



U.S. DEPARTMENT OF ENERGY

Office of Inspector General

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August 14, 2025

Allegations on the Failure of the Department of Energy to Effectively Oversee Travel Card Use for Executive Travel



SPECIAL PROJECT REPORT



Department of Energy
Washington, DC 20585

August 14, 2025

MEMORANDUM FOR THE ACTING DIRECTOR, OFFICE OF MANAGEMENT

SUBJECT: Special Project Report: *Allegations on the Failure of the Department of Energy to Effectively Oversee Travel Card Use for Executive Travel*

The attached report addresses allegations on failures of the Department of Energy to provide effective oversight of travel card use by a political appointee. This report also presents findings related to a limited number of other political appointees and Department senior executives. This report provides areas of consideration for the Department specifically focused on enhancing controls in this area, including ensuring that timely and appropriate actions are taken in response to reported travel card misuse and delinquencies. We did not evaluate the legitimacy of all individual expenses. Management concurred with our suggested actions and has taken steps to mitigate future occurrences.

We conducted this review from August 2024 through May 2025. We appreciated the cooperation and assistance received during this review.

A handwritten signature in blue ink, reading "Sarah Nelson", is positioned above the typed name.

Sarah Nelson
Assistant Inspector General
for Management
Performing the Duties of the Inspector General
Office of Inspector General

cc: Chief of Staff

DOE OIG HIGHLIGHTS

Allegations on the Failure of the Department of Energy to Effectively Oversee Travel Card Use for Executive Travel

August 14, 2025

Why We Performed This Special Project Report

We initiated this report to address allegations on failures of the Department of Energy to provide effective oversight of travel card use by a political appointee. This report also presents findings related to a limited number of other political appointees and Department senior executives (collectively, “Executives”).

What We Found

Our review substantiated four of the five items noted in the allegation regarding misuse or abuse of the rules and regulations related to the political appointee. We did not substantiate the allegation related to use of split disbursements.

Additionally, our review found that weaknesses were not just limited to the individual identified in the allegation but extended to a small number of other Executives within the Department. We found that certain Executives misused their Government-issued travel cards by making personal purchases using the cards and maintaining delinquent travel card account balances. Upon notification of travel card issues by the Office of Travel Management, we found that Executive leadership did not always act on the derogatory information provided related to travel card misuse. Notably, the misuse and lack of leadership action was not limited to any one program but identified across many Department program elements.

What We Recommend

This report provides areas of consideration for the Department, specifically focused on enhancing controls in this area, including ensuring that timely and appropriate actions are taken in response to reported travel card misuse and delinquencies.

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Background and Objective

The Office of Inspector General (OIG) is issuing this report to address allegations on failures of the Department of Energy to provide effective oversight of travel card use by a political appointee. This report also presents findings related to a limited number of other political appointees and Department senior executives (collectively, “Executives”). This report provides areas of consideration for the Department specifically focused on enhancing controls in this area, including ensuring that timely and appropriate actions are taken in response to reported travel card misuse and delinquencies. We did not evaluate the legitimacy of all individual expenses.

In August 2024, the OIG received an allegation that a political appointee may have intentionally misused a Government-issued travel card, and no corrective actions were being taken. It was also alleged that the individual received inappropriate travel reimbursements. Specifically, it was alleged that:

1. The individual may have intentionally misused the travel card by using the card for personal use;
2. The individual carried a large delinquent balance on the travel card and only made payments when notified of travel card suspension by the vendor;
3. The individual received temporary duty station payments within 50 miles of their official duty station;
4. The Department did not take corrective actions regarding delinquency and potential misuse because of the individual’s position within the organization; and
5. The individual did not use the split disbursement option, and all travel disbursements were deposited into a personal account.

In response to the allegation, we conducted analyses to determine if there was potential abuse of travel regulations by the named political appointee, as well as other political appointees and Executives.

Our review substantiated four of the five items noted in the allegation regarding misuse or abuse of the rules and regulations related to the political appointee. We did not substantiate the allegation related to use of split disbursements.

Results of Review

Our review found that weaknesses were not just limited to the individual identified in the allegation but extended to a small number of other Executives within the Department. We found that certain Executives misused their Government-issued travel cards by making personal purchases using the cards and maintaining delinquent travel card account balances. Upon notification of travel card issues by the Office of Travel Management (OTM), we found that Executives' leadership did not always act on the derogatory information provided related to travel card misuse. Notably, the misuse and lack of leadership action was not limited to any one program but identified across many Department program elements.

