U.S. International Trade Commission

Charge Card Risk Assessment Report

OIG-MR-14-10

January 31, 2014

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.

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UNITED STATES INTERNATIONAL TRADE COMMISSION

WASHINGTON, DC 20436

January 31, 2014

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Chairman Williamson:

The purpose of this Management Report is to transmit the results of the Office of Inspector General's risk assessment of the Commission's charge card program, as required by the Government Charge Card Abuse Prevention Act of 2012.

We reviewed the results of work conducted during our evaluation of the Commission's purchase card program in 2013 and performed an analysis of the charge card compliance analysis that was completed by the Office of the Chief Financial Officer.

Our assessment determined the Commission's risk of illegal, improper, or erroneous purchases is low. We did identify one area, related to travel card transactions for individually billed accounts, where the Commission should improve their control activities.

An individually billed account is a method of paying for official travel and transportation-related expenses to a government contractor-issued charge card. The contractor bank bills the cardholder directly, and the cardholder is responsible for payment. Since these transactions take place outside of the financial system, the Commission would be unaware of misuse unless alerted by the contractor bank. The Commission does not have a process in place to review or monitor individual travel transactions.

Recommendation: Develop a process to periodically review individual travel card transactions to identify improper, erroneous, or illegal purchases.

Sincerely,

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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