



UNITED STATES RAILROAD RETIREMENT BOARD

OFFICE OF INSPECTOR GENERAL

January 30, 2024

Via Electronic Transmission through OMB Max

Ms. Shalanda Young
Director
Office of Management and Budget
1650 Pennsylvania Avenue, NW
Washington, DC 20503

Dear Ms. Young:

The Government Charge Card Abuse Prevention Act of 2012 (Act) mandates responsibilities for the Inspector General (IG) of each executive agency.¹ The IG at each agency is required to conduct periodic risk assessments of agency purchase card or convenience check transactions. They are also required to conduct periodic audits or reviews of travel card programs to identify and analyze the risks of illegal, improper, or erroneous purchases and payments. In addition, they are to develop a plan to determine the scope, frequency, and number of IG audits that are to be performed.

The Act further mandates that the IG perform analysis or audits, as necessary, of purchase card transactions designed to identify: potentially illegal, improper, or erroneous uses of purchase cards; any patterns of such uses; and categories of purchases that could be made by means other than purchase cards in order to better aggregate purchases and obtain lower prices.

The Act also mandates that the IG report agency progress in implementing audit recommendations to the Director of the Office of Management and Budget.

The Railroad Retirement Board (RRB) Office of Inspector General (OIG) conducted a risk assessment of the RRB's purchase and travel card programs for fiscal year 2023 that included a review of the implementation status of existing audit recommendations related to those programs. The RRB's purchase and travel card spending totaled approximately \$1,039,610 and \$483,717, respectively. The RRB's spending was below the \$10 million threshold established for increased oversight and reporting.

¹ Pub. L. No. 112-194 (2012).
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Based on the results of our fiscal year 2023 purchase and travel card risk assessment, our office assessed the overall risk level of illegal, improper, or erroneous purchases and payments as low.

In fiscal year 2023, the RRB OIG did not perform any performance audits related to RRB’s government charge card program. There was only one open RRB OIG recommendation in fiscal year 2023 pertaining to the program, which RRB did not implement. The following paragraphs described the RRB OIG recommendations that the RRB implemented in fiscal year 2022.

In fiscal year 2021, the RRB OIG engaged Harper, Rains, Knight & Company (HRK) to conduct a performance audit of RRB’s purchase card program.² The purpose of the audit was to identify and assess control weaknesses for the RRB’s purchase card program. HRK concluded that the RRB purchase card program substantially complies with laws and regulations. However, HRK did identify one instance of noncompliance with the Office of Management and Budget Circular A- 123, Appendix B, *A Risk Management Framework for Government Charge Card Programs*, Revised August 27, 2019. They also identified one instance of noncompliance with the Act.³ In this report, HRK had two findings resulting in four recommendations regarding the RRB’s purchase card program. RRB management concurred with all four recommendations, and in fiscal year 2022, all four were implemented.

In fiscal year 2017, the RRB OIG performed an audit of RRB’s compliance with the General Services Administration’s Federal Travel Regulation.⁴ The purpose of this audit was to determine if the RRB complied with the Federal Travel Regulation, and implemented and enforced adequate internal controls. In fiscal year 2022, RRB management closed all but one of the remaining open recommendations from this report. Table 1 provides key information regarding the open recommendation.

Table 1. Open Recommendation for Travel and Purchase Card Programs

Audit Report Title and Number	Date Issued	Open Recommendations
Railroad Retirement Board Did Not Always Comply with the Federal Travel Regulation Report No. 17-04	04/11/2017	Recommendation 11 Office of Administration conduct refresher training on required travel card usage requirements for travel cardholders and approvers to ensure compliance with the Federal Travel Regulation.

Source: Railroad Retirement Board Office of Inspector General analysis of open recommendations.

² Railroad Retirement Board (RRB) Office of Inspector General (OIG), *Audit of the Purchase Card Program at the Railroad Retirement Board*, Report No. 21-06 (Chicago, IL: May 27, 2021).

³ Pub. L. No. 112-194 (2012).


⁴ RRB OIG, *Railroad Retirement Board Did Not Always Comply with the Federal Travel Regulation*, Report No. 17-04 (Chicago, IL: April 11, 2017).

RRB management is working on closing the open recommendation described in Table 1. Once completed, the RRB will submit a closure memorandum after completion of the corrective action.

We will continue to conduct periodic risk assessments and review the RRB's purchase and travel card programs as part of our audit and review responsibilities. If you have any questions regarding the information in this submission, please contact Shanon E. Holman, Assistant Inspector General for Audit, at (312) 751-4329 or Shanon.Holman@oig.rrb.gov.

Sincerely,

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Martin J. Dickman
Inspector General