



*Review of the Internal Revenue Service's
Purchase Card Violations Report*

July 24, 2019

Reference Number: 2019-10-053

This report has cleared the Treasury Inspector General for Tax Administration disclosure review process and information determined to be restricted from public release has been redacted from this document.

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HIGHLIGHTS

REVIEW OF THE INTERNAL REVENUE SERVICE'S PURCHASE CARD VIOLATIONS REPORT

Highlights

Final Report issued on July 24, 2019

Highlights of Reference Number: 2019-10-053 to the Commissioner of Internal Revenue.

IMPACT ON TAXPAYERS

Federal audits of agency charge card programs have found varying degrees of fraud, waste, and abuse. The Government Charge Card Abuse Prevention Act of 2012, which was signed into law on October 5, 2012, requires Executive Branch agencies to establish and maintain safeguards and internal controls for Government charge card programs.

WHY TIGTA DID THE AUDIT

This audit was initiated because the Government Charge Card Abuse Prevention Act of 2012 requires each agency with more than \$10 million in purchase card spending in the prior fiscal year to submit semiannual reports of employee purchase card violations and the disposition of those violations, including any disciplinary actions taken. These semiannual reports (Purchase Card Violations Reports) are prepared by the agency head, e.g., Department of the Treasury, and reviewed by the Inspectors General prior to the agency submitting the report to the Office of Management and Budget. The overall objective of this review was to assess whether the IRS complied with the law's requirements for the period October 1, 2018, through March 31, 2019.

WHAT TIGTA FOUND

Our review of the IRS's purchase card program found that controls are generally effective and the number of purchase card violations identified by the IRS Credit Card Services Branch were minimal and generally for nominal amounts.

For the period of October 1, 2018, through March 31, 2019, the IRS identified 10 instances of confirmed purchase card misuse totaling

nearly \$850, including items purchased for personal use such as sanitizing wipes and hand sanitizer. The IRS also reported one instance of potential purchase card misuse that is still pending agency investigation.

In addition to the 10 confirmed misuse cases reported in the IRS Purchase Card Violations Report, the Credit Card Services Branch also identified 35 purchase card transactions totaling just over \$42,000 that did not comply with Office of Management and Budget charge card policy guidance.

WHAT TIGTA RECOMMENDED

TIGTA made no recommendations as a result of the work performed during this review. However, key IRS officials reviewed this report prior to its issuance and agreed with the facts and conclusions presented.



TREASURY INSPECTOR GENERAL
FOR TAX ADMINISTRATION

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

July 24, 2019

MEMORANDUM FOR COMMISSIONER OF INTERNAL REVENUE

FROM: Michael E. McKenney
Deputy Inspector General for Audit

SUBJECT: Final Audit Report – Review of the Internal Revenue Service’s
Purchase Card Violations Report (Audit # 201910005)

This report presents the results of our review of the Internal Revenue Service’s (IRS) Purchase Card Violations Report. The overall objective of this review was to assess whether the IRS complied with the Government Charge Card Abuse Prevention Act of 2012¹ requirements for the period October 1, 2018, through March 31, 2019. This review is included in our Fiscal Year 2019 Annual Audit Plan and addresses the major management challenge of Reducing Fraudulent Claims and Improper Payments.

The Treasury Inspector General for Tax Administration made no recommendations as a result of the work performed during this review. However, key IRS officials reviewed this report prior to its issuance and agreed with the facts and conclusions presented.

Copies of this report are also being sent to the IRS managers affected by the report findings. If you have any questions, please contact me or Heather Hill, Acting Assistant Inspector General for Audit (Management Services and Exempt Organizations).

¹ Pub. L. No. 112-194 (Oct. 2012).



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Abbreviations

ALERTS	Automated Labor and Employee Relations Tracking System
CCS	Credit Card Services
FY	Fiscal Year
IRS	Internal Revenue Service
OMB	Office of Management and Budget
TIGTA	Treasury Inspector General for Tax Administration



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Background

Government purchase cards are an affordable and streamlined means for making payments, and in October 2003, the Federal Acquisition Regulation designated the purchase card as the preferred method to purchase and pay for goods and services up to the micro-purchase limits.¹ On October 5, 2012, the President signed the Government Charge Card Abuse Prevention Act of 2012 (Charge Card Act)² into law to reinforce Administration efforts to prevent fraud, waste, and abuse of Governmentwide charge card programs. To provide further guidance on the Charge Card Act, the Office of Management and Budget (OMB) issued Memorandum M-13-21 on September 6, 2013, with implementation guidance.³ Subsequently, the General Services Administration issued Smart Bulletin No. 021 on September 9, 2013, which included a summary compliance checklist for agency use and sample report templates.⁴

Requirements of the Charge Card Act

The Charge Card Act established additional reporting and audit requirements for oversight over the Government charge card program. For example, it required:

- Agencies to compile reports of purchase card violations.
- Agencies to augment safeguards and internal controls.
- Inspectors General to complete risk assessments and audits.

