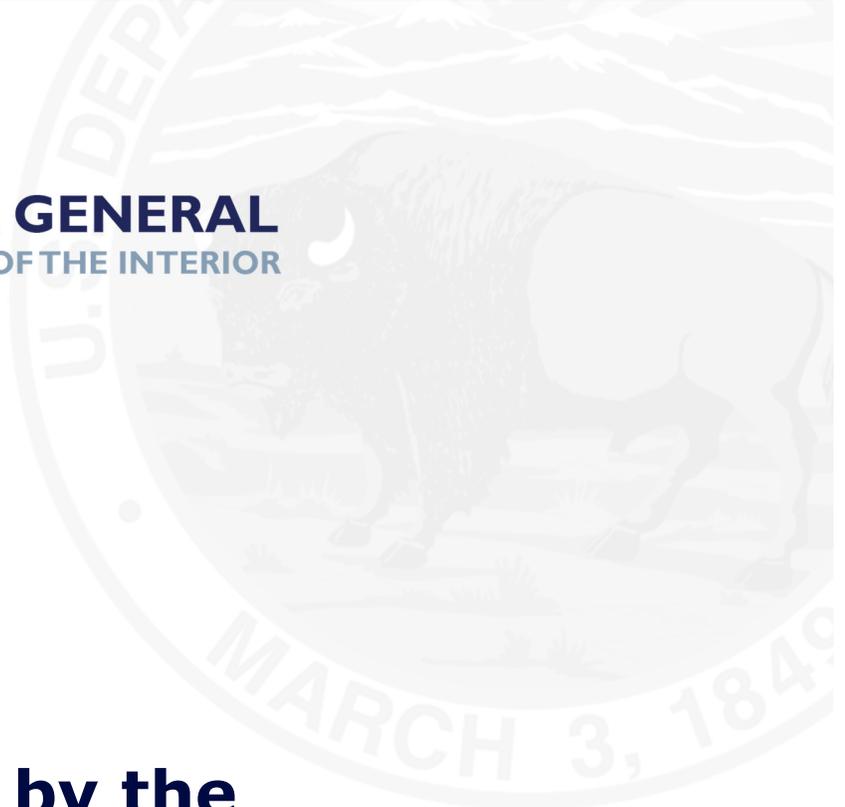




OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR



# **Progress Made by the U.S. Department of the Interior in Implementing Government Charge Card Recommendations, Fiscal Year 2021**



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

**JAN 31 2022**

Shalanda Young, 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 2021*  
Report No. 2022-FIN-014

Dear Ms. Young:

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) 2021, 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 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.

As a result of our risk assessments, our office initiated two charge card inspections with the objective of determining whether Coronavirus Aid, Relief, and Economic Security Act (CARES Act) charge card transactions were mission related, fulfilled, allocable to the CARES Act, and properly supported in accordance with DOI and bureau policy. Since these inspections were not completed as of September 30, 2021, any recommendations from these inspections will be included in our subsequent reporting for FY 2022.

Pub. L. No. 112–194 requires us to report to you on the DOI's progress in implementing our audit recommendations related to Government charge cards. In FY 2021, the DOI had more than \$602 million in charge card purchases, and we issued one audit report related to internal controls over Government purchase cards at the DOI. That report, *The U.S. Department of the Interior Needs To Strengthen Charge Card Internal Controls When Using Disaster Relief Funds* (2020-FIN-002), was issued on March 30, 2021, and included eight recommendations. As of the end of FY 2021, all eight recommendations were resolved, and seven were implemented. One

recommendation, with a target completion date of December 31, 2021, remains unimplemented (see attachment for additional details).

We also reviewed the status of the recommendations we made in one FY 2020 audit report, *The U.S. Department of the Interior Needs To Improve Internal Controls Over the Purchase Card Program* (2018-FIN-059), issued November 13, 2019. In the report, we made five recommendations, four of which have been resolved and implemented. As of the end of FY 2021, one recommendation is resolved but remains not implemented. The target completion date for this recommendation is February 1, 2022. The attachment to this letter includes a complete list of these recommendations and the status of each. Recommendations that are not implemented are shown in bold.

If you have any questions about this progress report or require further information, please contact me at 202-208-5745.



Kathleen R. Sedney  
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

*The U.S. Department of the Interior Needs To Strengthen Charge Card Internal Controls When Using Disaster Relief Funds (2020-FIN-002)*  
**Report Date: March 30, 2021**

Recommendations	Status
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	Resolved and implemented
2. <b>Establish policies and procedures providing guidance on how to pay for allowable evacuation costs when employees do not have a Government charge card</b>	<b>Resolved but not implemented</b>
We recommend that the Bureau of Reclamation:	
3. Resolve the \$279 in questioned costs due to insufficient documentation	Resolved and implemented
We recommend that the U.S. Fish and Wildlife Service:	
4. Resolve the \$20,640 in questioned costs due to missing documentation	Resolved and implemented
5. Resolve the \$1,309 in questioned costs of purchases not associated with disaster relief	Resolved and implemented
We recommend that the National Park Service:	
6. Resolve the \$30,143 in questioned costs due to missing or insufficient documentation	Resolved and implemented
7. Resolve the \$29,291 in questioned costs of purchases not associated with disaster relief	Resolved and implemented
We recommend that the U.S. Geological Survey:	
8. Resolve the \$1,503 in questioned costs of purchases not associated with disaster relief	Resolved and implemented

**The U.S. Department of the Interior Needs To Improve Internal Controls  
Over the Purchase Card Program (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	Resolved and implemented
2. Hold the individuals accountable who do not perform reviews in accordance with policy	Resolved and implemented
3. <b>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</b>	<b>Resolved but not implemented</b>
4. Develop internal controls to ensure that cardholders and approving officials are taking and documenting completion of the required annual purchase card training	Resolved and implemented
5. Develop internal controls to ensure that only warranted contracting officers make purchases above the micropurchase threshold.	Resolved and implemented