Travel Card Regulations

The Department follows Federal Travel Regulations (FTRs), 41 Code of Federal Regulations 300, and Department Order 550.1, *Official Travel*, both of which prohibit the misuse of U.S. Government-issued travel cards. FTRs mandate that travel cards are used for official travel expenses and may not be used for personal reasons.¹ The General Services Administration defines common examples of misuse/abuse of travel cards as personal use, use while not on official Government travel, and excessive automated teller machine withdrawals.² Further, Department Order 550.1 states that Federal travelers must “[m]eet travel charge card obligations in a proper and timely manner, pursuant to 5 [Code of Federal Regulations], Part 2635, ‘Standards of Ethical Conduct for Employees of the Executive Branch,’ or be subject to appropriate disciplinary action such as reprimand, suspension, or dismissal.” The General Services Administration defines delinquency in its online training as “an undisputed account balance that is unpaid for the prescribed number of calendar days or more past the statement due date” and that an account is deemed “past due if payment for the undisputed principal amount has not been received within 45 calendar days from the billing date in which the charge appeared.”³

Improper Purchases

Our review identified 149 transactions made by 32 Executives involving potential misuse of their travel cards. These Executives inappropriately used their travel cards for items such as pediatric services, grocery shopping, dining, hotel stays, and cash advances. Specifically, 61 transactions were unrelated to official travel, and 88 transactions were related to official travel but were initially flagged as potential misuse due to their nature. In total, the questionable cost for the transactions made by the Executives was \$15,224 (see Table 1). Although most of the individuals appeared on the misuse reports three or fewer times, several individuals made questionable transactions in at least 7 of the 11 months reviewed. Transactions were flagged by the OTM for four primary reasons, including that the travelers:

¹ 41 Code of Federal Regulations 300; FTRs (§301–51.1, §301–51.7, §301–51.8, §301–70.707).

² https://training.smartpay.gsa.gov/training_travel_pc/lesson07/.

³ https://training.smartpay.gsa.gov/training_travel_pc/lesson06/.

- Used Government-issued travel cards when not in official travel status;
- Used Government-issued travel cards for personal reasons;
- Did not use ConcurGov or the Department’s travel management center to make travel arrangements/reservations; and
- Did not use Government-issued travel cards as the method of payment for all authorized travel expenses.

Table 1: Reported Misuse Transactions

Reported Misuse Transactions	Number of Executives	Value of Transactions
1 – 3	13	\$2,832.43
4 – 5	11	\$6,129.87
6 – 7	3	\$2,237.32
8 – 11	4	\$2,081.43
13+	1	\$1,942.84
Total	32	\$15,223.89

We substantiated the allegation that the political appointee noted in the complaint might have been intentionally misusing the travel card by using the card for personal use. Our review of potential misuse reports provided by the OTM determined that the individual had 18 transactions flagged as potential misuse over a period of 10 months. This included transactions related to cash advances, food, and other expenses. Based on this initial review, we expanded our test work related to the allegation back to August 2022 and found a total of 57 questionable transactions valued at more than \$4,000 for the individual named in the complaint. We did not validate whether questionable transactions were actually paid to the travel card holder.

Travel Card Delinquencies

Our review of delinquency reports generated from the travel card vendor’s system found that 84 Executives were identified on the delinquency reports at least twice during our review period (see Table 2). This included 48 Executives that were delinquent in paying their account balance 3 or more times, 15 of whom were delinquent in paying their travel cards for at least 5 of the 11 months reviewed.

Table 2: Delinquency Reporting Summary

Months on Delinquency Report	Number of Executives
2	36
3 – 4	33
5 – 7	13
8 +	2
Total	84

We also noted that 19 Executives carried past due unpaid balances greater than 60 days, including 4 Executives that had past due balances greater than 90 days. We did not evaluate to determine whether delinquencies were the result of disputed unpaid balances.

We substantiated the allegation that the political appointee noted in the complaint carried a large delinquent balance on the travel card and only made payments when notified of travel card suspension by the OTM and the vendor. Specifically, the individual's travel card was suspended three times in the 11 months reviewed and was past due every month there were charges (see Table 3).

