



United States Department of Agriculture
Office of Inspector General





Review of the Department's Travel Card Data

Audit Report 50024-0003-13

What Were OIG's Objectives

Our objective was to identify any inappropriate transactions and determine if OCFO and the agencies are performing adequate monitoring of employee travel card transactions.

What OIG Reviewed

OIG looked at 6 USDA component agencies' travel card data for FY 2011 and, from among 1.1 million transactions, identified 1,131 potentially inappropriate transactions. From the 1,131 transactions, OIG selected a statistical sample of 80 for further review. Based on the initial analysis, OIG then statistically selected an additional sample of 97 of FS' 462,242 transactions for additional review.

What OIG Recommends

FS should pursue disciplinary action against four individuals who misused their USDA travel cards and immediately implement procedures to review employees' travel card transactions to ensure they occur during approved travel dates.

OIG analyzed transaction data for USDA employee travel cards in order to identify any inappropriate transactions and to determine if USDA is adequately monitoring employee travel card actions.

What OIG Found

The Office of Inspector General (OIG) identified a low incidence of cardholder misuse, and determined that the U.S. Department of Agriculture's (USDA) Office of the Chief Financial Officer (OCFO) and five of six agencies reviewed were following guidelines. However, we identified that 14 of 80 statistically sampled fiscal year 2011 travel card charges were inappropriate because employees used the cards when they were not authorized for official travel. Although other USDA agencies identified such transactions and followed up appropriately, we found that the Forest Service (FS) did not identify nine of the inappropriate charges because FS was not performing adequate reviews of employee transactions. As a result, we took an additional statistical sample of FS transactions. We found 4.1 percent of the sampled FS transactions (all attributable to four employees) occurred during a time when the employees were not authorized for travel. Further review of the four relevant employees' travel card accounts disclosed that they had used their travel cards approximately 500 times without a travel authorization. FS did not detect this because the checks FS performs are limited and did not identify the instances we noted, and USDA does not currently have an automated check to identify this type of misuse. Due to the misuse, four employees improperly used lines of credit on their travel cards to make personal charges totaling approximately \$13,700. Further, two of these individuals' accounts were delinquent by a combined total of more than \$3,000. USDA does not allow employees to carry a delinquent balance as all official travel expenses are reimbursed to employees.

OCFO and FS generally agreed with our recommendations.



United States Department of Agriculture
Office of Inspector General
Washington, D.C. 20250



DATE: June 10, 2013

AUDIT
NUMBER: 50024-0003-13

TO: Jon M. Holladay
Deputy Chief Financial Officer
Office of the Chief Financial Officer

ATTN: Kathleen A. Donaldson
Audit Liaison Officer

FROM: Gil H. Harden
Assistant Inspector General for Audit

SUBJECT: Review of the Department's Travel Card Data

This report presents the results of the subject review. The written responses to the official draft from the Office of the Chief Financial Officer (OCFO) and Forest Service (FS) are included at the end of this report. Excerpts from these responses, both dated May 22, 2013, and the Office of Inspector General's position are incorporated into the applicable sections of the report.

Based on OCFO's and FS' responses, we have reached management decision on all of the report's recommendations. No further response by your agency or FS to this office is required. Please follow your internal agency procedures in forwarding final action correspondence to OCFO. Also, please note that Departmental Regulation 1720-1 requires final action to be completed within 1 year of the date of management decision to preclude being listed in the Department's annual Agency Financial Report.

