



OFFICE OF THE
INSPECTOR GENERAL

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

July 2, 2018

MEMORANDUM TO: Margaret M. Doane
Executive Director for Operations

Maureen E. Wylie
Chief Financial Officer

FROM: Dr. Brett M. Baker */RA/*
Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S
PURCHASE CARD PROGRAM (OIG-17-A-14)

REFERENCE: OFFICE OF THE CHIEF FINANCIAL OFFICER
MEMORANDUM DATED MARCH 5, 2018

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendation 2 through 7 as discussed in the agency's response dated March 5, 2018. Recommendation 1 was previously closed. Based on this response and supporting documentation and follow up explanations sent on May 16th, May 30th, and June 22nd, recommendations 2-3 and 5-7 are closed, while recommendation 4 remains resolved. Please provide an updated status of the resolved recommendation by September 30, 2018.

If you have questions or concerns, please call me at (301) 415-5915 or Eric Rivera, Team Leader, at (301) 415-7032.

Attachments: As stated

cc: R. Lewis, OEDO
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Audit Report

AUDIT OF NRC'S PURCHASE CARD PROGRAM

OIG-17-A-14

Status of Recommendations

Recommendation 2: Periodically post frequently asked questions to cardholders and approving officials to address problem areas such as FAIMIS documentation and reconciliation.

Agency Response Dated
March 5, 2018:

The Office of Administration (ADM) posted a frequently asked questions (FAQs) document on Nuclear Regulatory Commission (NRC) Enterprise Acquisition Toolset (NEAT) on September 28, 2017, and an email was sent to all cardholders and approving officials to alert them to the list of frequently asked questions on September 28, 2017. Going forward, ADM will periodically update this list of FAQs as necessary.

OIG Analysis: OIG reviewed the FAQs posted on the NEAT website, the email sent to cardholders and approving officials given to OIG on May 16th, and follow up explanation provided to OIG on May 30th explaining the planned periodicity of updating the FAQs. Based on this information, OIG determined that these actions meets the intent of the recommendation. Therefore, this recommendation is closed.

Status: Closed.

Audit Report

AUDIT OF NRC'S PURCHASE CARD PROGRAM

OIG-17-A-14

Status of Recommendations

Recommendation 3: Issue periodic reminders to cardholders and approving officials that scanning, attaching, and reviewing purchase card supporting documentation in FAIMIS is a requirement of the purchase card program.

Agency Response Dated
March 5, 2018:

The email outlining the requirements and procedures for scanning, attaching, and reviewing purchase card supporting documentation in FAIMIS was sent to cardholders and approving officials on July 21, 2017.

OIG Analysis: OIG reviewed the email sent to cardholders and approving officials. OIG also reviewed the agency's follow up explanation provided to OIG on May 30th, which clarified the planned periodicity of reminding cardholders and approving officials that scanning, attaching, and reviewing purchase card supporting documentation in FAIMIS is a requirement of the purchase card program. OIG determined the agency's actions meet the intent of the recommendation. Therefore, this recommendation is closed.

Status: Closed.

Audit Report

AUDIT OF NRC'S PURCHASE CARD PROGRAM

OIG-17-A-14

Status of Recommendations

Recommendation 4: Develop and deliver training specific to NRC approving official responsibilities as outlined in OMB A-123, Appendix B.

Agency Response Dated
March 5, 2018:

The training for approving officials, "Proper Use of Government Charge Cards for Approving Officials (Web-based)" Course ID 377151 was made available in iLearn on January 31, 2018.

OIG Analysis:

OIG reviewed the supporting documentation supplied on May 16th, follow up explanations provided on May 30th, and June 22nd, and verified the existence of Course ID 377151 in iLearn to determine that the proposed corrective action partially addresses the intent of OIG's recommendation. ADM has provided supporting documentation to show the attendees that were assigned the course, the interval of the course offering, and the periodicity of the course expiration. However, OIG will close this recommendation when the agency provides documentation that allows OIG to verify that current approving officials have completed the course.

