

**Information Report: Department of State 2024 Purchase Card Risk Assessment  
(AUD-CGI-25-05, November 2024)**

**SUMMARY OF REVIEW**

The Government Charge Card Abuse Prevention Act of 2012,<sup>1</sup> as implemented by Office of Management and Budget (OMB) Circular A-123, Appendix B,<sup>2</sup> 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 the risk of illegal, improper, or erroneous purchases and payments and to determine the appropriate scope, frequency, and number of periodic audits of these programs.<sup>3</sup>

To assess risk associated with the Department of State's (Department) purchase card program, OIG reviewed the Department's FY 2023 purchase card data and concluded that the risk of illegal, improper, or erroneous purchases and payments within the Department 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.

With respect to the criterion related to previous audits, OIG audited the Department's purchase card program and issued a report in March 2019.<sup>4</sup> 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 2026 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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<sup>1</sup> Public Law 112-194 (October 5, 2012).

<sup>2</sup> OMB Circular A-123, "Management's Responsibility for Enterprise Risk Management and Internal Control" (July 15, 2016), Appendix B, "A Risk Management Framework for Government Charge Card Programs" (August 27, 2019).

<sup>3</sup> Public Law 112-194, Sec. 2 § 1909(d)(1) and Sec. 3 (h)(3).

<sup>4</sup> OIG, *Audit of Department of State Purchase Card Program* (AUD-CGI-19-24, March 2019).