We appreciate the courtesies and cooperation extended to us by members of your staff during our audit fieldwork and subsequent discussions. This report contains publically available information and will be posted in its entirety to our website (<http://www.usda.gov/oig>) in the near future.

cc:

Thelma Strong, Chief Financial Officer, Forest Service
Attn: Agency Liaison Officer

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Background and Objectives

Background

The *Travel and Transportation Reform Act of 1998* mandates the use of travel charge cards to pay for most official Government travel expenses.¹ The Department of Agriculture (USDA) developed its travel card program to procure transportation services and other allowable expenses such as hotel, rental car, and meal expenses that employees incur during official travel. USDA's Office of the Chief Financial Officer (OCFO) establishes policies and procedures governing the use of the program, the goal of which is to substantially reduce USDA's cash requirements by diminishing the need for travel advances while also improving internal controls and administrative procedures.²

Federal agencies select travel card services from among banks that the General Services Administration has approved, and contract with them according to guidance that the Office of Management and Budget has issued. USDA has selected US Bank to provide VISA travel cards to USDA employees. To be issued a travel card, employees must complete an online training module outlining the policies governing travel card use, and also must sign an agreement stating they understand these policies.³ The Government reimburses travelers for authorized expenses and employees are responsible for paying their account balances. Although the Government is not liable for the improper use of the travel card, employees cannot use the privilege of a Government travel card for personal use and are not permitted to use any benefits of their position, such as a line of credit, for personal gain. USDA has a zero-tolerance policy that prohibits certain activities, including unauthorized charges, charges not associated with official travel, and account delinquency.⁴

US Bank provides USDA and the managers of its component agencies with transaction data that they can access through an online US Bank transaction system. USDA and agency managers are to use this information to verify cards are used appropriately and paid timely. OCFO uses the transaction data to generate a monthly report with a sample of potential travel card misuse and supplies it to the agencies to research and determine the validity of the transactions. Agencies can also analyze the data to identify additional cases of potential misuse. OCFO encourages agencies to pursue data mining techniques to the extent they deem appropriate.

USDA policy is that employees will use the Govtrip travel planning system to arrange official Government travel. The system also tracks authorizations for employee travel. The bank's transaction system and the travel planning system are two independent systems that USDA has not integrated so that data from the two can be simultaneously analyzed. For instance, it is not

¹ Public Law 105-264, *Travel and Transportation Reform Act of 1998*, October 19, 1998.

² Departmental Regulation (DR) 2300-001, *Government Travel Card Regulation*, Section 1, October 20, 2003.

³ DR 2300-001, *Government Travel Card Regulation*, Appendix A, October 20, 2003.

⁴ DR 2300-001, *Government Travel Card Regulation*, Section 5, October 20, 2003.

possible to generate an automated report linking employees' transaction data from the bank and their travel status authorization dates in the travel planning system.

In fiscal year (FY) 2011 USDA's component agencies processed about 1.4 million travel card transactions totaling nearly \$185 million. Approximately 1.1 million of these transactions were from the following six agencies: Agricultural Research Service, Animal and Plant Health Inspection Service, Farm Service Agency, Forest Service (FS), Natural Resources Conservation Service, and the Office of the Chief Information Officer. Among these agencies, FS had the most travel card transactions—over 675,000 transactions. With approximately 22,000 employee travel cardholders, FS is responsible for over one-third of the Department's travel cards.

During our review, OIG identified 1,131 travel card transactions (about \$310,000), out of the approximately 1.1 million transactions (about \$134 million) from the 6 agencies, as potentially inappropriate because they involved merchants in certain questionable categories. For instance, OIG identified transactions involving retailers identified as florists, bowling alleys, and amusement parks. From these 1,131 transactions, OIG selected a statistical sample of 80 travel card transactions (about \$22,000) for further review. To identify potential travel card misuse, we reviewed data from the bank's online transaction system and data in the Department's travel planning system. Because the two systems do not share data automatically, we manually compared transaction dates listed on the bank reports to travel authorization dates listed in the travel planning system to identify transactions that took place when the cardholder may not have been in travel status.

OIG determined 14 of these 80 transactions did not have a corresponding authorization for the date of the transaction.⁵ To determine the legitimacy of the transactions, OIG contacted the respective agencies for these 14 transactions. Of the 14 inappropriate transactions, the respective agencies had identified and taken follow-up actions on 4. Follow-up actions can include, for instance, additional training on travel card rules or disciplinary actions. However, FS, the agency responsible for nine of the transactions, had not identified the transactions as inappropriate.⁶ As a result, we selected another sample that focused solely on FS, and the results are discussed below. We did not identify any other significant issues during our review of the USDA travel card, as the questionable merchant category purchases were reasonably justified, and we did not identify any other instances of travel card purchases by employees who were not on authorized travel.

