



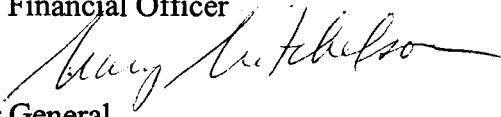
UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF INSPECTOR GENERAL

NOV 20 2001

INSPECTION MEMORANDUM

TO: Mark Carney
Deputy Chief Financial Officer
Office of the Chief Financial Officer

FROM: Mary Mitchelson 
Assistant Inspector General
Analysis and Inspection Services

SUBJECT: Review of the Department-wide Purchase Card Statement Late Notices for June 2001 (ED-OIG/A&I 2001-05)

On September 28, 2001, we issued *Follow-up Review of Internal Control Over Purchase Cards* (ED-OIG/A&I 2001-04). We stated that Financial Management Policies and Administrative Programs (FMPAP) sent out 124 late notices to approving officials for the June 16, 2001, Department-wide purchase card statement. Because FMPAP does not date stamp the statements when received from the approving officials, the actual date of receipt is not clearly documented. To determine if the late notices were warranted, we reviewed the approving officials' signature and date on the available statements that were identified as late and discussed the submissions of those statements with the approving officials.

The following is our analysis, performed between October 17-23, 2001, of the 124 late notices sent by FMPAP on July 11, 2001. The due date for approving officials to submit the June statements to FMPAP was July 10, 2001.

1. Three of the 124 statements can be documented by a shipping receipt as received by FMPAP on July 10, 2001.
2. Forty-nine of the 124 statements were signed on or before July 10, 2001, but we could not determine whether FMPAP received them by that date. Of these 49 statements:
 - Fourteen statements were signed and, according to the approving officials, sent to FMPAP before the due date. These approving officials, however, cannot document the date they transmitted the statements to FMPAP or when FMPAP received them.

- Twenty-four additional statements were signed before the due date, but the approving officials cannot recall if the statements were sent to FMPAP before the due date.
 - Five statements were signed and, according to approving officials, sent to the applicable executive office before the due date. There is no documentation of when the executive offices transmitted the statements to FMPAP.
 - Six statements were signed before the due date, but not by the designated approving officials, therefore FMPAP characterized them as late.
3. Four of the 124 statements had no approving official signature, therefore FMPAP categorized them as late.
 4. Four of the 124 statements could not be located at FMPAP during our review. The approving officials could not recall if the statements were sent to FMPAP before the due date.
 5. Sixty-four of the 124 statements were signed after July 10, 2001.

The analysis indicates that record keeping at FMPAP may have been inadequate to accurately track the timeliness of purchase card statement submissions. Beginning with the procedures instituted in July 2001, the receipt of statements at FMPAP are intended to be documented electronically. We suggest that you solicit and receive assurance from the responsible FMPAP official that the new procedures are working.

We conducted our review in accordance with the President's Council on Integrity and Efficiency (PCIE) *Quality Standards for Inspections* dated March 1993.

If you have any questions regarding the results of this review, please call me at 260-3556 or Brent Weston at 205-9833.

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Action Official

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