Each agency with more than \$10 million in purchase card spending the prior fiscal year⁵ is required to submit to the OMB semiannual reports (October 1 through March 30 and April 1

¹ The Federal Acquisition Regulation includes limitations of micro-purchases, which are no more than \$3,500 for goods, \$2,500 for services, and \$2,000 for construction (48 C.F.R. §13.201(b)–(c) (Oct. 2003)). The Department of the Treasury Senior Procurement Official issued a Federal Acquisition Regulation deviation on May 25, 2018, that allowed the micro-purchase threshold limit to increase to \$10,000 in accordance with the National Defense Authorization Act for Fiscal Year 2018 (Pub. L. No. 115-91). Not all purchase cardholders received the micro-purchase limit increase.

² Pub. L. No. 112-194 (Oct. 2012).

³ OMB, OMB M-13-21, *Implementation of the Government Charge Card Abuse Prevention Act of 2012* (Sept. 2013).

⁴ To help ensure the required safeguards and internal controls are in place, the General Services Administration developed a compliance assessment tool posted on the General Services Administration SmartPay website (www.smartpay.gsa.gov) under “Smart Bulletins.” Smart Bulletin No. 021, *OMB Memorandum M-13-21 and Charge Card Compliance Summary* (Sept. 2013).

⁵ Any yearly accounting period, regardless of its relationship to a calendar year. The Federal Government’s fiscal year begins on October 1 and ends on September 30.



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through September 30) of employee purchase or integrated card violations⁶ and the disposition of these violations, including disciplinary actions taken. These semiannual reports (Purchase Card Violations Reports) are prepared by the agency head, *e.g.*, Department of the Treasury,⁷ reviewed by the Inspectors General, then submitted to the OMB no more than 120 days after the end of the reporting periods.

Agencies do not have to report on administrative or internal control process inconsistencies that do not result in abuse, fraud, loss to the Government, or misappropriation of funds or assets (whether or not recouped) in their semiannual violations reports. However, the Treasury Inspector General for Tax Administration (TIGTA) comments on all purchase card noncompliance identified by the Internal Revenue Service (IRS) in its semiannual review of purchase card violations reporting.⁸ TIGTA also reviews its Office of Investigations Criminal Results Management System to identify potential instances of purchase card misuse that may not have been directly identified by the IRS.

Additional requirements of the Charge Card Act include augmentation of existing internal controls. Each agency head is required to annually certify that appropriate policies and controls are in place or that corrective actions have been taken to mitigate the risk of fraud and inappropriate charge card practices. This certification is reported as part of the existing annual assurance statement under the Federal Managers' Financial Integrity Act of 1982.⁹ In addition, each agency is required to continue to maintain and annually submit Charge Card Management Plans no later than January 31, as required by OMB guidance.¹⁰ Further, the semiannual Purchase Card Violations Reports should also be incorporated into agencies' existing Charge Card Management Plans. All agency Charge Card Management Plans are required to be reviewed and updated, as necessary, to reflect the following internal control activities:

- Prevent improper reimbursements.
- Prevent overpayments for unused tickets.
- Deter employee misuse of Government charge cards by implementing penalties for charge card violations that are jointly developed by agency charge card management and the human resources components.

⁶ An integrated card is a combination of two or more business lines in a single card, *e.g.*, purchase and travel.

⁷ As a bureau of the Department of the Treasury, the IRS is required to abide by the Charge Card Act and report charge card violations.

⁸ OMB implementing guidance, OMB M-13-21, does not specifically define the types of purchases that qualify as reportable violations. For the purposes of this review, TIGTA and the IRS report purchases that are personal in nature such that the purchased item was not purchased to satisfy a business need of the IRS but instead the personal use of the recipient.

⁹ Title 31 U.S.C. § 3512(d)(2).