Objectives

The objective was to identify any inappropriate transactions and to determine if OCFO and the agencies are performing adequate monitoring of employee travel card transactions.

⁵ Each of the remaining 66 transactions had a travel authorization for the dates of the transaction.

⁶ One of the 14 identified employees was no longer with the Department and the responsible agency was unable to determine what, if any, action had been taken.

Section 1: Cardholder Oversight Could be Improved

Finding 1: Cardholders Used Government Travel Cards for Personal Expenses

Our analysis of a statistical sample of 97 FS travel card transactions disclosed that four individuals (4.1 percent) used their card while not authorized for travel.⁷ Based on the results of this sample, we estimate that 19,062 of the agency's approximately 460,000 travel card transactions may have occurred while the employee was not authorized for travel. Additionally, those four employees used their travel cards at least 500 times while not traveling for Government business. This was not detected because the checks FS performed are limited and did not identify transactions made when users were not authorized for official travel. Although USDA has automated checks and fraud detection tools for other types of misuse, for example transactions with inappropriate vendors, it is not currently able to automatically reconcile travel card use with approved travel dates. The four employees improperly used lines of credit on their travel cards to make personal charges totaling approximately \$13,700 during FY 2011.

USDA's travel card policy specifies that employees cannot use the privilege of a Government travel card for personal use.⁸ Further, Federal employees are not permitted to use any benefits of their positions, such as a line of credit, for personal gain.⁹ USDA regulations state there is a zero-tolerance policy for any inappropriate charges, including purchases of inappropriate items, charges not occurring during official travel, and for delinquent accounts.¹⁰ Each agency has travel program personnel who are primarily responsible for using the resources and reports available from OCFO and US Bank to detect cardholder misuse. Travel program personnel are required to monitor data for potential travel card misuse.¹¹

Based on our review, we found 4 of these 97 transactions did not have a corresponding travel authorization. Based on the sample, we project 19,062 (4.1 percent) of FS' travel card transactions occurred while the employee was not in official travel status.¹² Reviews of the four employees who initiated these transactions determined that the employees used their travel cards approximately 500 times during FY 2011 while not in official travel status for a total of about \$13,700. These charges included purchases at restaurants, gas stations, and grocery stores as

⁷ Using Audit Command Language (ACL) data analysis software, we selected a random sample of 97 of FS' 462,242 transactions from fiscal year 2011. The universe of transactions excluded all payments to US Bank and charges made through USDA travel planning systems. We determined that four of the charges, which were made by four cardholders, were inappropriate.

⁸ DR 2300-001, *Government Travel Card Regulation*, Section 5, October 20, 2003.

⁹ 5 *Code of Federal Regulations* § 2635.701-705, February 15, 2013.

¹⁰ DR 2300-001, *Government Travel Card Regulation*, Section 5, October 20, 2003.

¹¹ DR 2300-001, *Government Travel Card Regulation*, Section 6, October 20, 2003.

¹² We are 95- percent confident that this estimate is between 443 and 37,680 transactions. For additional statistical design and analysis information, see Exhibit A.

well as cash withdrawals at ATMs. Further, two of these individuals' accounts were delinquent at the end of the fiscal year, by a total of more than \$3,000. USDA policy does not allow employees to carry a delinquent balance as all official travel expenses are reimbursed to the employee.¹³

When we asked FS management officials about the agency's monitoring of travel card transactions, they stated that their travel card monitoring function is centralized and they have limited resources to monitor travel card use. Currently, FS does not do any additional monitoring outside of reviewing and following up on the monthly reports provided by OCFO. Matching travel dates with transaction dates is a manual process because the system for travel planning and the system for travel transactions are not integrated into a single data source. With more than 675,000 travel card transactions to monitor each year, the volume is overwhelming for the FS travel management personnel. However, OIG notes that FS could distribute this volume of transactions more widely, for instance, to employees' supervisors. OIG observed that in another agency, the supervisors of employees authorized to travel are given data by travel card monitoring personnel to review. Providing FS' supervisors with procedures for assessing whether travel cards are used only during authorized travel periods would improve the detection of personal use of the travel card.

