



**U.S. COMMODITY FUTURES TRADING COMMISSION**

Three Lafayette Centre  
1155 21st Street, NW, Washington, DC 20581  
Telephone: (202) 418-5110  
Facsimile: (202) 418-5522

**MEMORANDUM**

**TO:** Timothy G. Massad, Chairman,  
Commissioner Sharon Y. Bowen,  
Commissioner J. Christopher Giancarlo

**FROM:** A. Roy Lavik, Inspector General *ARL*

**DATE:** February 19, 2016

**SUBJECT:** OIG Risk Assessment of the U.S. Commodity Futures Trading Commission (CFTC) Purchase Card and Convenience Check Program (FY 2015)

*The Government Charge Card Abuse Prevention Act of 2012* (P.L. No. 112-194) requires the Inspector General to report to the head of the agency the results of analyses or audits of the agency's purchase card or convenience check programs, to conduct periodic assessments, and to conduct analyses and audits as necessary.

During Fiscal Year 2015, CFTC noted \$3,736,975.61 in charges on 39 purchase cards issued to CFTC staff. Over the same period approximately \$105,503.59 in expenses were paid by convenience checks. For this period, the OIG received no allegations regarding purchase cards or convenience checks. Annually, the OIG engages an independent public accounting firm to conduct an audit of the CFTC's financial statements. The independent public auditors did not identify any reportable matter related to purchase card and convenience check usage for fiscal year 2015. They did conclude that controls for purchase requisitions were effective.

However, CFTC's auditors<sup>1</sup> contracted to evaluate internal controls for FY 2015 identified that controls over purchase cards were generally adequate but made 3 recommendations to ensure compliance with applicable regulations, policies, and good business practice. Specifically, they recommended improvements in document retention protocols, communication and oversight, and electronic archiving. Since management has corrective actions in place to address these recommendations and considering the independent auditor's conclusion, we assess the current risk of illegal, improper, or erroneous purchases as low.

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<sup>1</sup> Kearney & Company is a CPA firm headquartered in Alexandria, Virginia. They specialize in supporting Federal operations at all levels including internal controls assessments.