



Federal Election Commission
Office of the Inspector General

MEMORANDUM

TO: John Quinlan
Chief Financial Officer

Alec Palmer
Staff Director/Chief Information Officer

Lisa Stevenson
Acting General Counsel

THROUGH: Christopher Skinner
Inspector General

FROM: Michael Mitchell
Senior Auditor

SUBJECT: Special Review 23-02: Review of the FEC Travel and Purchase Card Programs

DATE: August 1, 2023

ENCL: (a) Appendices 1 and 2
(b) Management Response

Executive Summary

The Federal Election Commission (FEC) Office of the Inspector General (OIG) conducted a special review of the travel and purchase card programs as planned in the OIG Fiscal Year (FY) 2023 Work Plan. The objective of the special review was to determine if the FEC's travel, and purchase card programs comply with federal laws and regulations.

The OIG conducted the special review from February 20, 2023, to May 19, 2023. During the review, several areas were identified where management could enhance program controls, including ensuring that the responsibilities of Approving Officials (AOs) align with the guidance provided in Office of Management and Budget (OMB) A-123, Appendix B, and General Services Administration (GSA) SmartPay Training. Additionally, monitoring the completion of training and improving the timely submission of travel vouchers (TV) to the Office of the Chief Financial Officer (OCFO) were identified as areas for control improvement within the process.

Accordingly, the OIG recommends the following five actions:

1. That the agency follows the general purchase card training requirements from OMB A-123, Appendix B and GSA SmartPay guidelines, to ensure all program participants have completed training requirements and maintain training certifications as required.
2. That the agency negotiate with the NTEU to update the LMA to include the travel voucher requirements documented in the Federal Travel Regulations § 301–52.7.
3. That the agency monitor that the travel voucher is submitted within five working days according to FTR § 301-52.7.
4. That the agency evaluate whether the current travel oversight for the Commissioner and other senior leaders is appropriate.
5. That the agency update and finalize the travel policy, travel manual, and procurement office policies and procedures.

Background

The FEC OIG reviewed travel and purchase card transactions, as scheduled in the OIG Fiscal Year 2023 Work Plan. Specifically, the review aimed to ensure that the FEC adhered to the requirements outlined in the [Government Charge Card Abuse Prevention Act of 2012](#) (Charge Card Act) and the guidelines provided in the [Office of Management and Budget \(OMB\) Circular No. A-123, Appendix B: A Risk Management Framework for Government Charge Card Programs](#), General Services Administration ([GSA SmartPay Training](#)), Federal Travel Regulations, and FEC's internal travel and procurement policies.

Objectives, Scope, and Methodology

The scope of the special review includes but was not limited to the testing of FY 22 (October 1, 2021 – September 30, 2022) travel/ purchase charge card transactions to ensure agency compliance with the aforementioned regulations and guidance.

Findings and Recommendations

A. Documentation of Purchase Card Approving Official (AO) Training Certification

The OIG requested training documentation for program officials and found that training certifications for AOs are not on file with the OCFO. As a result, the OIG could not confirm whether AOs had completed the required training. The OCFO confirmed and indicated that they would request certifications from cardholders and AOs in the future.

AOs must receive the same training as the cardholders and other relevant training as agency policy requires.²

According to the revised Appendix B to OMB Circular A-123, the general training requirements provide that:

1. All program participants must be trained prior to appointment;
2. All program participants must take refresher training in accordance with agency policy but, at a minimum, every 3 years;
3. All program participants must certify that they have received the training, understand the regulations and procedures and know the consequences of inappropriate actions. Agencies will determine the method of certification; and
4. Copies of required training certificates must be maintained pursuant to National Archives and Records Administration (NARA) records requirements.

The FEC Procurement Procedures for Government Small Purchase Card (Credit Card) Program § 6.03.1 (b) states in pertinent part:

*Training and Refresher Training Registration. All Cardholders and Approving Officials are required, on an annual basis, to take a refresher course (online) or attend a briefing as instructed by the A/OPC at a minimum, every 3 years.*⁴

Recommendation 1: That the agency follow the general purchase card training requirements from OMB A-123, Appendix B, and GSA SmartPay guidelines to ensure all program participants, including AOs, have met the general training requirements and maintain training certifications as required.