Given that the manual process of reviewing transaction card data and travel authorization data can be time consuming, automating the process could increase the efficient administration of USDA's travel card program. Currently, OCFO is in the process of contracting for a new travel system and should consider the feasibility of integrating the data from the travel planning system with data from the bank's transaction system. Alternatively, OCFO could determine if developing an automated report that integrates data from the two systems is feasible. OCFO management stated that any changes requiring funding are not feasible at this time. We noted that having supervisors manually review their employees' travel transactions would be a less costly, but still effective, alternative to developing or altering an automated system.

USDA's oversight of its travel card program should ensure that employees do not use their cards for prohibited purposes. Additional monitoring and data integration could improve the Department's ability to detect if employees use their cards for purposes other than for official Government travel expenses. Further, agencies need to ensure that someone is monitoring transactions in order to uphold the Department's zero-tolerance policy. By taking these steps, USDA can enhance the integrity of its travel card program.

Recommendation 1 to FS

Review the travel card activities on the four staff persons who misused their Government travel cards and pursue appropriate disciplinary action. Provide to OIG the results of the FS' actions concerning the four FS staff persons.

¹³ DR 2300-001, *Government Travel Card Regulation*, Section 5, October 20, 2003.

Agency Response

FS agrees with this recommendation. The agency has determined that three of the four staff persons are no longer employees of the agency. The remaining person is still an employee and their list of inappropriate transactions has been forwarded to Employee Relations for disciplinary action. FS estimates completion by September 30, 2013.

OIG Position

We accept FS' management decision on this recommendation.

Recommendation 2 to FS

Immediately implement a procedure to identify personal use of the travel card. Follow up and identify other potential misuse of the Government travel cards and pursue appropriate disciplinary actions. Provide the results of FS' review to OIG.

Agency Response

FS agrees with this recommendation. The agency has an existing procedure in place to identify potential misuse. FS will continue to evaluate the effectiveness of this procedure and will identify a method to improve and report results. FS estimates completion by April 30, 2014.

OIG Position

We accept FS' management decision on this recommendation.

Recommendation 3 to OCFO

Determine the feasibility of integrating transaction card data and travel authorization data to provide an automated tool USDA can use to determine if an employee uses a travel card while not on travel status once the new travel system is selected and implemented.

Agency Response

OCFO will perform a feasibility analysis in conjunction with the Office of Procurement and Property Management who holds the Individually-billed Account/Centrally-billed Account travel charge card contract for USDA. Currently, there is insufficient information within the financial system and travel system to automate detection of charges outside an authorized travel period. OCFO estimates completion by September 30, 2013.

OIG Position

We accept OCFO's manangement decision on this recommendation.

Scope and Methodology

To accomplish our objective, we reviewed Departmental and agency regulations, policies, and procedures related to travel card use. We interviewed OCFO and agency officials to determine how they were monitoring travel card use. We also evaluated reports from prior travel card reviews.¹⁴

We obtained transaction data from US Bank and analyzed it using the Audit Command Language (ACL) data analysis software. There were 1.4 million travel card transactions in FY 2011 for USDA totaling \$185 million. Our review focused on approximately 1.1 million travel card transactions from 6 judgmentally selected agencies: Agricultural Research Service, Animal and Plant Health Inspection Service, Farm Service Agency, FS, Natural Resources Conservation Service, and the Office of the Chief Information Officer.¹⁵ These transactions totaled \$134 million.

