

Department of the Interior
Internal Control Plan for Increased Purchase Card Threshold

Background

The Department of the Interior (Department) is increasing the default individual purchase limit for purchase card holders to \$10,000. At the outset of this program change, the Department will implement the enhanced internal controls described in this plan to monitor any potential increased program risk. This plan supplements, but does not supersede, the Department of the Interior Integrated Charge Card Program Policy.

The Department currently has a strong system of internal controls over the purchase card program. In 2016, the Office of Inspector General reviewed the purchase card program and provided 10 recommendations for improvement. All 10 of these recommendations have been closed. The Department continues to monitor the program and improve internal controls.

Action Required

From the date of the memo through November 15, 2018, Bureaus must establish a mechanism for verifying that purchase cards transactions align with the established principles of the charge card program. Specifically, Bureau procedures must be adequate to ensure that:

1. Card holders are not purchasing any product or service for personal benefit rather than job-related need.
2. Card holders are not purchasing prohibited categories of products and services. See the Department of the Interior Integrated Charge Card Program Policy for the list.
3. Card holders are not inappropriately splitting purchases to fall below the individual purchasing limit.
4. Card holders review statements in a timely manner and attach adequate documentation.
5. Supervisors review statements in a timely manner.
6. Appropriate action is taken for instances of fraud and misuse.

Bureaus must begin implementing their enhanced procedures immediately. No later than close of business on May 31, 2018, Bureaus must submit a summary of their enhanced procedures to the Office of Acquisition and Property Management (PAM). PAM will provide feedback if the plan does not propose adequate control procedures.

Bureaus must submit status reports throughout the enhanced internal control period that:

1. List instances of fraudulent, prohibited, or split purchases found during the reporting period, and actions taken as a result.
2. Summarize findings related to timely review and approval of purchase card statements, and actions taken as a result.

Reports must be submitted from the Bureau's Head of the Contracting Activity to the Deputy Secretary through PAM. The reporting schedule is as follows:

Report Due Date	Period Covered by Report
July 31	Present – June 30
October 15	July 1 – September 15
December 15	September 16 – November 15

For questions regarding this internal control plan, please contact Ms. Megan Olsen, Director, PAM, at 202-513-0692 or Megan_Olsen@ios.doi.gov.