



**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

Memorandum

Subject:

INFORMATION: Government Purchase Card Policy Violations

Date: **MAR - 8 2002**

From:

Melissa J. Allen
Melissa J. Allen
Assistant Secretary for Administration

Reply to
Attn. of:

To:

Departmental Officers
Heads of Operating Administrations
Director, Bureau of Transportation Statistics

Recently the Office of Inspector General (OIG) conducted an audit of the Department's purchase card program. The audit found that most purchase card transactions were consistent with Departmental policy, but some violations were detected. The audit report focused on two specific deficiencies: (1) approving officials did not always review monthly statements to verify that purchases were authorized, as required; and (2) on some occasions, purchases were split to avoid cardholders' single purchase credit limits.

In response to these findings, the Department's Senior Procurement Executive issued memoranda to the Chiefs of the Contracting Office and purchase card approving officials reiterating their responsibilities. These individuals were also provided a brochure listing the responsibilities for all key participants in the purchase card program. Within the next two months, cardholders will receive similar information as an attachment to their cardholder statement. The memos to the approving officials and cardholders contain specific language informing these employees that their continued use of the purchase card will be considered an acknowledgement that they have read, understand, and will comply with all applicable regulations, policies and procedures.

Please communicate to your subordinates that you will hold them accountable for proper use of the purchase card. Supervisors should initiate appropriate disciplinary or other corrective actions for employees who violate applicable policies and procedures. Depending upon the specific misconduct involved, and other factors, disciplinary options are available ranging from oral admonishment to removal from the Federal service.

I appreciate your support in ensuring the continued success of the Department's purchase card program by addressing abuses or policy violations in a timely and appropriate manner. You may contact Don Faulkner, Departmental Program Manager for Employee Relations, M-13, on (202) 366-1291 for additional information concerning this issue.

cc: Administrative Management Council (AMC) members