



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

**OFFICE OF THE
INSPECTOR GENERAL**

July 11, 2012

MEMORANDUM TO: R. W. Borchardt
Executive Director for Operations

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

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S
PURCHASE CARD PROGRAM (OIG-11-A-13)

REFERENCE: DIRECTOR, OFFICE OF ADMINISTRATION,
MEMORANDUM DATED JUNE 11, 2012

Attached is the Office of the Inspector General's analysis and status of the recommendations as discussed in the agency's response dated June 11, 2012. Based on this response, recommendations 1, 3, 4, 5, and 6 are now closed. Recommendation 2 was previously closed. All recommendations related to this report are now closed.

If you have any questions or concerns, please call me at 415-5915 or Kathleen Stetson, Team Leader, at 415-8175.

Attachment: As stated

cc: D. Ash, OEDO
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Audit Report

AUDIT OF NRC'S PURCHASE CARD PROGRAM

OIG-11-A-13

Status of Recommendations

Recommendation 1: Issue periodic reminders to cardholders and approving officials to reiterate the requirements for closing accounts, tagging property, and increasing spending limits.

Agency Response
Dated June 11, 2012:

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).

OIG Analysis:

The agency's periodic reminder and briefing to cardholders and approving officials to reiterate the requirements for closing accounts, tagging property, and increasing spending limits satisfy the intent of the recommendation. Therefore, recommendation 1 is now closed.

Status:

Closed.

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Status of Recommendations

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.

Agency Response
Dated June 11, 2012: 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 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."

OIG Analysis: The agency's update to the purchase card training course satisfies the intent of this recommendation. Therefore, recommendation 3 is now closed.

Status: Closed.

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Status of Recommendations

<u>Recommendation 4:</u>	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.
Agency Response Dated June 11, 2012:	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).
OIG Analysis:	The agency's new desk guide for the administration of NRC's Purchase Card Program satisfies the intent of this recommendation. Therefore, recommendation 4 is now closed.
Status:	Closed.

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Status of Recommendations

<u>Recommendation 5:</u>	Develop desk procedures for agency Purchase Card Program management to ensure complete records of purchase cardholder and designated check writer information.
Agency Response Dated June 11, 2012:	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.
OIG Analysis:	The agency's new desk guide for the administration of NRC's Purchase Card Program satisfies the intent of this recommendation. Therefore, recommendation 5 is now closed.
Status:	Closed.

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Status of Recommendations

<u>Recommendation 6:</u>	Document periodic reconciliations of Citibank active accounts and NRC's master file on official cardholder records.
Agency Response Dated June 11, 2012:	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.
OIG Analysis:	The agency's new desk guide for the administration of NRC's Purchase Card Program satisfies the intent of this recommendation. Therefore, recommendation 6 is now closed.
Status:	Closed.