¹⁰ OMB Circular No. A-123, Appendix B (Revised), *Improving the Management of Government Charge Card Programs* (Jan. 2009), provides guidance that establishes minimum requirements for Government purchase card programs and suggests best practices.



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As a result of these requirements under the Charge Card Act, the Department of the Treasury issues the Charge Card Management Plan in January each year, and the IRS ensures that its internal controls over the charge card program adhere to the agency plan.

The Charge Card Act also provides for additional oversight by Inspectors General by requiring them to conduct periodic (at least annually) risk assessments of purchase cards (including convenience checks), combined integrated cards, and travel card programs to analyze the risks of illegal, improper, and erroneous purchases. Beginning in Fiscal Year (FY) 2014, Inspectors General were also required to annually report to the Director of the OMB, by January 31, on the agency's progress in implementing prior audit recommendations related to purchase and travel cards.¹¹ This progress is compiled and sent to Congress and to the Comptroller General of the Government Accountability Office.

IRS roles and responsibilities for administering the purchase card program

Within the IRS, the Office of Procurement is responsible for providing policy guidance for the purchase card program as it relates to acquisition regulations. The Credit Card Services (CCS) Branch within the Office of the Chief Financial Officer is responsible for managing and providing oversight for the purchase card program and convenience checks (an alternative method of payment used with vendors that do not accept purchase cards for payment of goods and services). The CCS Branch's responsibilities include processing new account applications and performing account maintenance, providing training, issuing program guidance, and performing periodic program oversight reviews. In addition, the CCS Branch is responsible for tracking and reporting instances of alleged inappropriate purchase card use. The process for identification of misuse of a convenience check is the same as it is for the misuse of a purchase card.

The CCS Branch evaluates compliance with purchase card operating guidance to detect and deter noncompliance with purchase card policy and procedures. These evaluations currently include periodic and targeted reviews of:

- Merchant categories and names such as popular online shopping websites, *e.g.*, Amazon.com, to ensure that purchase cardholders are adhering to the Purchase Card Guide.
- Required source documents.
- Random samples of transactions to identify purchases over the single transaction limit and split purchases.

¹¹ TIGTA issued its most recent report to comply with the Act on March 4, 2019. TIGTA, Ref. No. 2019-10-023, *Review of the Internal Revenue Service's Purchase Card Violations Report and Status of Recommendations* (Mar. 2019).



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- The convenience check program to ensure that check writers are adhering to the IRS's policies and procedures outlined in the *Chief Financial Officer, Financial Management – CCS Convenience Check Desk Guide*.

The Labor and Employee Relations function (hereafter referred to as Labor Relations) is the IRS office responsible for advising and supporting managers on employee conduct and performance matters, with the exception of such matters committed by employees of the Office of Chief Counsel. Once an alleged inappropriate purchase card misuse is referred by the CCS Branch, Labor Relations assists responsible managers in researching cases of IRS employee cardholder misuse and in determining whether disciplinary action is appropriate. Although Office of Chief Counsel employee purchase card misuse may be identified by the CCS Branch, the Office of Chief Counsel is responsible for researching and applying disciplinary actions for those employees as well as tracking the disciplinary actions in its Office of Chief Counsel Credit Card Database. Once the inappropriate purchase card misuse is confirmed, the CCS Branch is responsible for compiling the Purchase Card Violations Report for submission to the OMB.

This review was performed with information obtained from Office of the Chief Financial Officer, CCS Branch. We also obtained information from Human Capital Office Workforce Relations Division Labor Relations personnel and Office of Chief Counsel personnel. We conducted this review during the period March through July 2019. Our review relates to the proper identification and reporting of known cases of purchase card abuse. Uncovering fraud and abuse not identified by the IRS systems and management controls were beyond the scope of this audit. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. Detailed information on our audit objective, scope, and methodology is presented in Appendix I. Major contributors to the report are listed in Appendix II.



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Results of Review

Compliance With the Government Charge Card Abuse Prevention Act of 2012 Requirements

According to IRS records, between October 1, 2018, and March 31, 2019, the IRS's purchase card program included 2,227 purchase cardholders. These cardholders made 16,399 purchases totaling almost \$6.8 million with their purchase cards. Additionally, cardholders with the authority to write convenience checks wrote 33 checks totaling more than \$18,000. Our review of the IRS's purchase card program found that controls are generally effective and the number of purchase card violations identified by the IRS CCS Branch were minimal and generally for nominal amounts. However, we also found that purchase cardholders continue to make unauthorized purchases.