Of the 1.1 million transactions from the six agencies, we identified 1,131 transactions (about \$310,000) using targeted words found in the Merchant Category Code description.¹⁶ For instance, OIG identified transactions involving retailers identified as florists, bowling alleys, and amusement parks. From the 1,131 potentially inappropriate transactions, we statistically sampled 80 transactions (about \$22,000) to verify if they were appropriate and to determine if the agencies were adequately monitoring these transactions.

Our review was designed to examine transactions that:

- Appeared to occur while the employee was not traveling
- Were with a merchant with a blocked merchant category code
- Appeared to be an excessive cash withdrawal

Based on the results of this initial review, we used ACL to generate an additional statistical sample of all FS travel transactions for FY 2011. Using a universe of 462,242 FS transactions (about \$60.3 million), we selected 97 (about \$8,600) to perform additional analysis of travelers who used their cards while not on authorized travel. We did not discover any issues with blocked merchant codes or excessive cash withdrawals.

¹⁴ Audit 50601-05-HQ, *Adequacy of Internal Controls Over the Individually Billed Travel Card Program*, June 2003 and Audit 50601-04-HY, *Adequacy of Internal Controls Over Travel Card Expenditures Followup*, September 2008.

¹⁵ OIG originally selected these six agencies for Audit 50024-0001-13, *Review of the Department's U.S. Bank Purchase Card and Travel Card Data*. After fieldwork began, it was determined that separate reports needed to be issued, so OIG split the audit into two separate audits: (1) review of OCFO purchase card and convenience check data under Audit 50024-0001-13 and (2) review of OCFO travel card data under Audit 50024-0003-13. The six agencies remained the same.

¹⁶ A Merchant Category Code (MCC) is a four-digit code assigned by VISA to classify businesses according to the type of products/services they provide. US Bank can use this code to automatically decline purchases from these types of merchants based on USDA's request.

We conducted our audit work with representatives from OCFO and the six agencies. We met with OCFO at headquarters in Washington, D.C. Data analysis and follow-up inquiries were conducted from OIG's Kansas City, Missouri, audit office. We used data from US Bank and Govtrip to identify potential anomalies. We obtained an extract of the US Bank data for FY 2011 and obtained read-only access to Govtrip. All anomalies identified were sent to the agencies to determine their validity. We performed tests to ensure the data were valid (checking for duplicates, confirming control totals), but did not audit the systems for data integrity. Our reliance on the data was limited to performing our analysis, as all potential findings were reviewed by the affected agency to determine their accuracy. Our audit period was June 2012 through March 2013.

We conducted this review in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Abbreviations

ACL.....	Audit Command Language
DR.....	Departmental Regulation
FS	Forest Service
FY.....	Fiscal Year
OCFO	Office of the Chief Financial Officer
OIG.....	Office of Inspector General
USDA	Department of Agriculture

Exhibit A: Sampling Methodology and Projections – 50024-0003-13

Objective:

This sample is designed to support OIG Audit 50024-0003-13. The audit objective was to analyze transaction data for USDA employee travel cards in order to identify any inappropriate transactions and to determine if OCFO and the agencies are performing adequate monitoring of employee travel card transactions. To help achieve this objective, we developed a representative random statistical sample of travel card transactions for review.

Audit Universe:

The universe list was provided to the OIG statistician by the audit team.

Our audit team obtained transaction data from US Bank and analyzed it using the Audit Command Language (ACL) data analysis software. They extracted about 1.4 million travel card transactions in fiscal year 2011 for USDA totaling \$185 million. Our review focused on approximately 1.1 million travel card transactions from 6 agencies: Agricultural Research Service, Animal and Plant Health Inspection Service, Farm Service Agency, FS, Natural Resources Conservation Service, and Office of the Chief Information Officer. These transactions totaled \$134 million. Negative (credit) transactions were excluded from this data set.

OIG identified transactions using targeted words found in the Merchant Category Code description. Those involved retailers identified as florists, bowling alleys, and amusement parks. Based on the results of this analysis, of the 1.1 million transactions from the 6 agencies, the audit team identified 1,131 transactions totaling about \$310,000. Our universe was defined by this set of 1,131 potentially inappropriate transactions.