Table 3: Delinquency Reporting

Account Status	Category	Last Payment Date	Days Past Due	Current Balance	Past Due Amount	30 Days Past Due	60 Days Past Due
Account Past Due	Open	10/27/2023	1	\$7,359.00	\$856.35	\$856.35	N/A
Account Past Due	Open	11/1/2023	1	\$8,868.30	\$4,699.58	\$4,699.58	N/A
Suspend	Open	12/6/2023	31	\$7,620.47	\$6,409.18	\$4,168.72	\$2,240.46
Suspend	Open	1/23/2024	31	\$3,214.25	\$1,742.06	\$1,211.29	\$530.77
Account Past Due	Open	2/20/2024	1	\$1,510.91	\$1,162.95	\$1,162.95	N/A
Account Past Due	Open	4/22/2024	1	\$7,642.11	\$1,339.70	\$1,339.70	N/A
Account Past Due	Open	5/24/2024	1	\$4,720.74	\$544.63	\$544.63	N/A
Account Past Due	Open	6/7/2024	1	\$6,635.98	\$3,265.02	\$3,265.02	N/A
Suspend	Open	7/11/2024	31	\$7,540.71	\$4,252.51	\$3,370.96	\$881.55
Account Past Due	Open	8/27/2024	1	\$5,403.00	\$3,288.20	\$3,288.20	N/A

Based on our review of travel card balances obtained from the travel card vendor, we noted that the political appointee continued to carry a balance on the travel card at the end of our test work, indicating that this individual continued to be a risk.

Travel to Duty Station

The allegation also asserted that the political appointee received temporary duty station payments when traveling within 50 miles of the individual's official duty station. We substantiated this allegation for one instance totaling \$1,146.78.

Supervisor Responsibilities

We determined that, contrary to the requirements in Department Order 550.1, it did not appear that the political appointee noted in the allegation experienced derogatory actions due to repeated travel card misuse or delinquencies. The OTM sends reports to the traveler's Department Head

on possible improper purchases and travel card delinquencies. Department Order 550.1 directs supervisors to take certain actions when they are informed of travel misuse by their employees. The order of supervisor action includes:

1. Counsel employees who are delinquent in paying their travel charge card bills or have questionable or inappropriate charges to their accounts. Allow employees the opportunity to explain delinquencies or questionable charges and maintain records of the meetings and the explanations.
2. Contact the servicing human resources office for determinations of appropriate disciplinary actions if explanations for delinquencies or other questionable charges/activities are inadequate and take appropriate actions. At the discretion of the supervisor, the travel charge card may be canceled.
3. Notify the travel card program coordinator to suspend the travel card if there is a second instance of inappropriate use and reactivate the card on an as needed basis.
4. Notify the travel card program coordinator to cancel the travel card if there is a third instance of inappropriate use, an explanation for delinquency is inadequate, or the employee is leaving the Department.

In addition, FTRs permit the docking of employee pay to bring negative travel card balances to zero.⁴

Although we did not definitively substantiate the allegation that no action was taken against the political appointee because of the individual's position, our test work found that the allegation has merit. Specifically, the fact that the political appointee continued to maintain a travel card despite repeated misuse and delinquencies would indicate that corrective actions were not taken in accordance with Department policy.

Split Disbursements

Specific to the allegation, we reviewed transactions to determine whether the political appointee used the split disbursement option and whether all travel disbursements were deposited into a personal account. Travel card reimbursements are paid to the card vendor to cover authorized expenses and to the employee for travel-related expenses that are not charged to the travel card. The purpose of this split disbursement is to simplify the process of paying off the travel card and to help ensure that employees do not accumulate debt on their cards.

We found that the political appointee had 45 travel vouchers between August 23, 2022, and August 20, 2024, totaling \$64,517. Of this amount, \$48,838 (76 percent) was paid directly to the travel card vendor and \$15,128 (23 percent) was paid directly to the political appointee. There were also \$551 of non-reimbursable expenses. Based on our test work, we did not substantiate the allegation that the individual did not use the split disbursement option or that all travel disbursements were deposited into a personal account.

