

UNCLASSIFIED



Office of Inspector General
United States Department of State

AUD-CGI-20-15

Office of Audits

January 2020

**Management Assistance Report:
International Boundary and Water
Commission, United States and Mexico,
U.S. Section, Travel Policy Is Not in
Compliance With Federal Travel
Regulations**

MANAGEMENT ASSISTANCE REPORT

UNCLASSIFIED

CONTENTS

BACKGROUND.....	1
RESULTS.....	2
Finding A: USIBWC Travel Policy Does Not Comply With Current Federal Travel Regulations..	2
RECOMMENDATIONS	4
APPENDIX A: INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO, U.S. SECTION, RESPONSE	5
OIG AUDIT TEAM MEMBERS.....	7

Summary of Review

The Federal Travel Regulation (FTR), 41 Code of Federal Regulations (C.F.R.), Chapters 300–304, implements statutory requirements and Executive branch policies for travel by Federal civilian employees and others authorized to travel at Government expense.¹ The FTR requires all Government employees to use Government contractor-issued travel charge cards to pay for all official travel expenses unless exempted.² The FTR was modified in September 2016, removing some exemptions. During a mandated risk assessment of the International Boundary and Water Commission, United States and Mexico, U.S. Section (USIBWC) credit card programs, the Office of Inspector General (OIG) obtained and reviewed a copy of USIBWC’s travel policy. This policy was issued in 2011, before the 2016 modifications of the FTR’s exemptions for the use of Government contractor-issued travel charge cards. Therefore, the exemptions allowed by USIBWC’s Directives Management System Manual for the use of travel charge cards do not reflect current FTR requirements.

OIG made one recommendation to address the deficiency identified in this report. In response to a draft of this report, USIBWC concurred with the recommendation. On the basis of USIBWC’s concurrence, OIG considers the recommendation resolved, pending further action. A synopsis of USIBWC’s response to the recommendation offered and OIG’s reply follow the recommendation in the Results section of this report. USIBWC’s response to a draft of this report is reprinted in its entirety in Appendix A.

BACKGROUND

FTR, 41 C.F.R., Chapters 300–304, implements statutory requirements and Executive branch policies for travel by Federal civilian employees and others authorized to travel at Government expense.³ One purpose of the FTR is to communicate policies in a clear manner to Federal agencies and employees.⁴ One topic covered by the FTR is the use of Government contractor-issued travel charge cards.⁵

This Management Assistance Report is intended to inform USIBWC of a deficiency with USIBWC’s travel policy that OIG identified during its mandated annual risk assessment of USIBWC’s credit card programs, which is currently underway. In performing the work related to this deficiency, OIG corresponded with USIBWC officials and reviewed applicable criteria and supporting documentation. OIG believes that the evidence obtained provides a reasonable basis for the deficiency identified in this report.

¹ 41 C.F.R. § 300-1.

² 41 C.F.R. § 300-51.1.

³ 41 C.F.R. § 300-1.1.

⁴ 41 C.F.R. § 300-1.2.

⁵ 41 C.F.R. §§ 301-51.1., 301-51.2, and 301-51.3.

RESULTS

Finding A: USIBWC Travel Policy Does Not Comply With Current Federal Travel Regulations

The FTR requires all Government employees to use Government contractor-issued travel charge cards as the method of payment for all official travel expenses unless exempted.⁶ The FTR's exemptions were modified in September 2016,⁷ and agencies were given until November 14, 2016, to comply with the new requirements.⁸ Fewer exemptions are allowed now than prior to the 2016 update. For example, the FTR no longer has an exemption for employees who travel five or fewer times each year.⁹

The updated FTR allows exemptions for the following:

- Expenses for which payment through the Government contractor-issued travel charge card is impractical or imposes unreasonable burdens or costs.
- When it is necessary in the interest of the agency.
- For any employee who has an application pending for the Government contractor-issued travel charge card.
- For any employee when issuance of the Government contractor-issued travel charge card would adversely affect the mission or put the employee at risk.
- For any employee who is not eligible to receive a Government contractor-issued travel charge card.¹⁰

During a mandated risk assessment of USIBWC's credit card programs, OIG obtained and reviewed a copy of USIBWC's Directives Management System Manual.¹¹ The policy was issued in 2011, which was before the exemptions for the use of Government contractor-issued travel charge cards were modified in the FTR. USIBWC officials specified that USIBWC did not have other travel policies or manuals.

As shown in Table 1, most of the exemptions allowed by USIBWC's Directives Management System Manual for the use of travel charge cards do not reflect the current FTR requirements but instead generally reflect the exemptions authorized by the earlier version of the FTR.

⁶ 41 C.F.R. § 301-51.1.

⁷ Federal Register, Volume 81, Issue 178 (September 14, 2016).

⁸ Ibid.

⁹ 41 C.F.R. § 301-51.3.

¹⁰ 41 C.F.R. § 301-51.2 and 301-51.3.

¹¹ USIBWC, Directives Management System Manual (November 1, 2011).

