



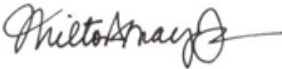
U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
Washington, D.C. 20507

Office of Inspector General

May 31, 2019

MEMORANDUM

TO: Grace Zhao
Chief Financial Officer

FROM: Milton A. Mayo, Jr. 
Inspector General

SUBJECT: Final Report for the FY 2017 and FY 2018 Performance Audit of the U.S. Equal Employment Opportunity Commission Commercial Charge Card Program (OIG Report No. 2018-007-AOIG)

The Office of Inspector General (OIG) contracted with the independent certified public accounting firm of Harper, Rains, Knight & Company, P.A. (HRK) to audit U.S. Equal Employment Opportunity Commission (EEOC) Commercial Charge Card Program, which included both travel and purchase cards, for fiscal year 2017 and 2018. The contract required that HRK conduct the audit in accordance with U.S. generally accepted government auditing standards (GAGAS) contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

EEOC's Charge Card Program was previously audited in FY 2012, which covered activity in FY 2011 and 2012. HRK found that EEOC made significant improvements to the internal controls and management of the charge card program since that report was issued. However, opportunities for improvement still exist. HRK found there was a lack of oversight and monitoring of cardholder account closure procedures. HRK recommended EEOC should better document, monitor, and enforce the controls over the closure of charge card accounts. EEOC's management agreed with the recommendation and their comments are included in the report in Appendix D.

In connection with the contract, we reviewed HRK's report and related documentation and inquired of its representatives. Our review, as differentiated from an audit in accordance with GAGAS, was not intended to enable us to express, and we do not express, opinions on EEOC's Charge Card Program or conclusions about the effectiveness of internal controls, or conclusions on compliance with laws and other matters. HRK is responsible for the attached auditors' report dated May 22, 2019, and the conclusions expressed therein. However, our review disclosed no instances where HRK did not comply, in all material respects, with GAGAS.

The Office of Management and Budget issued Circular Number A-50, *Audit Follow-up*, to ensure that corrective action on audit findings and recommendations proceed as rapidly as possible. EEOC Order 192.002, *Audit Follow-Up Program*, implements Circular Number A-50 and requires that for resolved recommendations, a corrective action work plan should be submitted within 30 days of the final audit report date describing specific tasks and completion dates necessary to implement audit recommendations. Circular Number A-50 requires prompt resolution and corrective action on audit recommendations. Resolutions should be made within six months of final report issuance.

cc:

George Betters, Director, Central Services Division
Selma Cowan, Financial Manager, Finance and System Services Division
Patrick Mealy, Director, Acquisition Services Division