

# Fiscal Year 2015 Risk Assessment of the Social Security Administration's Charge Card Programs

## A-13-16-50061



January 2016

Office of Audit Report Summary

### Objective

To analyze the risk of illegal, improper, and erroneous purchases made through the Social Security Administration's (SSA) charge card programs.

### Background

On October 5, 2012, the President signed into law the *Government Charge Card Abuse Prevention Act of 2012* (Act), which reinforces efforts to prevent waste, fraud, and abuse in Government-wide charge card programs.

The Act requires that all executive branch agencies implement safeguards and internal controls for purchase, travel, and integrated cards as well as centrally billed accounts. It also establishes reporting and audit requirements. The Act tasks Inspectors General with, among other things, conducting periodic risk assessments of agencies' purchase card or convenience check programs to identify and analyze risks of illegal, improper, or erroneous purchases and payments. Similarly, the Act requires that Inspectors General of executive agencies with more than \$10 million in travel card spending periodically audit or review travel card programs to analyze risks of illegal, improper, or erroneous purchases and payments.

### Conclusions

This report addresses the requirement that we complete a risk assessment of SSA's charge card programs. SSA has purchase and travel card programs and uses centrally billed accounts for travel. In Fiscal Year (FY) 2015, SSA reported about \$62 million in purchase card use and \$21 million in travel card expenses. As of October 2015, there were 2,950 active purchase cardholders and 22,761 active travel cardholders. SSA did not use convenience checks or integrated charge cards, so our risk assessment only addressed purchase cards, travel cards, and centrally billed accounts.

SSA has policies and procedures in place to address the requirements identified in the Act regarding management of its purchase and travel card programs. Further, SSA has internal controls to assist in oversight of its charge card programs beyond those required in the Act.

In 2015, we initiated an audit of SSA's purchase card program. Based on our preliminary findings and the data we reviewed, we believe the risk associated with SSA's use of purchase cards is "low." We will issue a report on the results of our purchase card audit in FY 2016.

In 2015, we audited SSA's travel card program. Based on our findings and the data we reviewed, we believe the risk associated with SSA's use of travel cards and centrally billed accounts is "low."