⁴ FTRs, Subpart B, *Policies and Procedures* (§301–76.1)

IMPACT AND PATH FORWARD

The lack of controls over travel card management increases the risk that travel cards will be misused. The issues we identified were exacerbated by noted commonalities between potential misuse and delinquency of travel card payments. For instance, 13 Executives were identified as having discrepancies identified on both the misuse reports and travel card delinquency reports.

Suggested Actions

It is important that political appointees and other senior executives are held to a high standard commensurate with their level of responsibility. Supervisors also must hold individuals accountable for potential misuse or abuse of travel cards, and in turn, the supervisors should be accountable for their management of the Executives. In light of the issues noted in this Special Project Report, we suggest that the Acting Director, Office of Management:

1. Require responses from supervisors back to the OTM upon receipt of a misuse or delinquent report with the actions that were taken. Any inactions may be reported to the Office of Management, as appropriate.
2. Seek reimbursement for inappropriately paid travel, as necessary.
3. Ensure controls are in place, including potential training of supervisors, to prevent potentially unallowable travel.

Management Comments

Management concurred with our suggested actions and has taken steps to mitigate future occurrences. Management did, however, note in its comments that the number and dollar amount of improper purchases reported was overstated.

Office of Inspector General Response

Management's comments and planned corrective actions are responsive to our suggested actions. In its comments, Department management noted that the report overstated the number and dollar amount of improper purchases. This assertion was based on a subsequent review from OTM and not reflective of the monthly potential misuse reports referenced. While the transactions in question were ultimately determined to be for official travel, they were initially flagged due to their nature and, absent substantive review, would have remained classified as potential misuse. This underscores our position in Suggested Action #1 to require supervisory responses to determine the legitimacy of potentially questionable transactions.

Management's comments are included in Appendix 2.

Objective, Scope, and Methodology

Objective

In response to the allegation, we independently conducted analyses to review for the abuse of travel regulations by the named political appointee, as well as other political appointees and senior executives within the Department of Energy (collectively, “Executives”). We are issuing this report to address allegations on failures of the Department to provide effective oversight of travel card use by a political appointee. This report also presents findings related to a limited number of other political appointees and Executives. We provided detailed information on our findings to the Department.

Scope

The scope of this report is limited to monthly travel misuse and delinquency reports received from the Office of Travel Management from October 2023 through August 2024. The time period of transactions reviewed specific to the political appointee noted in the allegation occurred from August 2022 through August 2024. This product is being issued under Office of Inspector General Project Number S25SP002.

Methodology

This Special Project Report was developed under the authority granted by the Inspector General Act, United States Code, §406(a)(2), to report on matters related to Department programs and operations that, in the judgement of the Inspector General, are necessary or desirable. The work was conducted in accordance with the Council of the Inspectors General on Integrity and Efficiency’s *Quality Standards for Federal Offices of Inspector General*, which set forth the overall quality framework for managing, operating, and conducting the work of Offices of Inspectors General. To accomplish our purpose, we:

- Developed this report using agile oversight methods supported by the Council of the Inspectors General on Integrity and Efficiency.
- Requested and received monthly travel delinquency and misuse reports from the Office of Travel Management, pulled Concur vouchers, and reviewed travel card vendor travel expenses. We reviewed 990 travel card transactions from August 23, 2022, through August 20, 2024, the period alleged in the complaint; and 45 Concur vouchers (including local vouchers) from August 1, 2022, through September 4, 2024. We compared Concur voucher “trip departure date” and “trip return date” to travel card vendor “transaction date” to ensure transactions were made while on official Government travel. We also compared Concur “TDY Location” information to the vendor’s “Merchant City” code.
- Reviewed and analyzed Office of Travel Management monthly travel misuse and delinquency reports.

- Analyzed each category of potential misuse to identify commonalities.
- Provided the Department the opportunity to review a preliminary draft of this report, and based on feedback provided by the Department, made appropriate revisions.

Management Comments



Department of Energy

Washington, DC 20585

July 9, 2025

MEMORANDUM FOR

Sarah Nelson
Assistant Inspector General for Management and Administration
Performing the Duties of the Inspector General
Office of Inspector General

FROM:

Nicholas Poradek
Acting Director, Office of Management

NICHOLAS
PORADEK

Digitally signed by
NICHOLAS PORADEK
Date: 2025.07.09
11:46:55 -0400

SUBJECT:

Office of the Inspector General (OIG) Draft Special Report:
*Allegations on the Failure of the Department of Energy to
Effectively Oversee Travel Card use for Executive Travel
(S25SP002)*

Thank you for the opportunity to review and comment on the subject OIG Draft special project report on travel completed between October 1, 2023 and September 30, 2024. The Department is committed to adhering to the travel rules and proper usage of Government-issued travel cards, and the Office of Management is implementing the OIG recommendations to improve controls over travel management.

