



FEMA

The Honorable Susan Collins
United States Senate
Washington, DC 20510

Dear Senator Collins:

Thank you for your letter dated February 10, 2012, to the Department of Homeland Security (DHS), Federal Emergency Management Agency (FEMA) regarding actions FEMA has taken to implement the recommendation made in the May 2010 OIG report "Improving FEMA's Disaster Purchase Card Program."

Initially, when the purchase card program transitioned to a new Government charge card vendor in June 2009, a considerable amount of attention was given towards resolving transitional issues. Once day-to-day operations were stabilized we immediately looked at ways to improve the internal control framework for managing the purchase card program.

FEMA takes the responsibility to properly administer taxpayer dollars seriously; appropriate administrative corrective actions have been taken to strengthen the purchase card program's internal controls. To ensure that purchase card holders are good stewards of taxpayer's dollars, we have updated, clarified and consolidated disaster purchase card guidance. We have revamped purchase cardholder training for cardholders and approving officials, quarterly Town Hall meetings are conducted to address cardholder and approving official issues and concerns on new policies and procedures, purchase card alerts have been disseminated to both cardholders and approving officials reminding them that the "Government" is tax exempt, preventive controls have been strengthened by effectively utilizing bank reports to identify fraud and abuse, and we are conducting more reviews of card transactions to minimize risk exposure.

In addition to the actions mentioned above, FEMA has also participated in the DHS actions highlighted in the August 2011 OIG report "Major Management Challenges Facing the Department of Homeland Security." For example, DHS randomly selected five percent of purchase card transactions for FEMA, using the same 27 attributes in the OIG audit, FEMA passed with a score of 100%. Organizational Program Coordinator's have taken advantage of the training opportunities conducted by DHS to improve purchase card program's internal controls and to avoid making improper payments.

Finally, FEMA supports DHS' second level of review requirement in the post payment audit process; as such FEMA has designated an independent level of review to verify the validity and completeness of the audits prior to providing our results to DHS.

I hope that this information is helpful. If you require additional information please have a member of your staff contact FEMA's Legislative Affairs Division at (202) 646-4500.

Sincerely,

A handwritten signature in black ink, appearing to read 'Francis C. Spampinato', with a long horizontal flourish extending to the right.

Francis C. Spampinato
Chief Procurement Officer
Office of the Chief Procurement Officer
Mission Support Bureau



FEMA

The Honorable Thomas Carper
United States Senate
Washington, DC 20510

Dear Senator Carper:

Thank you for your letter dated February 10, 2012, to the Department of Homeland Security (DHS), Federal Emergency Management Agency (FEMA) regarding actions FEMA has taken to implement the recommendation made in the May 2010 OIG report "Improving FEMA's Disaster Purchase Card Program."

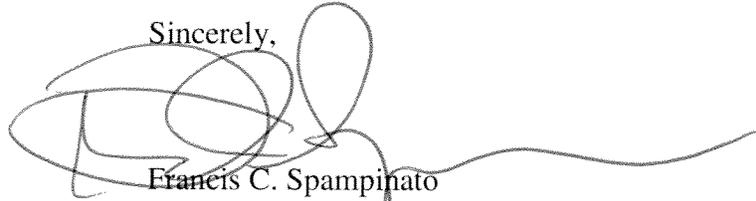
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Francis C. Spampinato
Chief Procurement Officer
Office of the Chief Procurement Officer
Mission Support Bureau