

June 11, 2012

MEMORANDUM TO: Stephen D. Dingbaum
Assistant Inspector General for Audits
Office of the Inspector General

FROM: Cynthia A. Carpenter, Director */RA/ SStewart-Clark for/*
Office of Administration

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF U.S. NUCLEAR
REGULATORY COMMISSION'S PURCHASE CARD PROGRAM
(OIG-11-A-13)

The following provides a response to Recommendations 1, 3, 4, 5, and 6 as contained in the subject audit report. Based on these responses, the Office of Administration (ADM) requests closure of all these recommendations.

Recommendation 1:

Issue periodic reminders to cardholders and approving officials to reiterate the requirements for closing accounts, tagging property, and increasing spending limits.

Response:

The Division of Contracts (DC) issued a periodic reminder and held a briefing with the purchase cardholders and their approving officials to reiterate the requirements for closing accounts, tagging property, and increasing spending limits. The documents are referenced under Agencywide Documents Access and Management System (ADAMS) accession numbers ML12033A045 (Enclosure 1) and ML12094A090 (Enclosure 2).

Recommendation 3:

Revise the purchase card training course to incorporate more clear examples of split transactions and a detailed definition and examples of miscellaneous expenses in the discussion of convenience checks.

Response:

DC has updated the purchase card training course to incorporate more clear examples of split transactions as well as the proper use of convenience checks. Reference to miscellaneous expenses has been deleted from the U.S. Nuclear Regulatory Commission (NRC) Purchase

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Card Handbook, and therefore, will not be incorporated into the training. The purchase card training course, available in iLearn, is entitled "Proper Use of Government Charge Cards."

Recommendation 4:

Document procedures requiring (1) the continuous monitoring of NRC purchase card transactions to assess whether split transactions are occurring and convenience checks are being used improperly; and (2) follow-up with NRC offices that are not following the agency's requirements.

Response:

DC has developed an Agency Program Coordinator (APC) Desk Guide for the administration of the NRC's Purchase Card Program. The guide provides procedures requiring continuous monitoring of NRC purchase card transactions to identify potential split transactions or potential improper use of convenience checks, as well as procedures to follow-up with NRC offices that are not following the agency's requirements. The desk guide is under ADAMS accession number ML12152A110 (Enclosure 3).

Recommendation 5:

Develop desk procedures for agency Purchase Card Program management to ensure complete records of purchase cardholders and designated check writer information.

Response:

The APC Desk Guide for the administration of the NRC's Purchase Card Program mentioned in Recommendation 4 provides procedures to ensure complete records of purchase cardholders and designated check writer information.

Recommendation 6:

Document periodic reconciliations of Citibank active accounts and NRC's master file on official cardholder records.

Response:

The APC Desk Guide for the administration of the NRC's Purchase Card Program mentioned in Recommendations 4 and 5 provides procedures for documenting periodic reconciliation of Citibank active accounts and the NRC's master file on official cardholder records.

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Email Transmittal to NRC Purchase Cardholders and Approving Officials
(ML12033A045)

Enclosure 1

Purchase Card Briefing – March 21, 2012
(ML12094A090)

Enclosure 2

Purchase Card Program
Agency Program Coordinator Desk Guide
(ML12152A110)