



Denali Commission
Office of Inspector General
Anchorage, AK 99501

January 29, 2016

The Honorable Shaun Donovan, Director
c/o Mike Wetklow, Dan Keenaghan
Office of Management and Budget
725 17th Street NW
Washington, DC 20503

Dear Mr. Donovan:

The Government Charge Card Abuse Prevention Act of 2012 (Charge Card Act) and OMB's implementing guidance requires each office of inspector general (OIG) to perform annual risk assessments, as well as to submit semiannual reports to the Office of Management and Budget (OMB), in coordination with its Department, of employee purchase or integrated card violations and the resulting actions taken. OIGs must also submit an annual purchase and travel card audit recommendation status report to OMB. Below is a summary of the actions we have taken during fiscal year (FY) 2015 to fulfill these requirements, as well as additional information on our related work.

The Denali Commission OIG did not conduct any risk assessments or audits of the government purchase card or travel card programs in FY 2015. We do not have any outstanding or unresolved recommendations related to purchase or travel cards; therefore, we also did not provide an audit recommendation status report to OMB. The Denali Commission did not meet the threshold of \$10 million in purchase card spending and consequently we were not required to submit semiannual reports to OMB regarding purchase card violations. Further, they do not meet the threshold of \$10 million in travel card spending; therefore, we were not required to perform an audit of the travel card program.

For FY 2016, we assessed the Commission's risks related to its government purchase card program. The Denali Commission had two government purchase cards in FY 2015, which resulted in \$167,942 of purchases. The volume of purchases is relatively low; however, based on other audit work, we plan to review the Denali Commission's use of the government purchase card in FY 2016. In addition, we plan to incorporate government purchase card activity into our annual risk assessment.

For FY 2016, we also assessed the Commission's risks related to its government travel card program. The Denali Commission had 13 government travel cards in FY 2015, which resulted in \$195,761 of purchases. Based on the relatively low volume of purchases and no other indications of erroneous or fraudulent purchasing activity, we do not plan to conduct an audit of the Denali Commission's use of the government travel card in FY 2016. However, we plan to incorporate government travel card activity into our annual risk assessment.

If you have any questions, please contact me at (206) 220-7970.

Sincerely,

A handwritten signature in blue ink, appearing to read 'D Sheppard', with a long horizontal flourish extending to the right.

David Sheppard
Denali Commission Inspector General