U.S. International Trade Commission

Management Report: FY 2020 Charge Card Risk Assessment Report

OIG-MR-20-11

January 31, 2020

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.

UNITED STATES INTERNATIONAL TRADE COMMISSION

WASHINGTON, DC 20436

January 31, 2020

OIG-MR-20-11
OIG-SS-002

Chairman Johanson:

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

We determined that the overall risk of illegal, improper, or erroneous charge card transactions was low.

The Commission's charge card program consists of three lines of business; travel card, purchase card, and fleet card. Our determination of risk considered the annual expenditures compared to agency budget and the internal control processes and procedures used to monitor transaction level data for illegal, improper, and erroneous charge card transactions.

Based on the quarterly statistical reports provided by the Office of the Chief Financial Officer, the total expenditures for charge card transactions in fiscal year 2019 was $1.3 million dollars, which represents 1.4% of the fiscal year 2019 budget. The annual expenditures by line of business are provided in the table below.

Line of Business	FY19 Expenditures
Purchase Card	$1,130,301
Travel Card	$208,797
Fleet Card	$355
TOTAL	$1,339,453.00

Our review of monitoring activities over transaction level data found that the Commission has multiple levels of internal control. The charge card managers regularly review transaction level data to identify improper use, erroneous, and fraudulent transactions. In addition, the Internal Control and Risk Management Division will conduct periodic testing of the charge

card manager reviews to provide reasonable assurance that the internal control activities are being performed, operating as designed, achieving desired results, and identify areas for improvement.

We did notice, and would like to acknowledge the efficiency and effectiveness of the oversight activities used to manage risks associated with the use of travel cards. The Office of the Chief Financial Officer is using system generated reports and data analytics to identify high risk travel card transactions. They have a process in place to research each of these transactions, document the results, and where applicable document the actions taken to address instances of improper use, delinquent accounts, stolen cards, and policy violations.

As a result of this assessment, we will not be performing any additional audits of the charge card program in fiscal year 2020.

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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