



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
WASHINGTON, D.C. 20555-0001

**OFFICE OF THE
INSPECTOR GENERAL**

May 28, 2015

MEMORANDUM TO: Mark A. Satorius
Executive Director for Operations

Maureen E. Wylie
Chief Financial Officer

FROM: Stephen D. Dingbaum */RA/*
Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S
TRAVEL CHARGE CARD PROGRAM (OIG 13-A-17)

REFERENCE: CHIEF FINANCIAL OFFICER MEMORANDUM DATED
APRIL 14, 2015

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendations 1, 2, 4, and 6 as discussed in the agency's response dated April 14, 2015. Based on this response, recommendation 2 is closed and recommendations 1, 4, and 6 are in resolved status. Recommendations 3, 5, and 7 through 12 were previously closed. Please provide an updated status of the resolved recommendations by November 30, 2015.

If you have any questions or concerns, please call me at 415-5915 or Eric Rivera, Team Leader, at 415-7032.

Attachment: As stated

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Audit Report

AUDIT OF NRC'S TRAVEL CHARGE CARD PROGRAM

OIG-13-A-17

Status of Recommendations

Recommendation 1: Develop and implement a policy to pay centrally billed travel card accounts daily or weekly.

Agency Response

Dated April 14, 2015:

The new eTravel System will be implemented on May 4, 2015. Once the new eTravel System has proven to be stable, the OCFO will look into the feasibility of paying the centrally billed travel card on a daily or weekly basis. We expect to complete this evaluation by October 30, 2015.

OIG Analysis:

The proposed action meets the intent of the recommendation. OIG will close this recommendation when the agency provides a copy of the centrally billed travel charge card account payment policy and OIG determines it requires payment daily or weekly. Additionally, the agency needs to provide, and OIG will review, documentation to prove that the policy has been implemented.

Status:

Resolved.

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Status of Recommendations

Recommendation 2: Check the productivity and sales refund deals offered by charge card vendors in comparison to other governmentwide charge card contracts to ensure a competitive rate.

Agency Response

Dated April 14, 2015:

The OCFO contacted the three banks (U.S. Bank, J.P. Morgan Bank, and Citibank) that service agencies under the SmartPay 2 contract, to check the sales and productivity refund deals they could offer the NRC and see how Citibank can improve the current rates offered to the NRC.

After a side-by-side comparison of the travel charge card programs, the OCFO found the refunds that NRC currently earns with Citibank are better than what U.S. Bank can offer.

J.P. Morgan Bank would not provide their rate information. They were only able to tell the OCFO that they will be market competitive in terms of refunds.

Citibank confirmed NRC's rebates would increase if we paid our Centrally Billed Accounts (CBAs) and Individually Billed Accounts (IBAs) faster. NRC will look into the possibility of paying the CBAs faster once the new eTravel System is implemented. To encourage faster IBA payments, OCFO issued Yellow Announcement 076, "eTravel Enhanced Capabilities," dated May 27, 2010, and Yellow Announcement 047, "Use of Split Disbursement for Travel Charge Cardholders," dated April 9, 2013, which reminds travel charge cardholders to use the split disbursement feature in the eTravel System. The OCFO plans to issue another Yellow Announcement once the new eTravel System is implemented.

The OCFO reached out to the Department of Commerce (Commerce), the U.S. Department of Justice, the U.S. Department of Veterans Affairs, and the General Services Administration to explore the possibility of tagging-along (joining another agency's established task order to receive the same services that are provided to them) with them to obtain a better rebate rate. Commerce was the only agency to

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Status of Recommendations

Recommendation 2 (cont.):

respond. The OCFO learned that agencies who allow tag-alongs may charge a fee, which could result in an additional expense to the NRC.

Citibank is currently in the midst of converting NRC travel charge cards to the new Chip and PIN cards. If NRC tags-along with another agency, over 2,200 NRC travel charge cardholders will need to get new travel charge cards with new account numbers, which may result in all cardholders needing to complete new travel charge card applications and waiting 7-10 days to receive new travel charge cards. This would be a major impact on NRC's travel charge cardholders, especially those who travel frequently.

The OCFO has concluded it would not be cost effective for the NRC to switch to another bank or tag-along with another agency. OCFO will continue striving to improve their refunds with Citibank. Detailed analysis can be provided upon request. The OCFO considers Recommendation 2 completed.

OIG Analysis:

OIG reviewed documentation that demonstrates that the agency has compared NRC productivity and sales refund deals to those offered to other governmentwide charge card contracts to ensure a competitive rate and determined that OCFO has satisfied the intent of this recommendation. Therefore, this recommendation is considered closed.

Status:

Closed.

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Status of Recommendations

Recommendation 4: Revise Management Directive 14.1 to require that employees who travel more than five times per year must use their Government travel card for official travel expenses.

Agency Response
Dated April 14, 2015: Management Directive (MD) 14.1 "Official Temporary Duty Travel" has been revised to incorporate these changes. MD 14.1 was published on October 2, 2014. The OCFO considers Recommendation 4 implemented.

OIG Analysis: OIG reviewed a copy of the revised MD 14.1 and determined that it did not include a requirement that employees who travel more than five times per year (frequent travelers) must use their Government travel card for official travel expenses. OIG auditors spoke with OCFO representatives and OCFO plans to revise MD 14.1 to include language that requires frequent travelers to use their Government card for official travel expenses and to issue a yellow announcement to that effect. OIG will close this recommendation after receipt and review of the revised MD 14.1 and the yellow announcement.

Status: Resolved.

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Status of Recommendations

Recommendation 6: Implement mandatory split disbursement for individually billed accounts.

Agency Response
Dated April 14, 2015:

Split disbursement will be available in the new eTravel System. Travel charge cardholders will be able to allocate a portion of their travel reimbursement directly to their Citibank travel charge card account. Using split disbursement will result in faster payments to Citibank, improved IBA refunds, and fewer travel charge card delinquencies.

Once the new eTravel System is implemented in May 2015, OCFO will issue a Yellow Announcement that will: 1) inform travelers how to use the split disbursement feature when completing their travel vouchers and 2) state that travel charge cardholders are expected to use the split disbursement feature to the maximum extent possible. The OCFO considers Recommendation 6 resolved.

OIG Analysis:

The proposed action meets the intent of the recommendation. OIG will close this recommendation when the agency provides documentation to show that it is mandatory for travel charge cardholders to use the split disbursement feature to the maximum extent possible for individually billed accounts.

Status:

Resolved.