Status: Resolved.

Audit Report

AUDIT OF NRC'S PURCHASE CARD PROGRAM

OIG-17-A-14

Status of Recommendations

Recommendation 5: For the annual internal reviews: (a) require followup from program offices, and, (b) require the APC to review supporting documentation only in FAIMIS.

Agency Response Dated
March 5, 2018:

The APC will use FAIMIS exclusively for reviewing supporting documentation for purchases made as of October 1, 2017, and when an office receives a report with findings, a written response will be required from the program offices.

OIG Analysis:

OIG reviewed the email to cardholders and approving officials and memo from the Director of ADM, Mr. James Corbett supplied to OIG on May 16th. These documents address that the APC will solely be using FAIMIS to review supporting documentation for the annual internal reviews and that program offices are now required to provide a formal response to findings resulting from ADM's annual internal reviews within a specific timeframe. Therefore, the recommendation is closed.

Status: Closed.

Audit Report

AUDIT OF NRC'S PURCHASE CARD PROGRAM

OIG-17-A-14

Status of Recommendations

Recommendation 6: Incorporate the use of Citibank tools to gain efficiencies in the annual audit process and for everyday monitoring of purchase cards.

Agency Response Dated
March 5, 2018:

The APC completed training on the Citibank card management tools on July 7, 2017, and ADM has incorporated the data from Citibank's report into the tool that was created on November 1, 2017, to determine the sample size for review each quarter. For continuous monitoring of NRC's purchase card program, the APC has used Citibank reports including, but not limited to: Account Activity Report, Declined Authorizations, Split Ticket, Cash and Convenience Check Report, All Transactions Over \$3,500, and transaction Violation Details report to review flagged transactions for compliance with the policies and procedures of NRC's purchase card program.

OIG Analysis: OIG reviewed the documentation provided by the agency that showed a webinar discussion on using the Citibank tools was held, a sample screenshot displaying the use an internal ADM Microsoft Access tool that uses the data from the Citibank reporting tools available, and the purchase card auditable transactions from the first quarter of the fiscal year 2018. OIG determined that the agency's actions meet the intent of the recommendation. Therefore, this recommendation is closed.

Status: Closed.

Audit Report

AUDIT OF NRC'S PURCHASE CARD PROGRAM

OIG-17-A-14

Status of Recommendations

- Recommendation 7: Develop and implement standard operating procedures for the APC including
- a. Create a metric for timely closure of purchase card accounts.
 - b. Periodically review the lists of cardholders and approving officials to ensure they are up-to-date and consistent.
 - c. Periodically obtain a list of completed training in iLearn for cardholders and approving officials.
 - d. Develop and maintain a list of ADAMS ML numbers for all cardholder and approving official delegation letters so they can be easily accessed and updated.

Agency Response Dated
March 5, 2018:

ADM has developed an APC Desk Guide describing the standard operating procedures for the APC including timely closure of purchase card accounts, review of cardholder and approving official list, and review of the completion of iLearn training. On November 28, 2017, ADM updated the existing list of active cardholders and approving officials maintained in SharePoint with training dates in iLearn and ADAMS Accession (ML) numbers for the delegation letters. ADM will periodically update this list of cardholders and approving officials.

OIG Analysis: OIG reviewed the APC Desk Guide and list of approving officials and cardholders provided to OIG on May 16th. OIG verified the agency developed and implemented standard operating procedures that (a) create a metric for the timely close of purchase card accounts, (b) establish periodicity of reviewing the lists of cardholders and approving officials to ensure they are up-to-date and consistent, (c) determine the regularity for updating the list of completed training in iLearn for cardholders and approving officials, and (d) set the frequency for revising the list of ADAMS ML numbers for all cardholders and approving official delegation letters. Therefore, this recommendation is closed.

Status: Closed.