



OFFICE OF INSPECTOR GENERAL U.S. Agency for International Development

MEMORANDUM

DATE: July 11, 2024

TO: U.S. African Development Foundation, President and Chief Executive Officer,
Travis Adkins

FROM: Assistant Inspector General for Audits, Inspections, and Evaluations, Toayoa D. Aldridge /s/

SUBJECT: Charge Card Risk Assessment: USADF's Programs Showed Low Risk of Improper Purchases and Payments in Fiscal Year 2023 (0-ADF-24-002-S)

Dear Mr. Adkins:

The purpose of this memorandum is to inform you of the results of the Office of Inspector General's (OIG's) risk assessment of the U.S. African Development Foundation's (USADF's) fiscal year (FY) 2023 charge card program, as required by Public Law No. 112-194, the Government Charge Card Abuse Prevention Act of 2012 (Charge Card Act) and performed in accordance with the Office of Management and Budget Circular No. A-123, Appendix B, "A Risk Management Framework for Government Charge Card Programs," August 27, 2019 (OMB Appendix B). The Charge Card Act requires each Inspector General to conduct periodic risk assessments of their agency's charge card programs to identify and analyze the risks of illegal, improper, or erroneous purchases and payments. OIGs use this risk assessment to determine the necessary scope, frequency, and number of audits or reviews of the program.

Our objective was to assess the risks of illegal, improper, or erroneous purchases and payments in USADF's FY2023 charge card programs. Based on our risk assessment, we determined that the charge card programs pose a low risk to USADF. In addition, the agency's charge card spending did not exceed \$10 million; therefore, an audit or review of the program is not necessary. We also found that the agency has policies and procedures that address the applicable charge card internal control requirements identified in the Charge Card Act and OMB Appendix B. In addition, we found that the agency has adequate monitoring and reconciliation procedures to reduce the risk of illegal, improper, and erroneous purchases in the charge card programs.

We conducted this assessment following internally established OIG policies that govern this work product's planning, fieldwork, and reporting. Those policies require the assessment team to be competent and independent, conduct its work with reasonable care, and follow established quality control procedures. Those policies also require that we obtain sufficient,

appropriate evidence to provide a reasonable basis for our findings and conclusions in accordance with our assessment objectives. We believe that the evidence obtained provides that reasonable basis.

To assess the risk of illegal, improper, and erroneous purchases to USADF's FY 2023 charge card programs, which includes travel (individually and centrally-billed) and purchase cards, we reviewed USADF's policies and procedures, including the Charge Card Management Plan, to determine whether the agency established and maintained internal controls as required by the Charge Card Act and OMB Appendix B.

Furthermore, we interviewed USADF's Chief Financial Officer to follow up on any changes to the charge card programs and obtained an understanding of the agency's efforts to monitor and reconcile charge card data as they relate to risks of illegal, improper, and erroneous purchases. Additionally, we reviewed cardholders accounts and charge card transaction data in detail and calculated total travel and purchase expenses made in FY 2023.

We also inquired about cases related to USADF's charge card programs from the OIG Office of Investigations. Our efforts did not identify any instances of misuse of the government charge cards or illegal purchases made on the part of USADF.

We appreciate the assistance you and your staff provided to us during the engagement.