Sample Design:

We developed several design ideas to help us make informed decisions about which design would be feasible for the objective of this audit. We considered various sample designs—simple random, stratified, multi-stage selections, etc. To keep our sample size as low as possible, while still achieving statistical representation of the universe, we used a simple random sample of 80 (totaling about \$22,000) transactions for review. The sample was selected using the *randbetween* function in Excel. The sample size was calculated based on the following factors:

- Audit universe size 1,131 potentially inappropriate transactions.
- Expected Error Rate—we did not know what range of error rate to expect to find. We assumed an expected error rate of about 30 percent.
- Precision—we wanted to be able to report our estimates with a +/- 10 percent precision in an attribute testing scenario.

- Confidence Level—we are using a 95 percent confidence level for reporting our estimates.

Based on the results of initial review, the audit team selected an additional sample of FS travel card transactions only, because they wanted to determine the extent to which employees may have been using their cards while not on authorized travel. The universe consisted of 462,242 transactions (totaling about \$60.3 million), and was defined as all FS transactions except: 1) negative transactions; 2) payments; 3) centrally billed accounts; and 4) transactions with SATO/GovTrip. Any projections made will apply to this set of 462,242 FS travel card transactions.

Auditors used ACL to generate a simple random sample of 97 transactions (totaling about \$8,600). The sample size was based on the following factors:

- Audit universe size 462,242 FS transactions.
- Expected Error Rate—we did not know what range of error rate to expect to find. We assumed an expected error rate of about 50 percent (most conservative measure).
- Precision—we wanted to be able to report our estimates with a +/- 10 percent precision in an attribute testing scenario.
- Confidence Level—we are using a 95 percent confidence level for the reporting our estimates.

Results:

Data provided to the statistician were analyzed using the complex sampling module of SPSS.

We are not using any projections to the initial universe containing six agencies because the exceptions we identified related to FS transactions only. Hence, we are using the FS sample of 97 transactions to project to the FS universe of 462,242 travel card transactions only.

The summary below shows the results for the criterion our audit team took exceptions to.

Measures presented include the projected number of travel card transactions with exceptions, and the estimated percentage of the FS universe having those exceptions. For each criterion estimate, we show the projected amount (estimate), the upper and lower bounds at a 95 percent confidence level, the actual values observed in the sample, and the absolute precision for the estimate.

Interpretation of the results is shown below the table.

Criterion tested	Estimate	Standard Error	95 Percent Confidence Interval		Coefficient of Variation	Margin of Error	Actual found
			Lower	Upper			
Travel card transactions without proper authorization	19,062	9,379.68	443	37,680	.492	+/- 18,619	4
as a percentage of the universe	4.12%	.020	0.10%	8.15%	.492	+/- 4.03%	

Based on our sample results, we estimate that 19,062 (4.12 percent of the universe) of FS' travel card transactions occurred while the employee was not in official travel status. We are 95 percent confident that between 443 (0.10 percent of the universe) and 37,680 (8.15 percent of the universe) travel card transactions have this exception.

**USDA'S
FOREST SERVICE'S
AND
OFFICE OF THE CHIEF FINANCIAL
OFFICER'S
RESPONSE TO AUDIT REPORT**



Forest
Service

Washington
Office

1400 Independence Avenue, SW
Washington, DC 20250

File Code: 1430

Date: May 22, 2013

Route To:

Subject: Response to Office of the Inspector General Audit Report Number 50024-0003-13,
" Review of US Bank's Travel Card Data," Recommendation Numbers 1 and 2

To: Gil Harden, Assistant Inspector General for Audit, Office of Inspector General,
USDA

Thank you for the opportunity to review and respond to the subject audit report. The FS generally concurs with the report's findings and recommendations to the agency. The response outlines the actions proposed for the recommendations. Please contact Thelma Strong, Chief Financial Officer, at (202) 205-0429 or tstrong@fs.fed.us with any questions.

