



OFFICE OF
**INSPECTOR
GENERAL**
UNITED STATES POSTAL SERVICE

**Monitoring of Government Travel
Card Transactions in the Northeast
Area**

Management Advisory

August 30, 2013

Report Number DP-MA-13-004



OFFICE OF
**INSPECTOR
GENERAL**
UNITED STATES POSTAL SERVICE

HIGHLIGHTS

August 30, 2013

Monitoring of Government Travel Card Transactions in the Northeast Area

Report Number DP-MA-13-004

BACKGROUND:

The U.S. Postal Service uses the Government Services Administration SmartPay2[®] Program to administer the travel card program. Citibank is the provider of the travel card for the Postal Service and issues VISA[®] travel cards to Postal Service employees for use while on official travel. Employees can use the SmartPay2 travel card for transportation, lodging, and other travel related services when traveling on official business. Postal Service policy states that employees may not use the government travel card for personal business and limits cash advances to \$50 per day of official travel.

To assist with the administration of the travel card program, each Postal Service area and district office has a travel card coordinator. The travel card coordinators monitor travel card transactions and identify unauthorized purchases and transactions that could indicate misuse or unusual activity.

There were 4,581 government travel cardholders in the Northeast Area as of March 31, 2013, and 844 cardholders used their travel card in the previous 12 months. This included 310 cash advance transactions for about \$48,000 and 6,941 purchase transactions

totaling about \$1.3 million. Our objective was to determine whether Postal Service travel card coordinators in the Northeast Area were effectively monitoring government travel card transactions.

WHAT THE OIG FOUND:

The Northeast Area travel card coordinators were effectively monitoring government travel card transactions. We noted only minor instances of potential improper uses of the travel card.

The Northeast Area recently distributed Citibank Monthly Reconciliation Standard Operating Procedures to all travel card coordinators which outline their duties and responsibilities. Additionally, the Postal Service provided Citibank[®] Custom Reporting System training to all travel card coordinators. This training includes new reporting tools to aid the travel card coordinators in monitoring cash advance and purchase transactions.

WHAT THE OIG RECOMMENDED:

This report does not contain any recommendations.

[Link to review the entire report](#)



August 30 2013

MEMORANDUM FOR: RICHARD P. ULUSKI
VICE PRESIDENT, NORTHEAST AREA OPERATIONS

E-Signed by Inspector General
VERIFY authenticity with eSign Desktop

FROM: Darrell E. Benjamin, Jr.
Deputy Assistant Inspector General
for Revenue and Performance

SUBJECT: Management Advisory – Monitoring of Government Travel
Card Transactions in the Northeast Area
(Report Number DP-MA-13-004)

This report presents the results of our review of the Monitoring of Government Travel Card Transactions in the Northeast Area (Project Number 13RG017DP000).

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Kevin H. Ellenberger, director, Data Analysis and Performance, or me at 703-248-2100.

Attachment

cc: Timothy F. O'Reilly
Corporate Audit and Response Management

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Introduction

This report presents the results of our review of the Monitoring of Government Travel Card Transactions in the Northeast Area (Project Number 13RG017DP000). The objective of our review was to determine whether U.S. Postal Service travel card coordinators in the Northeast Area were effectively monitoring government travel card transactions. This was a self-initiated review. See [Appendix A](#) for additional information about this review.

The Postal Service provides individual government travel cards to designated employees for use while on official travel. Employees are responsible for all charges and automated teller machine (ATM) withdrawals. However the use of the government travel cards is governed by Postal Service policy.¹ This includes prohibiting employees from using the card for personal business.

The Postal Service designated 11 employees as travel card coordinators to monitor the government travel card transactions of cardholders assigned to the Northeast Area. To assist the coordinators in their duties, Citibank produces reports showing travel card activity including all cash advance and purchase transactions for each cardholder, as well as reports indicating employee delinquency status. These coordinators are responsible for reviewing each section of the Citibank Account Activity report² for compliance with policies set forth in Handbook F-15. Using these reports, the coordinators are required to monitor government travel card purchase transactions for non-travel related activity or potential misuse, cash advances greater than \$50 per travel day, and cash advance or purchase transactions when the employee had not traveled. The travel card coordinators also examine transactions that indicate potential misuse by reviewing travel expense reports contained in the Postal Service eTravel³ system to determine if the transactions are related to official travel.

There were 4,581 government travel cardholders in the Northeast Area as of March 31, 2013, and 844 cardholders used their travel card in the previous 12 months. This included 310 cash advance transactions for approximately \$48,000 and 6,941 purchase transactions totaling about \$1.3 million.

¹ Handbook F-15, *Travel and Relocation*, May 2011.

² Individual transaction report produced by Citibank that includes purchase, payment, and cash advance transactions.

³ eTravel is a Web-based system that automates the expense management process. The eTravel system enables Postal Service employees to manage their business travel expenses; create, review, and submit expense reports; and, access policy compliance information.

Conclusion

The Northeast Area travel card coordinators were effectively monitoring government travel card transactions. There were only minor instances⁴ in which the coordinators did not identify potential misuse.

The Northeast Area recently distributed the *Citibank Monthly Reconciliation Standard Operating Procedure* to all travel card coordinators which outline their duties and responsibilities. Additionally, the Postal Service provided Citibank[®] Custom Reporting System (CCRS) training to all travel card coordinators.⁵ The CCRS includes new reporting tools to aid the travel card coordinators in monitoring cash advance and purchase transactions.