Semiannual report on IRS purchase card violations and actions taken by management in response

We reviewed the violations the IRS identified for the Purchase Card Violations Report and related supporting documentation. The IRS identified 10 instances¹² of confirmed purchase card misuse for the period of October 1, 2018, through March 31, 2019, and has one additional instance of potential purchase card misuse pending agency investigation.¹³ The 10 confirmed purchase card misuse cases collectively totaled nearly \$850 and included items purchased for personal use such as sanitizing wipes and hand sanitizer. In three instances, totaling almost \$140, unopened items were returned for credit. In the other seven instances, cardholders have not yet reimbursed the Government as required by OMB guidance.

TIGTA identified an additional instance of suspected purchase card misuse that was referred by the CCS Branch to Labor Relations for review. Labor Relations reported that no purchase card violation had occurred for this instance. As a result, the CCS Branch did not include the instance in its Purchase Card Violations Report. However, our independent review indicates that the transaction was not appropriate and should have been identified as a reportable violation for the purposes of the Purchase Card Violations Report. The purchase was for Kleenex hand towels and had a value of \$44.

¹² For the purpose of this report, an instance equals a referral to Labor Relations of a potential purchase card violation. Two instances were previously reported as pending agency investigation.

¹³ The CCS Branch uses reports provided by Labor Relations to determine if a case is open (pending) or closed (confirmed). See Appendix IV for a copy of the IRS's Purchase Card Violations Report.



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With respect to disciplinary actions taken by IRS management in response to the 10 confirmed cases, all 10 received nondisciplinary actions;¹⁴ one employee received written counseling, four were given oral counseling, three received a cautionary letter, and two cases were closed without action. The IRS's internal guidance¹⁵ provides a range of disciplinary and nondisciplinary actions from no action to suspension that can be applied for each purchase card policy violation or inappropriate use. Further, the IRS penalty guide¹⁶ provides a range of penalties from a five-day suspension for a first offense up to removal for a third offense. However, according to IRS policy, use of the penalty guide is not mandatory, and the ultimate decision lies with management.

We also reviewed information provided by TIGTA's Office of Investigations Criminal Results Management System on purchase card abuse cases and complaints occurring during the review period. There were no purchase card misuse cases that were reported by TIGTA's Office of Investigations. In addition, we followed up on the status of four cases previously reported as pending agency investigation. Two of these cases were subsequently confirmed to be instances of purchase card misuse and are included in the 10 cases previously mentioned and identified in the Purchase Card Violations Report in Appendix IV.

Lastly, we reviewed the final version of the FY 2019 Department of the Treasury Charge Card Management Plan. TIGTA determined that no material revisions had occurred in comparison to the FY 2018 Charge Card Management Plan that would necessitate changes to the IRS's processes in identifying and reporting purchase card violations. The Department of the Treasury Charge Card Management Plan contains internal controls required by the Charge Card Act and OMB M-13-21, and the IRS ensures that its internal controls over the charge card program adhere to the agency's plan.

Purchase cardholders continue to make unauthorized purchases

In addition to the 10 confirmed misuse cases reported in the IRS Purchase Card Violations Report, the CCS Branch also identified 35 purchase card transactions totaling just over \$42,000¹⁷ that also did not comply with the OMB's purchase card guidance. However, the Charge Card Act requires that only certain purchase card misuse be reported to the OMB in the Purchase Card Violations Report, *i.e.*, transactions indicating fraud, waste, or abuse, and excludes certain inappropriate transactions that resulted due to administrative or internal controls inconsistencies, *e.g.*, unauthorized purchases. OMB Circular A-123 states that unauthorized purchases consist of

¹⁴ For situations in which management determines the misconduct is not serious or recurring, an informal action or nondisciplinary action is rendered.

¹⁵ Internal Revenue Manual 6.751.1, *Discipline and Disciplinary Actions: Policies, Responsibilities, Authorities, and Guidance* (Nov. 4, 2008).

¹⁶ IRS, *IRS Manager's Guide to Penalty Determinations* (Rev. Aug. 1, 2012).

¹⁷ One transaction totaling \$12,756 was reported in two categories; both split purchase and prohibited purchase.