/s/ Thomas L. Tidwell
THOMAS L. TIDWELL
Chief

cc: Peter Gilmour
Connie Desouza
Sandy T Coleman
Erica Y Banegas



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USDA Forest Service (FS)

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Office of Inspector General (OIG) Audit Report No. 50024-0003-13
Review of US Bank's Travel Card Data
Forest Service Response to the Official Draft Report

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OIG Recommendation 1: Review the travel card activities on the four staff persons who misused their Government travel cards and pursue appropriate disciplinary action. Provide to OIG the results of the FS' actions on the four FS staff persons.

FS Response: The FS generally agrees with this recommendation. The Agency has determined that three of the four staff persons are no longer employees of the agency. The accounts have been paid in full for two persons; and one person still has an outstanding balance which is in charge-off status with the Bank. The remaining person is still an employee and his list of inappropriate transactions was forwarded to Employee Relations and is awaiting disciplinary action. The FS will provide the results of this action when resolution is complete.

Estimated Completion Date: September 30, 2013

OIG Recommendation 2: Immediately implement a procedure to identify personal use of the travel card. Follow up and identify other potential misuse of the Government travel cards and pursue appropriate disciplinary actions. Provide the results of FS' review to OIG.

FS Response: The FS generally agrees with this recommendation. The Agency has an existing procedure in place to identify potential misuse and pursue appropriate disciplinary action. The FS will continue to evaluate the effectiveness of this procedure and will identify and evaluate a means to improve and report results.

The FS utilizes the USDA datamining tool (Visa IntelliLink) to provide a report of transactions that are classified as potential misuse. The Agency then conducts research using GovTrip and TRVL (for transfer of station) systems to determine if the traveler was on official business. Additional U.S. Bank reports are pulled to determine if there are multiple potential transactions. The datamining tool is updated with the findings. If it is determined the travel charge card was used while not in official travel, the data is then forwarded to the appropriate Employee Relations staff for further action.

In recent months, the Agency has been more attentive to travel card misuse and delinquencies. The Travel Card Program staff and the employee relations community are working closely to provide more information and educating the community on travel card misuse.

Estimated Completion Date: April 30, 2014



**United States
Department of
Agriculture**

Office of the Chief
Financial Officer

1400 Independence
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Washington, DC
20250

TO: Gil H. Harden
Assistant Inspector General for Audit
Office of Inspector General
May 22, 2013

FROM: Jon M. Holladay -S- Jon M. Holladay
Deputy Chief Financial Officer

SUBJECT: Review of the Departments' Travel Card Data
Audit No. 50024-0003-13, Official Draft Report

This responds to your request for Management's response to the audit recommendations in Audit No. 50024-0003-13, Official Draft Report, dated April 19, 2013. The Management response is attached.

If you have any questions or need additional information, please contact our office at (202) 720-5539 or have a member of your staff contact Kathy Donaldson at (202)720-1893.

Attachment

Review of USDA's US Bank Travel Card Data

Audit No: 50024-003-13

Recommendation No. 3: Determine the feasibility of integrating transaction card data and travel authorization data to provide an automated tool USDA can use to determine if an employee uses a travel card while not on travel status once the new travel system is selected and being implemented.

Management Response: The Office of the Chief Financial Officer (OCFO) will perform a feasibility analysis in conjunction with the Office of Procurement and Property Management who holds the Individually-billed Account (IBA)/ Centrally-billed Account (CBA) travel charge card contract for USDA. Currently, there is insufficient information within the financial system and travel system to automate detection of charges outside an authorized travel period.

Automation may reduce the administrative burden for supervisors; however, the cost of such a system would need to be evaluated. The return on investment will need to be considered comparing the cost of the investment and operation of a matching program.

Date Corrective Action Will be Completed: September 30, 2013

Responsible Organization: Financial Systems, Office of the Chief Financial Officer

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