

# Fiscal Year 2019 Risk Assessment of the Social Security Administration's Charge Card Programs

## A-13-18-50711



October 2020

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

The *Government Charge Card Abuse Prevention Act of 2012* (Act) 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 (CBA). 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 that have 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. In addition, SSA uses CBAs for transportation costs when travel reservations are made using the Travel Management Service. In Fiscal Year (FY) 2019, SSA reported about \$59 million in purchase card expenses and \$10 million in travel card expenses. In October 2019, there were 2,338 active purchase cardholders and 15,079 active travel cardholders and CBAs. SSA did not use convenience checks or integrated charge cards, so our risk assessment only addressed purchase cards, travel cards, and CBAs.

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

In February 2018, we issued a report on SSA's FY 2017 purchase card transactions, as prescribed by the Government-wide Council of the Inspectors General on Integrity and Efficiency Purchase Card Project. Based on our prior audit findings, FY 2019 data we reviewed, and limited testing of FY 2019 transactions, we believe the risk associated with SSA's use of purchase cards is low.

In May 2015, we issued a report on SSA's FY 2013 travel card program. Based on our prior findings, FY 2019 data reviewed, and limited testing of FY 2019 transactions, we believe the risk associated with SSA's use of travel cards and CBAs is low.