



**Defense Nuclear Facilities
Safety Board**
Washington, DC 20004-2901

**Office of the
Inspector General**

January 29, 2016

Shaun Donovan
Director
Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Mr. Donovan:

In accordance with Public Law 112-194, *Government Charge Card Abuse Prevention Act of 2012*, I am reporting on the Defense Nuclear Facilities Safety Board's (Board) progress in implementing charge-card-related audit recommendations. During the past fiscal year, the Office of the Inspector General (OIG) issued a travel card related audit report with two audit findings and seven audit recommendations. During FY 2014, OIG issued a purchase card-related audit report with one audit finding and five audit recommendations. Enclosed is a summary of these audit reports including the findings, recommendations, and actions taken by the Board to implement the recommendations.

If you have any questions, please contact Stephen Dingbaum, Assistant Inspector General for Audits, at 301-415-5915, or me at 301-415-5930.

Sincerely,

/RA/

Hubert T. Bell
Inspector General

Enclosure: As stated

cc: Chairman Connery
Vice Chairman Roberson
Board Member Sullivan
Board Member Santos
Board Member Hamilton
M. Welch, General Manager

Audit of The Board’s Travel and Travel Card Program (DNFSB-15-A-05) dated April 23, 2015

Audit Results

Travel card and travel program controls are generally in place. However, opportunities exist to improve the effectiveness of internal controls over the travel card and travel program and to enhance user access controls in Concur, the Board’s travel management system.

Finding and Recommendations

A. Internal controls need improvement.

	Recommendations:	Status
1.	Revise policies and procedures to route temporary duty (TDY) vouchers to the original travel authorization approver for review and approval before sending to the Office of the General Manager (OGM) for review and approval.	The Board agrees with OIG’s recommendation. This recommendation will be closed when OIG receives and reviews the final revised policies and procedures that include routing TDY vouchers to the original travel authorization approver for review and approval before sending to the OGM for final review and approval.
2.	Develop and implement a plan to periodically conduct independent reviews of a sample of vouchers and travel card transactions.	The Board agrees with OIG’s recommendation. This recommendation will be closed when OIG receives documentation and verifies that a plan to periodically conduct independent reviews of a sample of vouchers and travel card transaction has been implemented.

	Recommendations:	Status
3.	Develop and implement a plan to periodically train travel arrangers/timekeepers on the Board's travel policies so that they may complete the travel voucher in accordance with these policies.	The Board agrees with OIG's recommendation. This recommendation will be closed when OIG receives documentation and verifies that a plan has been implemented to periodically train travel arrangers/timekeepers on the Board's travel policies so that they may complete the travel vouchers in accordance with these policies.
4.	Train employees on the appropriate use of hazardous weather leave.	The Board agrees with OIG's recommendation. WebTA training which discussed the appropriate use of hazardous weather leave was held for employees in FY 2015. This recommendation will be closed when OIG receives documentation and verifies that Board employees are trained on the appropriate use of hazardous weather leave.

B. Inadequate Concur user access controls.

	Recommendations:	Status
5.	Establish, document, and implement a user access policy for Concur to include user access roles to be limited to the least privilege necessary.	This recommendation is closed. The agency implemented the recommendation.
6.	Establish, document, and implement a user access policy for Concur to include the timely disabling of accounts that are no longer necessary.	This recommendation is closed. The agency implemented the recommendation.
7.	Establish, document, and implement a user access policy for Concur to include periodic reviews of the user access listing to determine whether access is properly limited and remains appropriate.	This recommendation is closed. The agency implemented the recommendation.

Audit of The Board's Purchase Card Program (DNFSB-14-A-01) dated September 29, 2014

Audit Results

Overall, the Board used purchase cards appropriately during the period under review. However, the Board's purchase card internal controls need improvement. Specifically, some of the purchase card controls are incomplete, outdated, or not fully implemented. As a result, internal controls are less effective and the potential for personal use, misuse, or loss is increased.

Finding and Recommendations

A. Purchase card internal controls can be improved.

	Recommendations:	Status
1.	Update DNFSB Purchase Card Policy and Procedures to (a) remove verbal approval of requisitions, (b) provide guidance on site representative purchase approvals, (c) correct the record retention policy to 3 years to agree with Administrative Directive 211.2, (d) provide guidance on competitive procurement requirements, and (e) provide guidance on sole source justification documentation requirements.	This recommendation is closed. The agency implemented the recommendation.
2.	Finalize draft Administrative Directive 211.2 to include all of the required elements of a Charge Card Management Plan, as outlined in OMB Circular A-123, Appendix B.	This recommendation is closed. The agency implemented the recommendation.
3.	Develop a plan to update, as necessary, and submit Administrative Directive 211.2 and DNFSB Purchase Card Policy and Procedures to OMB annually.	This recommendation is closed. The agency implemented the recommendation.
4.	Implement and enforce the controls noted in Administrative Directive 211.2, including (a) first level review of all supporting documentation for each transaction, (b) periodic purchase card transaction reviews, and (c) documentation of sole source procurement justification.	This recommendation is closed. The agency implemented the recommendation.
5.	Document that all cardholders have been informed of the updated policies, procedures, and implemented controls.	This recommendation is closed. The agency implemented the recommendation.