining proper documentation, the risk existed that separated employees did not return travel cards when they left the Department.

Conclusions

The Department did not comply with the Directive [REDACTED] related to the checkout process. Thus, OIG makes the following recommendation.

Recommendation 2: We recommend that the United States Capitol Police (USCP or the Department) update the Directive [REDACTED], dated July 24, 2015, to include specific procedures for the checkout process. The directive should include controls that ensure the Department is monitoring completion and retention of separation checklists.

Opportunity to Use Resources in a More Efficient and Effective Manner

USCP cardholders did not make every effort to obtain an exemption from lodging taxes. Directive [REDACTED] dated July 24, 2015, states “employees are encouraged to make every effort to obtain a tax exemption for all applicable hotel charges, regardless of the city, state, or municipality visited on official USCP business.” The 25 sampled cardholders reviewed for the audit period revealed that USCP reimbursed cardholders \$4,689 in lodging taxes.

Because it did not enforce compliance of its Travel Policy Directive encouraging cardholders to obtain and complete tax exemption certificates, the Department paid \$4,689 in lodging taxes when the employees should have made every effort to obtain a tax exemption.

Conclusions

The Department did not comply with the Directive [REDACTED] related to lodging tax exemptions. To ensure that USCP personnel use resources in the most efficient and effective manner, OIG makes the following recommendation.

Recommendation 3: We recommend that the United States Capitol Police (USCP or the Department) create a control ensuring that employees make every effort to obtain a tax exemption certificate for all applicable lodging charges.

APPENDICES


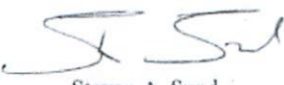
List of Recommendations

Recommendation 1: We recommend that the United States Capitol Police update Directive [REDACTED] dated July 24, 2015, to include the frequency cardholders must accomplish recertification training. The directive should include controls that will ensure the Department is monitoring travel cardholders recertification dates.

Recommendation 2: We recommend that the United States Capitol Police (USCP or the Department) update the Directive [REDACTED], dated July 24, 2015, to include specific procedures for the checkout process. The directive should include controls that ensure the Department is monitoring completion and retention of separation checklists.

Recommendation 3: We recommend that the United States Capitol Police (USCP or the Department) create a control ensuring that employees make every effort to obtain a tax exemption certificate for all applicable lodging charges.

DEPARTMENT COMMENTS

	UNITED STATES CAPITOL POLICE OFFICE OF THE CHIEF 119 D STREET, NE WASHINGTON, DC 20510-7218 September 16, 2019	Form 501-758-9806
	COP 190332	
MEMORANDUM		
TO:	Michael A. Bolton Inspector General	
FROM:	Steven A. Sund Chief of Police	
SUBJECT:	Response to Office of Inspector General draft report <i>Performance Audit of the United States Capitol Police Travel Card Program</i> (Report No. OIG-2019-12)	
<p>The purpose of this memorandum is to provide the United States Capitol Police response to the recommendations contained within the Office of Inspector General's (OIG) draft report <i>Performance Audit of the United States Capitol Police Travel Card Program</i> (Report No. OIG-2019-12).</p> <p>The Department generally agrees with all of the recommendations and appreciates the opportunity to work with the OIG to further improve upon the policies and procedures in place for the Travel Card Program. The Department will assign Action Plans to appropriate personnel regarding each recommendation in effect in order to achieve long term resolution of these matters.</p> <p>Thank you for the opportunity to respond to the OIG's draft report. Your continued support of the women and men of the United States Capitol Police is appreciated.</p> <p>Very respectfully,</p> <p> Steven A. Sund Chief of Police</p> <p>cc: Chad B. Thomas, Acting Assistant Chief of Police Richard L. Braddock, Chief Administrative Officer [REDACTED] JSCP Audit Liaison</p> <p>Nationally Accredited by the Commission on Accreditation for Law Enforcement Agencies, Inc.</p>		

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