

**Information Report: Department of State 2019 Purchase Charge Card Risk Assessment
AUD-CGI-20-13, December 2019**

Summary of Review

The Government Charge Card Abuse Prevention Act of 2012,¹ as implemented by Office of Management and Budget (OMB) Memorandum M-13-21, requires the Office of Inspector General (OIG) to conduct annual periodic risk assessments of agency purchase and travel card programs to identify and analyze risks of illegal, improper, or erroneous purchases and payments for use in determining the scope, frequency, and number of periodic audits of these programs.

OIG conducted a risk assessment of the Department of State's (Department) purchase card program. Specifically, OIG reviewed the Department's FY 2018 purchase card data and concluded that the risk of illegal, improper, or erroneous use in the Department's purchase card program is "high." OIG based its conclusion on the purchase card program's size, internal controls, training, previous audits, violation reports, and OIG Office of Investigations (INV) observations.

Although OIG concluded that risk to the purchase card program is "high," OIG is not recommending that an audit of the Department's purchase card program be included in OIG's FY 2021 through FY 2022 work plan because OIG recently audited the program and the Department is currently taking action to rectify the deficiencies reported. Therefore, OIG encourages the Department's purchase card manager to fully implement the recommendations made in OIG's March 2019 purchase card report and continue prudent oversight of the purchase card program to ensure that internal controls intended to safeguard taxpayer funds are implemented and followed by Department purchase cardholders.

¹ Pub. L. No. 112-194 (October 5, 2012).