

OIG Report to the Office of Management and Budget on the EPA's and CSB's Implementation of Recommendations Related to Purchase and Travel Card Programs

January 31, 2024 | Report No. 24-N-0018





OFFICE OF INSPECTOR GENERAL
U.S. ENVIRONMENTAL PROTECTION AGENCY

January 31, 2024

The Honorable Shalanda Young
Director
Office of Management and Budget
725 17th Street, NW
Washington, D.C. 20503

Dear Director Young:

The Government Charge Card Abuse Prevention Act of 2012 requires inspectors general to conduct periodic audits and assessments of purchase card programs and periodic audits or reviews of travel card programs at their agencies. With respect to purchase card programs, the Act requires that inspectors general “report to the Director of the Office of Management and Budget on the implementation of recommendations made to the head of the executive agency to address findings of any analysis or audit of purchase card ... programs.” With respect to travel card programs, the Act says that “the findings of [the periodic] audits or reviews along with recommendations to prevent improper use of travel cards shall be reported to the Director of the Office of Management and Budget.” In addition, Appendix B to Office of Management and Budget Circular A-123, *A Risk Management Framework for Government Charge Cards*, directs inspectors general to report to the director of the Office of Management and Budget on the implementation of recommendations that address audit findings related to purchase and travel card programs. The U.S. Environmental Protection Agency Office of Inspector General does this reporting annually.

In compliance with the Act, the OIG conducts periodic audits, assessments, and reviews of the travel and purchase card programs at the EPA and the U.S. Chemical Safety and Hazard Investigation Board. In fiscal year 2023, we did not perform purchase or travel card program audits, reviews, or assessments for the EPA, and we did not perform a travel card audit or review for the CSB. We did perform a purchase card audit for the CSB in fiscal year 2023. Although our final report detailing this audit was not published until the beginning of fiscal year 2024, the CSB took action to address our findings and recommendations in fiscal year 2023. In addition, the EPA completed a corrective action in fiscal year 2023 that addressed the one outstanding OIG recommendation related to a travel card audit. We detail the progress made by the EPA and the CSB in fiscal year 2023 to address these recommendations in the paragraphs below.

EPA Progress

On September 30, 2021, we issued the following audit report pertaining to the EPA’s use of travel cards: OIG Report No. [21-P-0265](#), *EPA Needs to Strengthen Oversight of Its Travel Program Authorization and Voucher Approval Processes*. We found that EPA policy and procedures were not always effective in ensuring sufficient oversight of travel card use and that EPA staff did not consistently comply with travel

policy requirements. Of the four recommendations we issued to the chief financial officer, three were closed prior to fiscal year 2023. The one outstanding recommendation, Recommendation 4, suggested that the chief financial officer:

4. Issue addendums to the Resource Management Directive System 2550B travel policy or equivalent to:
 - a. Require approvers to estimate and compare the total cost of temporary change of station versus extended temporary duty travel and authorize the one that is most advantageous for the Agency, cost and other factors considered.
 - b. Require the travel card cancellation and closeout process to occur within a predetermined number of days.

As the enclosure shows, the EPA said that it completed corrective actions for Recommendation 4 on March 1, 2023. All four recommendations are now closed.

CSB Progress

On October 4, 2023, we issued the following audit report pertaining to the CSB's use of purchase cards: [OIG Report No. 24-P-0001](#), *The CSB Needs to Improve Controls over Its Charge Card Program and Comply with Federal Requirements*. We identified deficiencies in how the CSB was addressing the requirements outlined in Office of Management and Budget Circular A-123, Appendix B, and we made the following four recommendations to the CSB chairperson:

1. Update the CSB's charge card management plan to include the required elements listed in Office of Management and Budget Circular A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control*, Appendix B, "A Risk Management Framework for Government Charge Card Programs," dated August 27, 2019. At a minimum, the charge card management plan should include narratives for each element, be clear and fully explained, and be available to all charge cardholders and program officials.
2. Update the CSB's risk profile to include all required components listed in Office of Management and Budget Circular A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control*, dated July 15, 2016, as it relates to the charge card program.
3. Update the *CSB Government Purchase Card Guidance*, dated October 2022, to include:
 - a. Instructions for and controls over charge cardholders' use of third-party payment providers for authorized transactions.
 - b. Requirements for monitoring the completion of all required charge card training courses in accordance with the schedule in Appendix B to Office of Management and Budget Circular A-123.

- c. References to revisions of the charge card management plan and risk profile as detailed in Recommendations 1 and 2.
4. Require training of and compliance with the updated *CSB Government Purchase Card Guidance*, to help ensure that the CSB is compliant with Appendix B to Office of Management and Budget Circular A-123.

