



At a Glance

Why We Did This Review

The Government Charge Card Abuse Prevention Act of 2012 requires the Inspector General of each executive agency to conduct periodic assessments of the agency purchase card or convenience check programs. Risk assessments should identify and analyze risks of illegal, improper or erroneous purchases and payments. These risk assessments are used to determine the scope, frequency and number of periodic audits of purchase card or convenience check transactions.

As the Inspector General for the U.S. Chemical Safety and Hazard Investigation Board (CSB), our objective was to perform a risk assessment of agency purchase cards usage, as required by the act.

This report addresses the following CSB goal:

- *Preserve the public trust by maintaining and improving organizational excellence.*

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The full report is at: www.epa.gov/oig/reports/2015/20150629-15-N-0171.pdf

CSB's Fiscal Year 2014 Purchase Card Program Assessed as High Risk

What We Found

Our risk assessment determined that CSB's fiscal year (FY) 2014 purchase card program was at high risk for illegal, improper or erroneous purchases and payments. The program did not meet federal requirements. CSB's purchase card program had the following deficiencies:

CSB's \$280,000 purchase card program for FY 2014 was assessed as high risk for illegal, improper or erroneous purchases and payments.

- CSB did not have a written Charge Card Management Plan until November 2014. CSB was unaware of the requirement to submit its plan to the Office of Management and Budget by the required January 2014 deadline.
- CSB's management made assurances it had the appropriate policies and controls in place for purchase cards in FY 2014, but CSB did not establish written policies and controls in a management plan until FY 2015.
- CSB's management plan did not identify all key management officials.
- CSB's management plan did not contain the required compliance summary and internal control assurance assessment.
- CSB did not obtain prior written supervisory approvals for purchases.

Because CSB's purchase card program is at high risk for illegal, improper or erroneous purchases and payments, we will conduct an audit of CSB's purchase card program in FY 2016.

In response to our draft report, CSB agreed that it did not timely submit a Charge Card Management Plan to the Office of Management and Budget by the required deadline, and did not include the compliance summary in its management plan. CSB has also agreed that it did not obtain prior written supervisory approval for some purchases.

However, CSB disagrees that it certified controls without written internal policies and procedures. CSB maintains that it follows the Bureau of the Fiscal Service's purchase card procedures and the management plan formalized CSB's longstanding purchase card procedures. We did not find evidence that CSB staff were made aware that there were no agency-specific policies and therefore they were required to follow Bureau of the Fiscal Service guidance. CSB also disagrees that the management plan did not identify key management officials. We believe that the CSB Managing Director approves funding for all purchase card transactions and should be listed as a key management official.