B. Guidance for the Timely Submission of Travel Vouchers is Inconsistent

Federal Travel Regulations § 301–52.7 states in pertinent part:

Unless your agency administratively requires you to submit your travel claim within a shorter timeframe, you must submit your travel claim as follows:

- a) *Within 5 working days after you complete your trip or period of travel; or*
- b) *Every 30 days if you are on continuous travel status.*

² [OMB Circular A-123, Appendix B](#), Chapter 4.5

³ FEC Administrative Services Division Travel Card Policy, Jan 2015, p10

⁴ FEC Procurement Office Policy & Procedures - Procurement Procedures -030 Government Small Purchase Card (Credit Card) Program, § 6.03.1 (b), Jan 2010

As indicated in Appendix 1, the FEC Travel Manual § 4.7 Employee Traveler indicates the employee traveler is required to:

- *Submit Travel Authorizations prior to commencement of travel.*
- *File Travel Vouchers with required receipts, withing **five** days of completion of the trip.*
- *Pay travel card balances timely and ensure prompt reporting of questionable charges and disputes.*

Footnote 2 on page 9 of the FEC Travel Manual references the 2013 FEC and the National Treasury Employees Union (NTEU) Labor Management Agreement (LMA).⁵ However, the referenced policy, Article 33 §4 (B) of the LMA, states:

*Within **ten** (10) workdays of returning from travel, employees must submit their travel voucher.*

The LMA conflicts with the Federal Travel Regulations § 301–52.7 and is inconsistent with the guidance provided in the FEC Travel Manual. During the course of this review, the OIG communicated this inconsistency with agency leadership and leadership intends to address the issue during future negotiations with the NTEU.

As documented in Appendix 2, the testing for timely submission of TVs indicates the net working days between the traveler's return from travel and the submission of the travel vouchers to the AO ranges from 5 to 72 days.

Recommendation 2: That the agency negotiate with the NTEU to update the LMA to include the travel voucher requirements documented in Federal Travel Regulations § 301–52.7.

Recommendation 3: That the agency monitor that the travel voucher is submitted according to FTR § 301-52.7.

C. AO Approval by Subordinates

The Staff Director is responsible for approving open travel authorizations for Commissioner travel. [GSA SmartPay Travel Training \(Account Holders/AOs\)](#)⁶ states in pertinent part:

An Approving Official is able to act independently. For example, an employee should not be the Approving Official for a supervisor. This type of arrangement may put the employee in a compromising position and jeopardize their role as an Approving Official.

Recommendation 4: That the agency evaluate whether the current travel oversight for the Commissioners and other senior leaders is appropriate.

⁵ [The Federal Election Commission and the National Treasury Employees Union, Labor Management Agreement Between the Federal Election Commission and the National Treasury Employees Union, 2013](#)

⁶ [GSA SmartPay Travel Training \(Account Holders/AOs\), pg. 27](#)

D. Policy update

The agency's procurement policy was last updated in 2010, while the travel policy was last revised in 2015. These policies still reference the previous contractor for charge cards, even though their services ended with the FEC in 2019.

Furthermore, the procurement policy makes mention of the agency's previous procurement system, which was replaced on August 2, 2021. All purchase requests are routed through the new system as of August 9, 2021.

Recommendation 5: That the agency take action to update and finalize the travel policy, travel manual, and procurement office policies and procedures.

Conclusions

Based on our analysis, it is recommended that the agency revise its policies, including the LMA, to better align with the training provided in GSA SmartPay Travel and Purchase Training, OMB A-123, Appendix B, and FTR. This alignment is necessary to ensure cardholders and AOs complete the required training and maintain proper documentation. It will also provide employees with consistent guidance and facilitate timely travel voucher processing.

Furthermore, it was observed that the span of control for AOs overseeing commissioner travel might not align with the recommendations outlined in GSA SmartPay Training. The agency should reassess the responsibilities of AOs and evaluate the current oversight of travel for the commissioners and other senior leaders as appropriate. If you have any questions regarding this report, please contact the OIG.

