



OFFICE OF
INSPECTOR GENERAL

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

November 27, 2018

The Honorable Mick Mulvaney
Director
Office of Management and Budget
c/o Stannis Smith
725 17th Street, NW
Washington, DC 20503

Dear Mr. Mulvaney:

We are sending this letter in accordance with the Government Charge Card Abuse Prevention Act of 2012 (Public Law 112-194), which requires that Inspectors General report to the Director of the Office of Management and Budget (OMB) on the implementation of recommendations made to the head of the executive agency to address findings of any analysis or audit of purchase card and convenience check transactions or programs. Furthermore, OMB Memorandum M-13-21, "Implementation of the Government Charge Card Abuse Prevention Act of 2012," states that Inspectors General will report to the Director of OMB 120 days after the end of each fiscal year on agency progress in implementing such audit recommendations.

We identified two open purchase card recommendations, resulting from an audit report we issued in September 2018.¹ The recommendations were to ensure U.S. Securities and Exchange Commission (SEC) cardholders comply with established requirements when using a Government purchase card to purchase information and data sources and print materials. Specifically, we recommended:

- The SEC Office of Acquisitions remind the agency's Government purchase cardholders of the importance of retaining support for purchases (SEC OIG Report No. 548, Recommendation 6).
- The SEC Library take steps to ensure Government purchase cardholders in all agency divisions and offices are aware and knowledgeable of the Library's *Policy on Purchasing Books, Journals, Newspapers, & e-Information Licenses* (SEC OIG Report No. 548, Recommendation 7).

SEC management concurred with both recommendations and is developing a corrective action plan.

¹ U.S. Securities and Exchange Commission, Office of Inspector General, "The SEC Should Take Action to Strengthen Its Management of Electronic Information Sources, Data Sources, and Print Materials," (Report No. 548, September 11, 2018).

As required by the Government Charge Card Abuse Prevention Act of 2012, we are performing an annual risk assessment of the SEC's government purchase card program. We will report that work to the agency later this fiscal year.

If you have questions or require additional information, please contact Rebecca Sharek, Deputy Inspector General for Audits, Evaluations, and Special Projects, at sharekr@sec.gov or (202) 551-6061.

Sincerely,



Carl W. Hoecker
Inspector General

cc: Jay Clayton, Chairman
Lucas Moskowitz, Chief of Staff, Office of Chairman Clayton
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