

# U.S. International Trade Commission

## Management Letter - Reimbursement of Sponsored Travel



**01G-MI-15-15**

**September 8, 2015**



**Office of Inspector General**

*The U.S. International Trade Commission is an independent, nonpartisan, quasi-judicial federal agency that provides trade expertise to both the legislative and executive branches of government, determines the impact of imports on U.S. industries, and directs actions against certain unfair trade practices, such as patent, trademark, and copyright infringement. USITC analysts and economists investigate and publish reports on U.S. industries and the global trends that affect them. The agency also maintains and publishes the Harmonized Tariff Schedule of the United States.*

*Commissioners*

*Meredith M. Broadbent, Chairman*

*Dean A. Pinkert, Vice Chairman*

*Irving Williamson*

*David S. Johanson*

*F. Scott Kieff*

*Rhonda K. Schmidlein*



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## UNITED STATES INTERNATIONAL TRADE COMMISSION

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WASHINGTON, DC 20436

September 8, 2015

IG-NN-026  
OIG-ML-15-15

Chairman Broadbent:

The purpose of this Management Letter is to inform you of internal control weaknesses that we identified during an evaluation of sponsored travel. We did not address the internal control weaknesses in that evaluation report because the collections process was not part of the objective of that evaluation.

The evaluation determined that the Commission performs appropriate due diligence before accepting a gift of sponsored travel. However, we found that the Commission did not have proper procedures to ensure reimbursements for sponsored travel are collected.

We identified six instances of sponsored travel where the Commission had not been reimbursed. In each of these instances, the Office of the Chief Financial Officer was unaware of the status of reimbursement from the sponsor. In our efforts to track down the status of these reimbursements we identified the following problems:

- The Office of the Chief Financial Officer did not have a process to track approved sponsored travel to ensure reimbursement has been billed to the sponsor.
- Travelers were allowed to invoice sponsors directly without notification to the Office of the Chief Financial Officer.
- The Office of the Chief Financial Officer did not have a process to monitor the status of requests for reimbursements to ensure payment was received.

We discussed the content of this Management Letter with the Commission's Chief Financial Officer and received verbal feedback. We are making four recommendations for corrective action.

Recommendation 1: That the CFO develop a process to track approved sponsored travel.

Recommendation 2: That the CFO develop a process to invoice sponsors upon completion of travel vouchers.

Recommendation 3: That the CFO develop a centralized billing process for sponsored travel within the Office of the Chief Financial Officer.

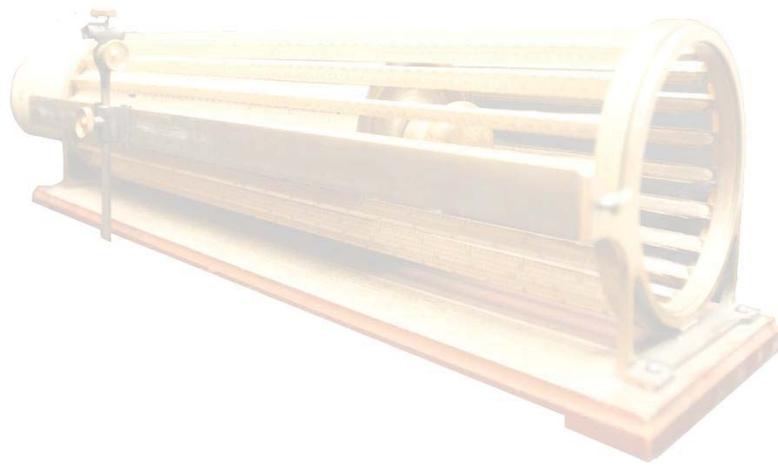
Recommendation 4: That the CFO develop a process to monitor the status of reimbursements to ensure payment is received.

In the next 30 days, please provide me with your management decisions describing the actions you will take to implement each recommendation.

Sincerely,

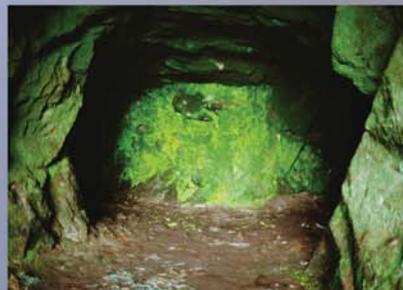
A handwritten signature in blue ink, appearing to read "Philip Heneghan". The signature is fluid and cursive, with a long horizontal stroke at the end.

Philip M. Heneghan  
Inspector General



*“Thacher’s Calculating Instrument” developed by Edwin Thacher in the late 1870s. It is a cylindrical, rotating slide rule able to quickly perform complex mathematical calculations involving roots and powers quickly. The instrument was used by architects, engineers, and actuaries as a measuring device.*

# To Promote and Preserve the Efficiency, Effectiveness, and Integrity of the U.S. International Trade Commission



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