

## Report in Brief

Date: August 2023

Report No. A-04-22-06263

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES  
**OFFICE OF INSPECTOR GENERAL**



### Why OIG Did This Audit

The Government Charge Card Abuse Prevention Act of 2012, P.L. No. 112-194, requires Offices of Inspectors General (OIGs) to conduct periodic risk assessments of agency purchase card programs. OIGs must report to the Office of Management and Budget (OMB) on agency progress in implementing recommendations made to address audit findings by January 31 of each year.

Our objective was to analyze the risk of illegal, improper, or erroneous purchases in the Administration for Children and Families (ACF) travel card program and to determine whether ACF has designed and implemented controls and strategies to mitigate these potential risks.

### How OIG Did This Audit

We developed six risk areas using the five components of the Committee of Sponsoring Organizations of the Treadway Commission's (COSO) Enterprise Risk Management (ERM) – Integrated Framework and OMB Compliance Standards. Within these 6 risk areas, we identified 45 sub-risk areas. We developed a questionnaire to gather data from ACF, evaluated ACF's responses to this questionnaire, reviewed documents ACF provided, and conducted interviews with ACF management. We assessed the data gathered above and assigned a level of risk (low, moderate, high, or critical) to each sub-risk area. The risk factors were assigned a numerical score and calculations were run to arrive at an overall risk rating for the ACF travel card program for fiscal year 2021.

## Risk Assessment of the Administration for Children and Families' Travel Card Program for Fiscal Year 2021

### What OIG Found

Overall, we assessed the risk of illegal, improper, or erroneous purchases in the ACF travel card program as moderate. Within the 6 risk areas related to ACF's travel card program, we identified 45 sub-risk areas and rated 29 as low risk, 13 as moderate risk, and 3 as high risk.

The program was rated as moderate because it (1) did not provide adequate oversight of employee compliance with travel procedures; (2) did not provide adequate training for proper travel card use; and (3) did not maintain adequate documentation to support employee travel. As a result, ACF reimbursed unallowable travel charges to its employees. Without proper training and policy education, ACF employees could continue to charge the Federal government for unallowable travel expenditures.

**Table: Risk Assessment of ACF's Purchase Card Program**

● ACF Travel Card Overall Risk: Moderate	
● GOVERNANCE AND CULTURE Low	● REVIEW AND REVISION Moderate
● STRATEGY AND OBJECTIVE SETTING Low	● INFORMATION, COMMUNICATION, AND REPORTING Low
● PERFORMANCE Low	● OMB COMPLIANCE STANDARDS Moderate

### What OIG Recommends and ACF Comments

We recommend that ACF develop mitigating controls and strategies to lower the high and moderate risks we identified.

In response to our draft report, ACF concurred with our recommendation. ACF stated that it takes its oversight responsibilities seriously and is fully committed to take the necessary actions to address the identified risks in our report.