



U.S. Department of Transportation  
Office of Inspector General

February 7, 2022

Director, Office of Management and Budget  
725 17<sup>th</sup> Street, NW  
Washington, DC 20503

Dear Director,

The Government Charge Card Abuse Prevention Act of 2012<sup>1</sup> requires offices of inspectors general to review their agencies' charge card and convenience check programs, as needed, and periodically report on the status of related recommendations. As required by the Act, I am writing to provide the status of charge card open recommendations for the Department of Transportation (DOT). We have not issued any new reports on charge card programs since our last annual status report issued on January 28, 2021.<sup>2</sup> In fiscal year 2020, we issued one report on DOT's purchase card program,<sup>3</sup> and in fiscal year 2021, we issued one report on the DOT's travel card program.<sup>4</sup> Both reports have open recommendations addressed to the Office of the Secretary (OST) or Federal Aviation Administration (FAA) officials. Specifically, 2 of 13 purchase card recommendations and all 11 travel card recommendations remain open. See enclosure for the status of each recommendation.

If you have any questions, please contact me at (202)-366-8543 or Ingrid Harris, Program Director at (202)-450-7637.

Sincerely,

A handwritten signature in black ink that reads "D. Dillard-Christian".

Dormayne Dillard-Christian  
Acting Assistant Inspector General for Financial Audits

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<sup>1</sup> Public Law 112-194.

<sup>2</sup> *Letter to OMB on DOT Status of Charge Card Open Recommendations* (OIG Controlled Correspondence No. CC2021004), January 28, 2021. OIG reports and correspondence are available on our website at <http://www.oig.dot.gov>.

<sup>3</sup> *DOT Needs to Enhance Oversight of Its Purchase Card Program to Mitigate Internal Control Weaknesses* (OIG Report No. FI2020022), March 11, 2020.

<sup>4</sup> *DOT Needs to Strengthen Travel Card Program Internal Controls To Minimize Misuse* (OIG Report No. FS2021011), December 16, 2020.

## DOT's Charge Card Programs: Status of Recommendations

### Purchase Card Report Number FI2020022

1. Recommendation No. 2: Implement procedures to ensure cardholders retain records in accordance with the National Archives and Records Administration's general records schedule.

*Status: Closed on 1/26/2022*

*Responsible Agency: OST*

2. Recommendation No. 4: Develop procedures to ensure purchase card files are complete. At a minimum, ensure cardholders verify that: a. supervisory and/or program office approval has been obtained prior to making purchases; b. funds availability has been confirmed prior to making purchases; c. required supporting documentation is on file; d. payment amounts match to invoices; e. items purchased have been received and services have been accepted; and f. sales tax has not been charged.

*Status: Closed on 5/20/2021*

*Responsible Agency: FAA*

3. Recommendation No. 5: Implement procedures to ensure cardholders retain records in accordance with the National Archives and Records Administration's general records schedule.

*Status: Open, with target action date of 2/28/2022*

*Responsible Agency: FAA*

4. Recommendation No. 7: Develop and implement controls to ensure that all trainings are administered timely in FAA's electronic learning management system, and ensure cardholders complete refresher training in a timely manner.

*Status: Closed on 5/20/2021*

*Responsible Agency: FAA*

5. Recommendation No. 8: Establish procedures to enforce the suspension of purchasing authority for cardholders that do not satisfy the refresher training requirement.

*Status: Closed on 5/20/2021*

*Responsible Agency: FAA*

6. Recommendation No. 9: Reiterate the importance of following the employee close out and clearance process to Purchase Cardholders, Approving Officials and Agency Program Coordinators, when a cardholder separates from the agency or the purchase card program.

*Status: Closed on 5/24/2021*

*Responsible Agency: FAA*

7. Recommendation No. 10: Develop and implement a process to monitor purchase transactions that involve credits to ensure the follow-up is performed and credits are received timely.

*Status: Open, with target action date of 2/28/2022*

*Responsible Agency: FAA*

8. Recommendation No. 11: Update TAM Chapter 1213, Appendix A to include appropriate language that indicates that purchase cards cannot be used to pay for unauthorized commitments without appropriate documentation showing that the unauthorized commitment has been ratified in accordance with FAR 1.602-3.

*Status: Closed on 4/21/2021*

*Responsible Agency: OST*

9. Recommendation No. 12: Update Departmental policy and procedures to require all OAs (excluding FAA) to include a requirement to obtain supervisory and/or program office approval before purchases are made.

*Status: Closed on 4/12/2021*

*Responsible Agency: OST*

10. Recommendation No. 13: Update the TAM to require OAs (excluding FAA) to certify individual purchase card program manuals to comply with TAM requirements.

*Status: Closed on 4/12/2021*

*Responsible Agency: OST*

**Travel Card Report Number FS2021011**

1. Recommendation No. 1: Notify all travel card program participants that advance written approval must be obtained prior to incurring any travel expenses.

*Status: Open, with target action date of 12/31/2022*      *Responsible Agency: OST*

2. Recommendation No. 2: Develop and implement a plan for Agency/Organization Program Coordinator to identify travel authorizations that were not submitted or approved prior to the incurrence of official travel-related expenses. The plan should include follow-up with cardholders and approvers on instances where noncompliance is identified.

*Status: Open, with target action date of 12/31/2022*      *Responsible Agency: OST*

3. Recommendation No. 3: Update DOT's travel card management policy, DOT Order 15006.b, and DOT travel card training to include guidance on how cardholders should recover travel card account overpayments.

*Status: Open, with target action date of 12/31/2022*      *Responsible Agency: OST*

4. Recommendation No. 4: Develop and implement a control that will allow the Department to identify questionable travel card transactions outside of the delinquency report review that is performed by the operating administrations.

*Status: Open, with target action date of 12/31/2022*      *Responsible Agency: OST*

5. Recommendation No. 5: Expand existing training for managers and Approving Officials to incorporate a proper voucher review.

*Status: Open, with target action date of 12/31/2022*      *Responsible Agency: OST*

6. Recommendation No. 6: Notify all travel cardholders that cash withdrawals must not occur more than 3 days prior to an authorized trip.

*Status: Open, with target action date of 12/31/2022*      *Responsible Agency: OST*

7. Recommendation No. 7: Strengthen current cash-advance controls to test cardholder compliance with cash advances and require follow-up with cardholders when instances are detected.

*Status: Open, with target action date of 12/31/2022*      *Responsible Agency: OST*

8. Recommendation No. 8: Design and implement a control to test that cardholders are using the travel card to pay only for official travel expenses as required. The control should include follow-up with cardholders when charges unrelated to official travel are detected.

*Status: Open, with target action date of 12/31/2022*      *Responsible Agency: OST*

9. Recommendation No. 9: Modify training materials to emphasize the required use of the travel card for all expenses related to official travel.

*Status: Open, with target action date of 12/31/2022*

*Responsible Agency: OST*

10. Recommendation No. 10: Develop and implement controls to require that refresher training is administered timely in electronic learning management system, and require that cardholders complete refresher training in a timely manner.

*Status: Open, with target action date of 12/31/2022*

*Responsible Agency: OST*

11. Recommendation No. 11: Modify the current travel card application process to include a manager certification as required by the DOT travel card management policy.

*Status: Open, with target action date of 12/31/2022*

*Responsible Agency: OST*