January 21, 2022

Shalanda Young, Acting Director
c/o Stannis Smith
Office of Management and Budget
725 17th Street NW
Washington, DC 20503

Dear Ms. Young:

The Government Charge Card Abuse Prevention Act of 2012 (Charge Card Act) and OMB's implementing guidance (OMB M-13-21) require each office of inspector general (OIG) to perform annual risk assessments, as well as to submit semiannual reports to OMB, in coordination with the Department, of employee purchase or integrated card violations and the resulting actions taken. Where annual travel card spending for an agency exceeds $10 million, the Charge Card Act and OMB M-13-21 require periodic audits or reviews of the agency's travel card program. In fiscal year (FY) 2020, the Department had $16.4 million in travel card expenses. OIGs must also submit an annual purchase and travel card audit recommendation status report to OMB. Below is a summary of the actions we have taken during FY 2021 to fulfill these requirements, as well as additional information on our related work.

We provided July 2021 and January 2022 Department reports to OMB regarding known and completed reviews and investigations of fraudulent use or abuse of purchase cards that resulted in fraud, loss to the government, or misappropriation of funds or assets. Currently, there are no open recommendations concerning the use of government cards.

While we did not conduct a travel card audit or review of FY 2020 transactions, we did conduct a risk assessment for illegal, improper, or erroneous FY 2020 purchase card, travel card, and fleet card transactions. We based the risk assessment on an analysis of trends and variances from the previous year. We assessed each bureau, and the resulting scores determined the bureaus fell within a reasonable range of risk. The average risk scores of all the bureaus combined decreased by 33 percent from FY 2019 to FY 2020.

If you have any questions, please contact me at (202) 482-2877.

Sincerely,

Richard Bachman
Assistant Inspector General for Audit and Evaluation