November 27, 2018

The Honorable Mick Mulvaney
Director
Office of Management and Budget
c/o Stannis Smith
725 17th Street, NW
Washington, DC 20503

Dear Mr. Mulvaney:

We are sending this letter in accordance with the Government Charge Card Abuse Prevention Act of 2012 (Public Law 112-194), which requires that Inspectors General report to the Director of the Office of Management and Budget (OMB) on the implementation of recommendations made to the head of the executive agency to address findings of any analysis or audit of purchase card and convenience check transactions or programs. Furthermore, OMB Memorandum M-13-21, “Implementation of the Government Charge Card Abuse Prevention Act of 2012,” states that Inspectors General will report to the Director of OMB 120 days after the end of each fiscal year on agency progress in implementing such audit recommendations.

We identified two open purchase card recommendations, resulting from an audit report we issued in September 2018.¹ The recommendations were to ensure U.S. Securities and Exchange Commission (SEC) cardholders comply with established requirements when using a Government purchase card to purchase information and data sources and print materials. Specifically, we recommended:

- The SEC Office of Acquisitions remind the agency’s Government purchase cardholders of the importance of retaining support for purchases (SEC OIG Report No. 548, Recommendation 6).


SEC management concurred with both recommendations and is developing a corrective action plan.

As required by the Government Charge Card Abuse Prevention Act of 2012, we are performing an annual risk assessment of the SEC’s government purchase card program. We will report that work to the agency later this fiscal year.

If you have questions or require additional information, please contact Rebecca Sharek, Deputy Inspector General for Audits, Evaluations, and Special Projects, at sharekr@sec.gov or (202) 551-6061.

Sincerely,

Carl W. Hoecker
Inspector General

cc: Jay Clayton, Chairman
Lucas Moskowitz, Chief of Staff, Office of Chairman Clayton
Sean Memon, Deputy Chief of Staff, Office of Chairman Clayton
Peter Uhlmann, Managing Executive, Office of Chairman Clayton
Kara M. Stein, Commissioner
Robert Peak, Advisor to the Commissioner, Office of Commissioner Stein
Robert J. Jackson Jr., Commissioner
Caroline Crenshaw, Counsel, Office of Commissioner Jackson
Prashant Yerramalli, Counsel, Office of Commissioner Jackson
Hester M. Peirce, Commissioner
Jonathan Carr, Counsel, Office of Commissioner Peirce
Elad L. Roisman, Commissioner
Matthew Estabrook, Counsel, Office of Commissioner Roisman
Robert B. Stebbins, General Counsel
Rick A. Fleming, Investor Advocate
John J. Nester, Director, Office of Public Affairs
Bryan Wood, Director, Office of Legislative and Intergovernmental Affairs
Kenneth Johnson, Chief Operating Officer
Vance Cathell, Director, Office of Acquisitions
Julie Erhardt, Acting Chief Risk Officer, Office of the Chief Operating Officer