Table 1: FTR and USIBWC Travel Charge Card Exemptions

FTR Exemptions Prior to September 2016	USIBWC Exemptions
Expenses incurred at a vendor that does not accept the Government contractor-issued travel charge card	Expenses incurred at a vendor that does not accept the Government contractor- issued travel charge card
Laundry/dry cleaning	Laundry/dry cleaning
Parking	Parking
Transit system at a temporary duty location	Local transportation
Taxi	Taxi
Tips	Tips
Meals (when use of the card is impractical)	Meals (when use of the card is impractical)
Phone calls (when a Government calling card is available for use in accordance with agency policy)	Phone calls
Individuals traveling on invitational travel	Invitational travel
New appointees	New appointees
Employees who travel five or fewer times a year	It is policy for USIBWC to provide the Government travel charge cards to all employees who travel two or more trips a year

Source: Prepared by OIG on the basis of 41 C.F.R. §§ 301-51.2, 301-51.3, and USIBWC's Directives Management System Manual.

Most of the exemptions included in the existing policy simply do not correlate with permitted exemptions set forth in the current FTR. Accordingly, USIBWC's Directives Management System Manual regarding use of Government contractor-issued travel charge cards is not in compliance with the FTR. OIG is therefore offering the following recommendation.

Recommendation 1: OIG recommends that the International Boundary and Water Commission, United States and Mexico, U.S. Section, update its Directives Management System Manual to implement requirements found in the Federal Travel Regulation, 41 C.F.R. §§ 301-51.1, 301-51.2, 301-51.3, and 301-51.4.

Management Response: USIBWC concurred with the recommendation, stating that it is updating its Travel and Transportation Directive and Travel and Transportation Manual consistent with the FTR. USIBWC plans to have the Directive updated by March 1, 2020.

OIG Reply: On this basis of USIBWC's concurrence with the recommendation and planned actions, OIG considers this recommendation resolved, pending further action. This recommendation will be closed when OIG receives and accepts documentation demonstrating that USIBWC updated its Travel and Transportation Directive and Travel and Transportation Manual consistent with the requirements found in the FTR.

RECOMMENDATIONS

Recommendation 1: OIG recommends that the International Boundary and Water Commission, United States and Mexico, U.S. Section, update its Directives Management System Manual to implement requirements found in the Federal Travel Regulation, 41 C.F.R. §§ 301-51.1, 301-51.2, 301-51.3, and 301-51.4.

APPENDIX A: INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO, U.S. SECTION, RESPONSE



OFFICE OF THE COMMISSIONER
UNITED STATES SECTION

INTERNATIONAL BOUNDARY AND WATER COMMISSION UNITED STATES AND MEXICO

December 19, 2019

Mr. Norman P. Brown
United States Department of State
Assistant Inspector General for Audits
Office of Inspector General
Washington, D. C. 20520

Subject: Management Assistance Report: International Boundary and Water Commission, United States and Mexico, U. S. Section, Travel Policy Is Not in Compliance with Federal Travel Regulations

Dear Mr. Brown:

We acknowledge receipt of the draft report Management Assistance Report: International Boundary and Water Commission, United States and Mexico, U. S. Section, Travel Policy Is Not in Compliance with Federal Travel Regulations dated December 2019. Thank you for the opportunity to provide comments on the draft report. Our comments are attached. Please advise if you have any questions or if we may be of any further assistance.

Sincerely,

A handwritten signature in blue ink that reads "Jayne Harkins".

Jayne Harkins, P.E.
Commissioner

4191 N. Mesa Street • El Paso, Texas 79902-1423
(915) 832-4100 • Fax: (915) 832-4190 • <http://www.ibwc.gov>

Management Assistance Report: International Boundary and Water Commission,
United State and Mexico, U. S. Section

Finding A: USIBWC Travel Policy Does Not Comply With Federal Travel Regulations

During a mandated risk assessment of USIBWC's credit card programs, OIG obtained and reviewed a copy of USIBWC's Directives Management System Manual. The policy was issued in 2011, which was before the exemptions for the use of Government contractor-issued travel charge cards were modified in the FTR. USIBWC officials specified that USIBWC did not have other travel policies or manuals.

Most of the exemptions included in the existing policy simply do not correlate with permitted exemptions set forth in the current FTR. Accordingly, USIBWC's Directives Management System Manual regarding use of Government contractor-issued travel charge cards is not in compliance with the FTR. OIG is therefore offering the following recommendation.

Recommendation 1: OIG recommends that the International Boundary and Water Commission, United States and Mexico, U.S. Section, update its Directives Management System Manual to implement requirements found in the Federal Travel Regulation, 41 C.F.R. §§ 301-51.1, 301-51.2, 301-51.3, and 301-51.4.

Agency Response:

The USIBWC concurs with the finding and is updating its Travel and Transportation Directive SD.I.6042 and Travel and Transportation Manual SD.I.6042-M-1 consistent with the Federal Travel Regulation, 41 C.F.R giving special attention to 301-51.1, 301-51.2, 301-51.3, and 301-51.4. The USIBWC plans on having the directive updated by March 1, 2020.

OIG AUDIT TEAM MEMBERS

Denise Colchin, Director
Contracts, Grants, and Infrastructure Division
Office of Audits

Melissa Bauer, Audit Manager
Contracts, Grants, and Infrastructure Division
Office of Audits

Marcus Jaramillo, Senior Auditor
Contracts, Grants, and Infrastructure Division
Office of Audits

UNCLASSIFIED



HELP FIGHT FRAUD, WASTE, AND ABUSE

1-800-409-9926

[Stateoig.gov/HOTLINE](https://stateoig.gov/HOTLINE)

If you fear reprisal, contact the
OIG Whistleblower Coordinator to learn more about your rights.

WPEAOmbuds@stateoig.gov

UNCLASSIFIED