



Voyager Card Over Capacity – Centerville Branch, Snellville, GA

September 19, 2018

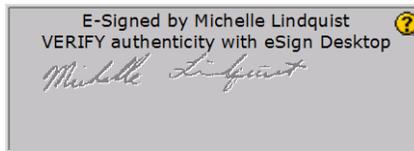


Report Number FCS-FM-18-028



September 19, 2018

MEMORANDUM FOR: SAMUEL E. JAUDON
MANAGER, ATLANTA DISTRICT



FROM: Michelle Lindquist
Director, Financial Controls

SUBJECT: Audit Report – Voyager Card Over Capacity – Centerville
Branch, Snellville, GA (Report Number FCS-FM-18-028)

This report presents the results of our audit of the Voyager Card Over Capacity – Centerville Branch, Snellville, GA (Project Number 18BFM027FCS000).

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Dianna PruDe, Operational Manager, or me at 703-248-2100.

Attachment

cc: Corporate Audit and Response Management

Background

This report presents the results of our audit of the Voyager Card Over Capacity – Centerville Branch, Snellville, GA (Project Number 18BFM027FCS000). The Centerville Branch is in the Atlanta District of the Capital Metro Area. This audit was designed to provide U.S. Postal Service management with timely information on potential financial control risks at Postal Service locations.

Every Postal Service-owned vehicle is assigned a Voyager card¹ that is used to pay for its commercially purchased fuel, oil, and routine maintenance. U.S. Bank manages the Voyager Fleet Systems credit card program for the Postal Service. U.S. Bank is responsible for operating the program, and Voyager provides a weekly electronic transaction detail file of all Voyager card transactions to the Postal Service's Fuel Asset Management System (FAMS) eFleet application.² Each month, the Postal Service site manager³ is responsible for ensuring that their driver receipts are reconciled in the FAMS *Reconciliation by Exception* module. The review is critical since the Postal Service automatically pays Voyager/U.S. Bank weekly for all Voyager card charges. The site manager or designee performing the reconciliation must certify that due diligence has been exercised in the verification of the transactions and supporting documentation.

The U.S. Postal Service Office of Inspector General (OIG) used data analytics to identify offices with potentially fraudulent Voyager card activity. The analytics identified Centerville Branch had 22 transactions totaling \$2,395 at risk during May 2018. The unit had 691 Voyager card transactions totaling \$19,090 for all of May 2018.

Objective, Scope and Methodology

The objective of this audit was to determine whether Voyager card transactions were properly reconciled for detecting and disputing potentially fraudulent activity at the Centerville Branch, Snellville, GA. The scope of this audit included the Voyager card activity reconciliation process at the Centerville Branch during May 2018. We focused on high-risk⁴ Voyager card transactions for gallons of fuel purchased exceeding allowed maximum amounts, duplicate transactions, and transactions made outside of the Centerville Branch service area.

We analyzed Voyager card transactions in FAMS, interviewed the manager responsible for the process, and reviewed on-site supporting documentation. We relied on computer-generated data from FAMS. We verified transactions generated by this

¹ Voyager Fleet Systems, Inc., owned by U.S. Bank, is the contractor for the program.

² The eFleet application within FAMS tracks Voyager fuel and repair purchases made by Postal Service personnel.

³ The site manager is defined as the manager of an operation to which the vehicles are assigned, and has the responsibility for Voyager card reconciliation and fraud prevention.

⁴ Transactions which may be the result of fraudulent actions.

system against available on-site supporting documentation. We determined the data were sufficiently reliable for the purposes of this report.

We conducted this audit from July through September 2018 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our objective. We discussed our observations and conclusions with management on August 31, 2018 and included their comments where appropriate.

Finding #1: Voyager Card Reconciliation

We found the process of Voyager card reconciliation at the Centerville Branch for detecting and disputing potentially fraudulent activity could be improved. We reviewed 22 high-risk transactions reported in the FAMS *Reconciliation Exception Report* for May 2018 and found 10 transactions were not properly reconciled. Specifically:

- Five transactions, totaling \$1,599, were marked as reconciled in FAMS. The transactions all occurred in Florida, outside of the Centerville Branch service area, and exceeded tank capacity limits, which are indications of potential fraudulent transactions. However, they were not disputed within FAMS. The manager stated the proper dispute forms were completed and submitted to U.S. Bank Voyager Fleet Services, but she could not locate supporting documentation on-site. In addition, the manager did not notify the OIG of the potentially fraudulent activities.
- Three transactions, totaling \$32, were marked as reconciled in FAMS; however, the site did not have supporting receipts or substituted supporting documents.
- Two duplicate transactions for vehicle towing charges, each for \$55, were reconciled as valid.

In addition, the manager did not print out and file the FAMS *Reconciliation Exception Report* with the supporting documents. The manager stated the reports are available online and did not think it was necessary to print and file them.