Summary Table of Recommendations

Recommendation #	Recommendation Details
1	That the agency follows the general purchase card training requirements from OMB A-123, Appendix B, and GSA SmartPay guidelines to ensure all program participants have completed training requirements and maintain training certifications as required.
2	That the agency negotiate with the NTEU to update the LMA to include the travel voucher requirements documented in the Federal Travel Regulations § 301-52.7.
3	That the agency monitor that the travel voucher is submitted within five working days according to FTR § 301-52.7.
4	That the agency evaluate whether the current travel oversight for the Commissioner is appropriate.
5	That the agency update and finalize the travel policy, travel manual, and procurement office policies and procedures.

cc: The Commission



Appendix 1 - Pages 8-9 of the FEC Travel Manual

- C. Deputy Staff Directors/Chief Officers. Authorizing Official authority may be delegated to Assistant Staff Directors/Directors (i.e., one supervisory level below the senior level).
- D. General Counsel, Deputy General Counsel, and Associate General Counsels. Authorizing Official authority may be delegated to Assistant General Counsels (i.e., one supervisory level below the senior level).
- E. Inspector General (IG), Deputy IG and Counsel to the IG. The Counsel to the IG is the back-up official to the IG and Deputy IG.
- F. Chief Financial Officer. Authorizing Official authority may be delegated to Division and Office Heads (i.e., one supervisory level below the senior level).

4.6 OCFO Responsibilities

The Finance Division and Budget Office are responsible for reviewing the Travel Authorization for completeness, accuracy, and compliance with the FTR and FEC policies. The offices notify the authorizing or approving official within the respective program office if there are any issues with travel documentation submitted for processing. The Budget Office obligates funds approved on each TA and de-obligates funds for any cancellations.

A. Travel Examiner in the Finance Division must:

1. Provide the TA number to the traveling employee to ensure that the Travel Management Contractor has the appropriate authorization number to directly charge the CBA for travel arrangements.
2. Review TVs to ensure that all claims are in accordance with the TA, expenses claimed are properly supported by original receipts, and the expenses are in accordance with the FTR.
3. Contact the traveler for any additional information or documentation to facilitate processing the TV for payment.
4. Verify that the TV is adequately supported by the TA, original receipts, and appropriate signatures for review and approval.
5. Prepare transmittals for TAs and TVs for submission to the Financial Management External Service Provider (i.e. Federal Shared Service Provider) for processing.

Note: The back-up Travel Examiner is the Financial Analyst/Special Assistant.

B. Authorized Certifying Official must:

1. Verify that the TVs foot, crossfoot and contain appropriate signatures for review and approval.
2. Review and approve TV transmittals prior to submission to the Financial Management Federal Shared Service Provider (FSSP) for processing.

Note: The Authorized Certifying Officials are either the Financial Analyst in the Budget Office or another Special Assistant to the CFO/Financial Analyst in the Finance Division.

To ensure proper segregation of duties a Financial Analyst acting as the Travel Examiner cannot certify TVs. A different Financial Analyst who is an approved Certifying Officer that has not acted in the role of the Travel Examiner may approve Travel Vouchers.

4.7 Employee Traveler

The employee traveler is required to:

- Submit Travel Authorization prior to commencement of travel.
- File Travel Voucher with required receipts, within five days of completion of the trip.

- Pay travel card balances timely and ensure prompt reporting of questionable charge disputes.²

4.7.1 Initiating Employee Travel

The employee is responsible for making all travel arrangements, preparing appropriate travel documentation, and submitting documentation for approval and reimbursement. The following steps are set out to assist the employee when preparing to travel. Employees will:

1. Make travel arrangements (transportation, hotel, and rental car reservations) with the TMC/Travel Agent.
2. Prepare the Travel Authorization (GSA Form 87) and submit it to the supervisor and/or Authorizing Official (AO) for their signature (block 25A). Note: The AO (generally the employee's immediate supervisor) is responsible for reviewing and approving TAs to ensure that the travel is consistent with the mission of the office and that the costs are in line with the office's travel budget. The AO may change/correct any portion of the TA that does not adhere to the FTR.
3. Submit the signed TA to the Finance Division before the date of travel. Note: The Finance Division will review the TA and approve funds associated with the scheduled trip. The Travel Examiner will notify the employee that they may confirm all travel arrangements with the TMC/travel Agent.
4. Manage travel card charges and travel advance funds, if received, in accordance with the FTR.
5. Keep all original receipts for transportation, lodging, and any expense of \$75.00 or more.
6. Prepare a Travel Voucher (SF 1012) within five days after the travel has been completed and submit it to the Finance Division for approval with original receipts (e.g. airline, hotel, taxi, parking, or any other miscellaneous expenses) to receive reimbursement.
7. When canceling an approved trip, immediately notify the Travel Examiner via e-mail with a copy to his/her supervisor. The Finance Division will de-obligate the travel funds based on the e-mail.
8. When making changes that alter an approved TA (dates, hotel, common carrier, costs, etc...), submit an amended TA. If the costs on the original travel plan increase or decrease, only the difference in costs should be reflected on the revised TA (block 20).
9. If a travel advance is necessary, prepare a request and submit it with the TA. Travel advance funds are authorized at 80 percent of the total of the employee's meals and incidental expenses plus other estimated costs (e.g., taxi fares). Lodging costs should not be included in the travel advance calculations. Once approved, travel advance funds are electronically deposited into the traveler's bank account.