Recommendation

This report does not contain any findings or recommendations.

Management's Comments

Management reviewed a draft of this report and had no comments or concerns.

⁴ Travel card coordinators in the Northeast Area did not identify eight employees who either took advances while not on official travel (five instances, 1.6 percent) or exceeded the allowable cash advance amount of \$50 per day (four instances, 1.3 percent), or obtained a cash advance more than 5 days prior to travel (three instances, 1 percent). Additionally, the coordinators did not identify 10 employees who made 46 purchases (.7 percent) totaling about \$4,000 (.3 percent) for purchases unrelated to official travel. We provided management with the details of these transactions.

⁵ This includes training all travel card coordinators in 2013 on the CCRS. Also, the Northeast Area management issued *Citibank Monthly Reconciliation Standard Operating Procedure* to all travel card coordinators outlining their duties and responsibilities.

Appendix A: Additional Information

Background

The Postal Service uses the Government Services Administration SmartPay Program⁶ to administer the travel card program. Citibank is the provider of the travel card for the Postal Service and issues VISA travel cards to Postal Service employees for use while on official travel. The travel card also provides access to ATMs for cash advances. To govern travel card use, the Postal Service established travel policies for employees who travel for official business in Handbook F-15. Employees can use individually billed⁷ travel cards for transportation, lodging, and other travel related services when traveling on official business for the Postal Service. Postal Service policy states that employees may not use their official government travel card for personal business and limits cash advances to \$50 per day of official travel.

Objective, Scope, and Methodology

Our objective was to determine whether Postal Service travel card coordinators in the Northeast Area were effectively monitoring government travel card transactions. To accomplish this objective we performed the following activities:

- We reviewed the VISA IntelliLink⁸ report for high risk transactions from April 2012 through March 2013 to identify employees who took ATM cash advances while not on official travel. We also reviewed the report to identify employees who withdrew excessive amounts of cash (over the allowable \$50 per day of official travel) and obtained cash advances more than 5 days prior to travel.
- We reviewed the Citibank[®] individual transaction report from April 2012 through March 2013 to identify employees who used their travel card for purchases not related to official travel.
- We interviewed all 11 Northeast Area travel card coordinators to determine their knowledge of the roles and responsibilities associated with monitoring government travel card transactions.
- We attended the CCRS⁹ training in May 2013. We became aware of new reporting options available to aid travel card coordinators when monitoring government travel card transactions.

⁶ Manages a set of master contracts through which agencies, including the Postal Service, can obtain credit cards for employees to accomplish their mission.

⁷ Issued card to postal employee, the card is in their name, and charges are billed directly to them for payment.

⁸ A web-based information-services application that allows access to information that can improve misuse detection.

⁹ The CCRS is an online tool available for capturing and managing information related to card transactions from line-item details to consolidated data at a global level and everything in between. A user will have access to over 600 data elements and is able to create custom reports.

- We reviewed the Citibank cash advance report from April 2012 through March 2013 containing 78 employees and 310 cash advance transactions. We determined whether there were any employees that obtained an excessive number of cash advances or obtained cash advances that totaled excessive amounts. We verified those specific transactions in the Postal Service's eTravel system to associate them with each individual employee's travel history and determined there was no misuse.

We conducted this review from May through August 2013 in accordance with the Council of the Inspectors General on Integrity and Efficiency, *Quality Standards for Inspection and Evaluation*. We discussed our observations and conclusions with management on August 21, 2013, and included their comments where appropriate.

We did not assess the reliability of any computer-generated data for the purposes of this report because the data received was from government contractor sources. However, to access the contractor data we had to use single sign-on (SSO) technology. We were satisfied the information systems were adequately protected from unauthorized access when applications required SSO authentication. We also compared selected transactions to the Postal Service's eTravel system for accuracy and found the data to be reliable for our purposes.

Prior Audit Coverage

| Report Title | Report Number | Final Report Date | Monetary Impact (in millions) |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------------------|-------------------------------|
| <i>Travel Expense Reimbursements and Travel Card Usage</i> | FT-AR-12-014 | 9/27/2012 | None |
| <p>Report Results: Postal Service employees improperly claimed expenses on their travel reimbursements and inappropriately used their travel card. Approving managers do not have a mechanism to adequately monitor travel card activity. Also, the Postal Service did not have clear instructions explaining how to handle canceled airfare. As a result, the Postal Service is exposed to inappropriate or fraudulent activity that could negatively affect its reputation. Management agreed, in principle, with all four of our recommendations and there was no monetary impact.</p> | | | |
| <i>Compliance With Travel Policies and Opportunities for Cost Savings</i> | FF-AR-11-007 | 2/9/2011 | \$1.2 |
| <p>Report Results: Postal Service employees did not comply with prescribed travel policies resulting in excessive travel costs for lodging and airfare in fiscal years 2009 and 2010. We estimate the Postal Service could realize savings over the next 2 years if it takes action to curtail employee noncompliance with travel policies. Further, the Postal Service did not cancel credit cards issued to former employees, including employees listed as deceased in employee records. Management agreed with our finding and monetary impact, but did not agree with recommendations 1 and 4. Management agreed with recommendations 2 and 3.</p> | | | |