



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL

AUDIT SERVICES

January 31, 2017

TO: Tim Soltis
Delegated to Perform the Functions and Duties of the Chief Financial Officer
Office of the Chief Financial Officer

FROM: Patrick J. Howard /s/
Assistant Inspector General for Audit

SUBJECT: Completion of OIG Risk Assessment of the Department's Purchase Card Program
for Fiscal Year 2016
Control Number ED-OIG/S19Q0003

The purpose of this memorandum is to inform you of the results of the Office of Inspector General's (OIG) risk assessment of the Department of Education's (Department) purchase card program, as required by the Government Charge Card Abuse Prevention Act of 2012 (Charge Card Act). The Charge Card Act requires Inspectors General (IGs) to conduct periodic risk assessments of their agency's purchase card program to identify and analyze the risks of illegal, improper, or erroneous purchases and payments. IGs will use these risk assessments to determine the necessary scope, frequency, and number of IG audits or reviews of the program.

In order to assess the risk of illegal, improper, and erroneous purchases made through the Department's purchase card program, we reviewed the Department's policies and procedures, examined documentation from the Department's monitoring efforts, reviewed data on disciplinary action taken by the Department resulting from purchase card misuse, and determined whether suggestions resulting from our previous risk assessment of the Department's purchase card program have been implemented. Additionally, we contacted OIG Investigations and Hotline staff regarding information on purchase card misuse and reviewed purchase card data to identify and assess high-risk categories of potentially inappropriate purchases.

Page 2 – Tim Soltis

Based on our review, we determined that the purchase card program does not pose a high risk to the Department and an audit of the program is not necessary. We found that the Department has policies and procedures in place that address the applicable purchase card internal control requirements identified in the Charge Card Act and related Office of Management and Budget (OMB) guidance. We also noted that the Department has adequate monitoring procedures in place to reduce the risk that illegal, improper, and erroneous purchases are made within the purchase card program. Further, we found that the Department implemented our prior suggestion to coordinate with the Department's Office of Human Resources¹ regarding the required reporting of data to OMB on disciplinary actions.

No response to this memorandum is necessary. We appreciate the cooperation given us during this review. If you have any questions, please call Michele Weaver-Dugan at (202) 245-6941.

cc:

James Hairfield, Director, CAM/OCFO

¹ Formerly referred to as the Human Capital and Client Services group (HCCS).