Postal Service policy⁵ states site managers must ensure procedures for reconciling monthly reports are followed. Managers performing the monthly reconciliation must submit a dispute form to U.S. Bank for any purchases not authorized by the Postal Service⁶ and notify the OIG of potential fraud or misuse.⁷ Managers must keep records of all disputed transactions.⁸

⁵ *Voyager Fleet Card Standard Operating Procedures (SOP)*, Section 1.3, Responsibilities, dated November 3, 2016.

⁶ *Voyager Fleet Card SOP*, Section 5.1, Disputes.

⁷ *Voyager Fleet Card SOP*, Section 4.1, Responsibilities.

⁸ *Voyager Fleet Card SOP*, Section 5.1, Disputes.

Postal Service policy⁹ also states every attempt should be made to secure a receipt for each transaction. In cases where a receipt is not received, the manager must contact the appropriate individual to determine why no receipt was received, research and determine if the purchase was legitimate, annotate the review results with a comment within FAMS, and obtain from the individual hard copy documentation certifying the charge. Further, supporting documents and payment reconciliation records must be retained for two years.

This occurred because the site manager did not ensure the monthly reconciliation was properly performed. The manager stated her site manager did not review her Voyager card reconciliation work. In addition, she stated she was unaware of formal training requirements. The OIG confirmed she did not take the training. She received informal on-the-job training, noting the numerous detailed managers rotating in and out did not inform her of the formal training. Personnel involved in the Voyager card reconciliation process must complete the online *eFleet Card for Site Manager Training*. This training course provides instructions on how to manage and reconcile purchases made with the Voyager card.

As a result of our audit, the manager completed the training on August 17, 2018, and now prints, signs, dates, and files the monthly FAMS *Reconciliation Exception Report* with the receipts. In addition, the manager obtained substitute documentation for the three transactions missing supporting documentation, totaling \$32, on August 16, 2018. Further, one of the two \$55 duplicate transactions was refunded and the remaining one is in process of being refunded.

Reviewing and disputing possible fraudulent transactions ensures the Postal Service is not held financially responsible for unauthorized purchases. In addition, maintaining these records provides accountability of Voyager card transactions.

Recommendation #1: We recommend the Manager, Atlanta District, instruct the Centerville Branch management to review the monthly Voyager card reconciliation to ensure procedures are properly performed and to contact the U.S. Postal Service Office of Inspector General of suspected Voyager card fraud.

⁹ *Voyager Fleet Card SOP*, Section 4.1, Responsibilities.

Management's Comments

Management agreed with the finding, and recommendation. Management issued a letter of instruction on September 7, 2018, to all post office operations managers, postmasters, and plant managers detailing requirements to follow the established process for Voyager card reconciliation, including cases of suspected fraud. In addition, the *Voyager Fleet Card SOP*, dated November 2016, was provided to personnel for reference.

During subsequent correspondence, management provided signed Certifications of Compliance from appropriate management acknowledging they read and will adhere to the *Voyager Fleet Card SOP*. These corrective actions were completed September 14, 2018.

See [Appendix A](#) for management's comments in their entirety.

Evaluation of Management's Comments

The OIG considers management's comments responsive to the finding and recommendation in the report. The corrective actions taken should resolve the issue.

All recommendations require OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. Based on the information provided separately to support recommendation 1, we consider recommendation 1 closed with the issuance of this report.

Appendix A: Management's Comments



September 12, 2018

Monique Colter
Director Audit Operations
Office of Inspector General
United States Postal Service

Subject: Response to Draft Audit Report – Voyager Card Over Capacity-Centerville Branch, Snellville, GA Report Number: FCS-FM-18-DRAFT

Thank you for the opportunity to respond to the OIG Audit of Voyager Card Over Capacity-Centerville Branch, Snellville, GA. Management does agree with the findings noted in the audit report. Management also agrees with the recommendation as outlined in the audit.

Regarding the \$2,395 in transactions at risk during May 2018 we agree that proper reconciliation practices were not implemented by local management and the site manager needed additional training to ensure questionable purchases were properly addressed. Action has been taken to correct this issue at the Centerville Branch of the Snellville, GA Post Office.

Recommendation #1

We recommend the Manager, Atlanta District, instruct the Centerville Branch management to review the monthly Voyager card reconciliation to ensure procedures are properly performed and contact the U.S Postal Service Office of Inspector General of suspected Voyager card fraud.

Management Response/ Action Plan

Management agrees with this recommendation and has implemented by issuing a letter of instruction regarding Voyager reconciliation including cases of suspected fraud. The letter was issued on 9/7/2018 to all post office operations managers, all postmasters and all plant managers detailing requirements to follow the established process for Voyager reconciliation. The message also included a copy of the Voyager Fleet Card SOP issued in November 2016 for reference. Additionally a certification form was required to be completed by each POOM, large city postmaster and plant manager and returned to the district finance office to verify compliance by 9/14/2018.

Target Implementation Date

September 2018

Responsible Official

Atlanta District Manager

A handwritten signature in blue ink, appearing to read "Sam Jaudon", written over a horizontal line.

Sam Jaudon
Atlanta District Manager