The Department follows Federal Travel Regulation (41 Code of Federal Regulations 300) and Department Order 550.1, Official Travel, which require that travel cards be used for official travel expenses and not for personal reasons. While travel support for senior officials and political appointees is often complex and fluid, the Department is committed to ensuring compliance with travel rules.

Regarding the specific OIG observations noted in the report:

- **Improper Purchases.** The OIG draft report overstates the number and dollar amount of improper purchases. The OIG report identifies 149 improper purchases made by 32 executives in an amount totaling \$15,224.

The Office of Travel Management reviewed these transactions and found the majority (88 transactions) were for allowable cash advances totaling \$11,959 (see Federal Travel Regulation 41 CFR 301-51.101 and the DOE Travel Manual 301-51.204).

The Office of Travel Management validated that 61 of the transactions identified by the OIG, totaling \$3,285, were for improper purchases. Of these, 31 transactions totaling \$239.59 were for approved local travel where the travelers used their travel card for payment instead of submitting a local travel voucher. The remaining 30 transactions were the results of 10 executives improperly using their travel card.

The Department is in the process of collecting reimbursement for these erroneous charges, which total \$885.55.

- **Travel Card Delinquencies.** The Office of Management has taken steps to address the concerns regarding delinquencies noted in the report. MA now requests responses to delinquency notifications greater than 31 days and provides supervisors with guidance from DOE Order 333.1, *Administering Work Force Discipline, Adverse and Performance Based Actions*.
- **Travel to Duty Station.** The OIG identified during their inspection a political appointee who received payment while within his official duty station. The Department has billed the appointee for this transaction.
- **Impact and Path Forward.** The Office of Management provides departmental elements with monthly misuse and delinquency reports as well as guidance for administrative workforce discipline. MA advises departmental elements of their responsibility to counsel employees and take any necessary disciplinary action. MA also continues to assist departmental elements with questions on travel card requirements.

Please direct any questions regarding the response to the OIG recommendations to Milton Hilliard Jr, Director, Office of Travel Management, (202) 586-3577 or Milton.Hilliard@hq.doe.gov.

Management Response

Draft Special Report:
“Allegations on the failure of the Department of Energy to Effectively Oversee Travel Card
Use for Executive Travel”

Managements Actions:

In concurrence to the recommendations from the Office of the Inspector General (OIG), management has completed the actionable items as a result of this audit. The actions that management has taken will improve controls regarding the review and subsequent approval of travel requests and vouchers.

1. Require responses from supervisors back to the Office of Travel Management upon receipt of a misuse or delinquent report with the actions that were taken. Any inactions may be reported to the Office of Management, as appropriate; and:

Management Response: Concur

- The Director, Office of Management provides program elements with potential misuse and delinquency reports as well as guidance for administrative workforce discipline. The Office of Management reminds departmental elements of their responsibility to counsel employees and take disciplinary action, as necessary. MA continues to assist departmental elements with questions on travel card requirements, as needed. This supports compliance with the Federal Travel Regulations (41 CFR 300) and Department Order 550.1.

Completion Date: Action completed on January 31, 2025

2. Seek reimbursement for inappropriately paid travel, as necessary; and:

Management Response: Concur

The Office of Management has coordinated with the the Office of the CFO to issue a bill for any inappropriately paid travel. The bill was sent on May 22, 2025..

Completion Date: Action cop May 22, 2025

3. Ensure controls are in place, including potential training of supervisors, to prevent potentially unallowable travel.

Management Response: Concur

The Office of Management provides quarterly refresher training that covers FTR and Department Travel Manual requirements and responsibilities. Additionally, the Office of Travel Management provided a recorded version of the training that can be reviewed

on demand as travel approving officials change. The link to that training can be found on the Department's Travel Services website ([Travel Services | Office of Travel Management](#)) and can be accessed directly [here](#).

Completion Date: Action completed on March 31, 2025

FEEDBACK

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