The CSB agreed with our four recommendations and provided acceptable corrective actions. As the enclosure shows, the CSB said that all corrective actions were completed by September 25, 2023. All four recommendations are closed.

Summary

As of the date of this letter, there are no outstanding OIG recommendations for the EPA or the CSB travel and purchase card programs. If you or your staff have any questions, please contact Katherine Trimble, assistant inspector general for Audit, at trimble.katherine@epa.gov.

Sincerely,



Sean W. O'Donnell
Inspector General

Enclosure

cc: Faisal Amin, Chief Financial Officer, EPA
Nicole Murley, Deputy Inspector General, EPA
Katherine Trimble, Assistant Inspector General for Audit, EPA

Agency: U.S. Environmental Protection Agency (EPA) - Office of Inspector General (OIG)

OIG POC: Katherine Trimble

Agency	Card Type	OMB Circular A-123, Appendix B Section of Recommendation	Summary of Conditions	Status/Disposition	Current Year (CY) or Prior Year Finding (FY-20XX)	OIG Report Number	OIG Report Date	Completion Date
Environmental Protection Agency	Travel	Risk Management	Required to complete 4 recommendations. Recommendation 1. Ensure that individuals do not bypass justifications for travel policy deviations and documentation requirements by: a. Assessing the feasibility of modifying Concur to restrict individuals from bypassing authorization justifications or required voucher receipts. b. Reemphasizing, through training or other methods, the requirement for justifications and documentation.	Closed	FY 2021	21-P-0265	9/30/2021	2/28/2022
			Recommendation 2. Require annual training for all approvers and travelers to certify that they are knowledgeable about the Federal Travel Regulation and Resource Management Directive System 2550B travel policy.	Closed	"	"	"	10/4/2021
			Recommendation 3. Increase the rate of capturing deviations found in this audit by identifying monitoring reports in the travel system that can assist with targeted-deviation monitoring efforts, and use the system monitoring reports for oversight.	Closed	"	"	"	2/28/2022
			Recommendation 4: Issue addendums to the Resource Management Directive System 2550B travel policy or equivalent to: a. Require approvers to estimate and compare the total cost of temporary change of station versus extended temporary duty travel and authorize the one that is most advantageous for the Agency, cost and other factors considered. b. Require the travel card cancellation and closeout process to occur within a predetermined number of days.	Closed	"	"	"	3/1/2023
Chemical Safety Board	Purchase	Risk Management	Required CSB to complete 4 recommendations Recommendation 1: Update the CSB's charge card management plan to include the required elements listed in Office of Management and Budget Circular A-123, Management's Responsibility for Enterprise Risk Management and Internal Control, Appendix B, "A Risk Management Framework for Government Charge Card Programs," dated August 27, 2019. At a minimum, the charge card management plan should include narratives for each element, be clear and fully explained, and be available to all charge cardholders and program officials.	Closed	FY 2023	24-P-0001	10/4/2023	7/31/2023
"	"	"	Recommendation 2: Update the CSB's risk profile to include all required components listed in Office of Management and Budget Circular A-123 as the circular relates to the charge card program.	Closed	"	"	"	7/31/2023

Agency	Card Type	OMB Circular A-123, Appendix B Section of Recommendation	Summary of Conditions	Status/Disposition	Current Year (CY) or Prior Year Finding (FY-20XX)	OIG Report Number	OIG Report Date	Completion Date
"	"	"	<p>Recommendation 3: Update the CSB Government Purchase Card Guidance, dated October 2022, to include:</p> <ul style="list-style-type: none"> a. Instructions for and controls over charge cardholders' use of third-party payment providers for authorized transactions. b. Requirements for monitoring the completion of all required charge card training courses in accordance with the schedule in Appendix B to Office of Management and Budget Circular A-123. c. References to revisions of the charge card management plan and risk profile as detailed in Recommendations 1 and 2. 	Closed	"	"	"	9/25/2023
"	"	"	<p>Recommendation 4: Require training of and compliance with the updated CSB Government Purchase Card Guidance to help ensure that the CSB is compliant with Appendix B to Office of Management and Budget Circular A-123.</p>	Closed	"	"	"	9/25/2023

OIG Sources

- 21-P-0265** OIG analysis of information in the agency's Enterprise Audit Management System (EAMS) which serves as EPA's single source of information for all audit processes activities. (EPA internal source database the team used to verify status date of recommendation completion) [Link](#)
- 24-P-0001** OIG analysis of information received from Chemical Safety Board (CSB) during the audit and saved in OIG's Performance Measurement and Results System (PMRS) (OIG internal source database to document status information audit report recommendations.) [Link](#)



Whistleblower Protection

U.S. Environmental Protection Agency

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