4.8 Pre-Employment Interview Travel

The FEC may cover the costs of pre-employment interviews if it is determined to be in the best interest of the government. The FEC authorizes the following pre-employment travel interview expenses:

- Transportation expenses as provided in FTR § 301-10;
- Per diem expenses as provided in FTR § 301-11;
- Miscellaneous expenses as provided in FTR § 301-12; and
- Travel expenses of an individual with a disability or special need as provided in FTR § 301-13.

²The Federal Election Commission and The National Treasury Employees Union, *Labor Management Agreement Between the Federal Election Commission and The National Treasury Employees Union*, 2013, 137.
<http://fecnetfec.gov/hr/empresources/lma/2013LaborManagementAgreement.pdf>.

Appendix 2 – Review and Timelines of Sampled Travel Vouchers

Document Number	Amount	TA return date	TV Traveler signature date	TV AO signature date	# of workdays between traveler's return and signature on TV	# of workdays between traveler's return & AO Approval of TV
FE22T013	\$3,965.62	5/7/2022	5/13/2022	5/16/2022	5	6
FE22T014	\$2,158.15	5/6/2022	5/23/2022	5/23/2022	12	12
FE22T003	\$2,500.00	11/8/2021	2/15/2022	2/16/2022	72	73
FE22T015	\$1,929.79	7/20/2022	7/29/2022	8/2/2022	8	10



MEMORANDUM

TO: Christopher Skinner, Inspector General

FROM: John Quinlan, CFO 
Pam Jones, Procurement Director
James Gerber, Budget Director

DATE: August 18, 2023

SUBJECT: Management Response to the Inspector General's Special Review (23-02) of the FEC Travel and Purchase Card Programs

We appreciate the Office of the Inspector General's (OIG) review of the FEC's travel and purchase card programs. We acknowledge and largely agree with the recommendations outlined in the review. Our comments are focused on recommendations three and four.

Recommendation three states “[t]hat the agency monitor that the travel voucher is submitted according to FTR § 301-52.7.” FTR § 301-52.7 advises employees to submit travel vouchers within five working days after completing their trips.

While we support the notion of monitoring voucher submissions, we interpret this regulation as placing an obligation on employees who travel, rather than the agency. The context of the travel regulation itself, presented in response to a hypothetical traveler's question, reinforces our perspective. Furthermore, we have not come across supplemental travel regulations or implementing guidelines from other agencies that outline procedures for agencies to follow or potential consequences for travelers for failing to submit vouchers within five working days. As a result, we generally consider submitted vouchers as payable expenses, even if they are submitted after the specified timeframe.

Recommendation four states “[t]hat the agency evaluate whether the current travel oversight for the Commissioners and other senior leaders is appropriate.” This recommendation arose because the Staff Director, who is subordinate to the Commission, signs travel authorizations for FEC Commissioners. After undertaking an evaluation per this recommendation, we intend to maintain the current process.

The existing arrangement offers distinct advantages. For instance, it upholds the independence of individual Commission offices. Additionally, in most instances, Commissioner travel is typically circulated to the full Commission on an informational basis to enhance transparency (and in certain cases travel is circulated for Commission vote on a no-objection basis). The Staff Director's placement outside the Office of the Chief Financial Officer also effectively separates the travel approval function from the payment function, thus fortifying safeguards against potential misuse. Considering this evaluation, we request that the OIG consider closing this recommendation.

Thank you once again for your comprehensive review, and we remain committed to implementing appropriate measures to enhance our travel and purchase card programs.