



# Executive Summary:

## The CFPB Should Continue to Enhance Controls for Its Government Travel Card Program

2016-FMIC-C-009

June 27, 2016

### Purpose

Our objective was to determine whether the Consumer Financial Protection Bureau (CFPB) has established and maintained internal controls for its government travel card (GTC) program, including centrally billed accounts, to ensure the proper, efficient, and effective use of GTCs in accordance with the Government Charge Card Abuse Prevention Act of 2012. Specifically, we tested controls designed to prevent or identify illegal, improper, or erroneous purchases and payments.

### Background

Through its GTC program, the CFPB provides its employees with an individually billed GTC account with which to arrange and pay for official travel and other travel-related expenses and receive reimbursements for authorized expenses. The CFPB's Travel Office is responsible for administering the CFPB's GTC program, and the U.S. Department of the Treasury's Bureau of the Fiscal Service, Administrative Resource Center, assists with the administration of some of the program's functions. The GTC program involves five major processes: (1) issuing GTCs, (2) training, (3) reviewing and approving travel authorizations and travel vouchers, (4) monitoring GTC usage, and (5) closing GTC accounts. The CFPB's *Policy on Travel Cards and Temporary Duty Travel* outlines the responsibilities of cardholders, supervisors, and the CFPB's Travel Office.

### Findings

Although the CFPB has implemented several controls over its GTC program, we found that some controls are not designed or operating effectively to (1) prevent or identify unauthorized use of GTCs and (2) provide reasonable assurance that cards are closed out in a timely manner upon employees' separation. Specifically, we found that some CFPB cardholders were reimbursed for lodging and meals and incidental expenses incurred while on personal leave during official travel. In addition, some cardholders used their GTCs for personal use while not on official travel. Further, the Travel Office is not using an efficient process to identify improper purchases. We also found that several approving officials did not receive U.S. General Services Administration SmartPay 2 training related to the GTC and that the CFPB does not conduct mandatory, certified, agency-specific training on its GTC policies. Lastly, the GTC accounts of some separating employees were not deactivated immediately upon cardholder separation from the CFPB.

### Recommendations

Our report contains recommendations designed to help ensure GTC program integrity. We recommend that the CFPB review transactions made by cardholders who received payment for unallowable expenses and seek reimbursement in accordance with CFPB policy. We also recommend that the CFPB obtain and implement data mining tools to monitor the usage of GTCs. Further, we recommend that the CFPB update the *Policy on Travel Cards and Temporary Duty Travel* to clearly define personal use and improper use of the GTC and to consolidate the policy and all addendums into one document. In addition, we recommend that the CFPB develop and conduct mandatory, certified, agency-specific training for approving officials and cardholders. Lastly, we recommend that the CFPB work with its Office of Human Capital and the Bureau of the Fiscal Service, Administrative Resource Center, to develop and implement a process to deactivate the GTCs of separating employees immediately upon their separation from the CFPB.

In his response to our draft report, the Chief Financial Officer concurred with our recommendations and outlined actions to address them.