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items that are intentionally purchased and are outside of the cardholder's purchasing authority. Examples of unauthorized purchases include:

- Prohibited purchase – a purchase that is prohibited from being made by IRS cardholders by policy or the purchase was made for valid business needs, but the cardholder did not have authority to purchase the item(s).
- Purchase without prior approval – a purchase made absent funding approvals or made prior to securing manager approval.
- Purchase that exceeds the single-transaction limits of \$3,500 or \$10,000.¹⁸
- Split purchase – a purchase made on the same day from the same vendor as another transaction(s) to circumvent cardholder single-transaction limits. When purchases are split in this manner, normal procurement policies and procedures are not followed and the micro-purchase/single-transaction dollar limits are circumvented. Split purchase transactions can also result in overpayment for goods and services.

Further, splitting a purchase is a violation of IRS policy, which dictates that such inappropriate use of a purchase card will be referred to Labor Relations for review and recommendation on the appropriate disciplinary or nondisciplinary action. If a cardholder requires goods or services from a vendor that exceed the micro-purchase threshold, the cardholder is required to notify the Office of Procurement Policy so the appropriate competitive process is used to ensure that the IRS gets the best value for the items required.¹⁹ Figure 1 summarizes the 35 purchase card transactions that did not comply with OMB guidelines.

Figure 1: Purchase Card Transactions That Did Not Comply With OMB Guidelines

Description	Number ²⁰	Amount
Split Purchase Transactions Collectively Exceeding the Micro-Purchase Limit	3	\$24,567
Purchases Without Prior Approval	3	\$970
Purchases Above the Single-Transaction Limit	2	\$7,830
Prohibited Purchases	28	\$21,815
Total	35	\$42,425

Source: TIGTA's analysis of CCS Branch documentation.

¹⁸ Some purchase cardholders' limits remained at \$3,500, while others' limit increased to \$10,000.

¹⁹ *The Internal Revenue Service's Purchase Card Guide* (July 2016) as authorized by 48 C.F.R. 13.003 (b)(1) (Jan. 2017); 48 C.F.R. 13.202 (June 2013); and 48 C.F.R. 13.301 (Dec. 2009).

²⁰ One transaction totaling \$12,756 was reported in two categories; both split purchase and prohibited purchase.



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An example of the 28 prohibited purchases included 12 transactions with a total value of \$19,000 for information technology equipment (converter cables, Universal Serial Bus [USB] cables/hubs, keypads, and High Definition Multimedia Interface [HDMI] cables) that were purchased but not by Information Technology organization functional cardholders as required. The remaining 16 transactions, totaling almost \$3,300, were for office supplies and shipping using an unauthorized source.

These unauthorized purchases were due to the bypassing of internal controls such as the requirement to obtain approval before making purchases. Consistent actions to address purchase card misuse and policy noncompliance are necessary to ensure that such violations do not reduce the overall effectiveness of controls over the purchase card program, provide a deterrent factor for purchase card misuse, and shield the purchase card program from repeated violations of applicable laws and regulations. Although the unauthorized purchases did not comply with OMB purchase card guidelines, the purchases were not fraudulent and did not promote waste and abuse, so the misuse does not have to be reported on the IRS Purchase Card Violations Report.



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Appendix I

Detailed Objective, Scope, and Methodology

Our overall objective was to assess whether the IRS complied with the Government Charge Card Abuse Prevention Act of 2012¹ requirements for the period October 1, 2018, through March 31, 2019. To address this objective, we:

- I. Reviewed alleged purchase card (and convenience check) violations by IRS employees and identified the actions the IRS had taken as a result of these violations.
 - A. Determined the methodology and process the IRS uses to determine a confirmed violation.
 - B. Determined whether the IRS is following the process (identified in Step I.A) correctly by conducting interviews with key officials within the CCS Branch, Office of Chief Counsel, and Labor Relations to identify their process and the documentation they obtained to reach a determination as to whether suspicious purchase card transactions are confirmed to be reportable violations.
 - C. Determined the total number of confirmed violations involving misuse of a purchase card for the specified period based on the data contained in the Automated Labor and Employee Relations Tracking System (ALERTS), Criminal Results Management System, Office of Chief Counsel Credit Card Database, and CCS Inappropriate Use Referral Log. We determined whether these violations constituted: 1) abuse;² 2) fraud;³ or 3) other loss, waste, or misuse.⁴ We assessed the reliability of ALERTS data by performing electronic testing of required data elements. We determined that the data were sufficiently reliable for purposes of this report.
 - D. Determined the number of adverse personnel actions, punishments, or other actions taken in response to each reportable violation involving misuse of a purchase card for the specified period using the ALERTS. Further, we determined whether the actions

¹ Pub. L. No. 112-194 (Oct. 2012).

