The Government Charge Card Abuse Prevention Act of 2012, as implemented by Office of Management and Budget (OMB) Circular A-123, Appendix B, requires the Office of Inspector General (OIG) to conduct annual risk assessments of agency purchase and travel card programs. The assessments are conducted 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.

To assess risk associated with the Department of State’s (Department) purchase card program, OIG reviewed the Department’s FY 2020 purchase card data and concluded that the risk of illegal, improper, or erroneous use in the Department’s purchase card program was “medium.” 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 was “medium,” it is important to note that OIG recently audited the Department’s purchase card program and issued a report in March 2019. In addition, the five recommendations offered in that report have been implemented and closed. Therefore, OIG is not recommending that an audit of the Department’s purchase card program be included in its FY 2023–FY 2024 work plan. However, OIG encourages the Department’s purchase card manager to continue prudent oversight of the purchase card program to ensure that internal controls intended to safeguard taxpayer funds are fully implemented and followed by Department purchase card holders.

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1 Public Law 112-194 (October 5, 2012).
3 Public Law 112-194 at Sec. 2 § 1909(d)(1) and Sec. 3 (h)(3).
4 OIG, Audit of Department of State Purchase Card Program (AUD-CGI-19-24, March 2019).