² Abuse involves behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary business practice given the facts and circumstances. Abuse also includes misuse of authority or position for personal financial interests or those of an immediate or close family member or business associate. Abuse does not necessarily involve fraud or noncompliance with provisions of laws, regulations, contracts, or grant agreements.

³ Fraud involves obtaining something of value through willful misrepresentation. Whether an act is, in fact, fraud is a determination to be made through the judicial or other adjudicative system and is beyond auditors' professional responsibility.

⁴ These three categories were identified in the General Services Administration's guidance on OMB Memorandum M-13-21.



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involved: 1) demotions, 2) reprimands, 3) suspensions, 4) removals, or 5) any other adverse or administrative personnel actions.⁵

E. Determined the total number and status of all pending violations for the specified period based on the Labor Relations Open/Closed Report. Of these, we determined if these pending violations were: 1) pending investigation, 2) pending hearing, 3) pending final agency action, or 4) pending decision on appeal.⁶

II. Evaluated whether the FY 2019 Department of the Treasury Charge Card Management Plan contains material revisions from the FY 2018 Charge Card Management Plan and whether such revisions may necessitate changes to IRS processes in identifying and reporting purchase card violations.

Internal controls methodology

Internal controls relate to management's plans, methods, and procedures used to meet their mission, goals, and objectives. Internal controls include the processes and procedures for planning, organizing, directing, and controlling program operations. They include the systems for measuring, reporting, and monitoring program performance. We determined that the following internal controls were relevant to our audit objective: IRS internal policies and procedures and other guidance pertaining to travel cards, purchase cards, and convenience checks and CCS Branch inappropriate use forms, logs, and supporting documentation.

To assess these controls, we reviewed the IRS's methodology for reporting confirmed and pending violations in the Purchase Card Violations Report and analyzed inappropriate use forms and logs (including for the Office of Chief Counsel, as applicable), the ALERTS, and the Criminal Results Management System. We also reviewed IRS policies and procedures related to the Charge Card Act, including controls over centrally billed travel card accounts.

⁵ These five categories were identified in the General Services Administration's guidance of OMB Memorandum M-13-21.

⁶ These four categories were identified in the General Services Administration's guidance of OMB Memorandum M-13-21.



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Appendix II

Major Contributors to This Report

Heather M. Hill, Acting Assistant Inspector General for Audit (Management Services and Exempt Organizations)
LaToya R. Penn, Director
Seth A. Siegel, Audit Manager
George S. Hartman, Lead Auditor
Nyanquoi K. Jones, Senior Auditor



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Appendix III

Report Distribution List

Deputy Commissioner for Operations Support
Chief Counsel
Chief Financial Officer
IRS Human Capital Officer
Director, Workforce Relations Division, IRS Human Capital Office
Director, Enterprise Audit Management



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Appendix IV

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PURCHASE CARD VIOLATION DATA	
I. Summary description of confirmed violations involving misuse of a purchase card or integrated card.¹	October 1, 2018, through March 31, 2019
a. Abuse.	
b. Fraud.	
c. Other loss, waste, or misuse: <i>Cardholders purchased restricted or prohibited items.</i>	10
II. Summary description of all adverse personnel actions, punishment, or other actions taken in response to each reportable violation involving misuse of a purchase or integrated card.²	October 1, 2018, through March 31, 2019
a. Documentation of Counseling: <i>Oral or written counseling issued.</i>	6
b. Demotion.	0
c. Reprimand.	0
d. Suspension.	0
e. Removal.	0
f. Other (no action taken): <i>Closed without any IRS management adverse personnel action.</i>	4
III. Status of all pending violations.	October 1, 2018, through March 31, 2019
a. Number of violations pending investigation.	1
b. Number of violations pending hearing.	0
c. Number of violations pending final agency action.	0
d. Number of violations pending decision on appeal.	0

Source: IRS review of inappropriate use forms, logs, and case information contained in the ALERTS database.

¹ Terms used are defined in the *Government Auditing Standards* (Government Accountability Office, GAO-12-331G, *Government Auditing Standards* (Dec. 2011)).

² The purpose of this summary is to report adverse personnel actions and not to report administrative error.