

**GENERAL SERVICES ADMINISTRATION  
OFFICE OF INSPECTOR GENERAL**

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**IMPLEMENTATION REVIEW OF  
CORRECTIVE ACTION PLAN  
OF THE  
AUDIT OF GSA'S FISCAL YEAR 2009 DIRECT PAY PURCHASES  
REPORT NUMBER A100137/B/F/F10004  
DATED SEPTEMBER 30, 2010  
ASSIGNMENT NUMBER A110190**

**September 30, 2011**



U.S. GENERAL SERVICES ADMINISTRATION  
Office of the Inspector General

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Date: September 30, 2011

Reply to: Deputy Assistant Inspector General for  
Attn of: Finance and Information Technology Audits (JA-F)

Subject: Implementation Review of Corrective Action Plan of the Audit of  
GSA's Fiscal Year 2009 Direct Pay Purchases Report  
Number A100137/B/F/F10004 dated September 30, 2010  
Assignment Number A110190

To: Alison L. Doone  
Chief Financial Officer (B)

The Finance and Information Technology Audit Office (JA-F) conducted an implementation review of the management actions taken in response to the three recommendations included in the subject audit report. We found that the Office of the Chief Financial Officer implemented the corrective actions outlined in its action plan dated November 15, 2010, to address these recommendations (see Appendix A).

To accomplish this review, we:

- Reviewed the Audit of GSA's Fiscal Year 2009 Direct Pay Purchases Report Number A100137/B/F/F10004 dated September 30, 2010, and supporting audit documentation.
- Reviewed the Action Plan dated November 15, 2010, and any related documentation submitted in response to the original report.
- Selected a random stratified sample of 16 direct pay purchase transactions from the third quarter of fiscal year 2011 consisting of eight direct pay invoices \$3,000 and less and eight direct pay invoices over \$3,000 to determine if they were properly supported and approved.
- Obtained documentation from the appropriate personnel that processed the direct pay purchase transactions.

Thank you and your staff for the courtesies extended during this review. If you have any questions, please contact Donna Peterson-Jones or me at (202) 357-3620.

A handwritten signature in cursive script that reads "Carolyn Presley-Doss".

Carolyn Presley-Doss  
Deputy Assistant Inspector General for  
Finance and Information Technology Audits (JA-F)

**Implementation Review of Corrective Action Plan  
 Audit of GSA's Fiscal Year 2009 Direct Pay Purchases  
 Report Number A100137/B/F/F10004  
 Dated September 30, 2010  
 Assignment Number A110190**

**Appendix A: Action Plan**

**ACTION PLAN**

Designated Responding Official: Alexis M. Stowe  
 Contact Person: Norma H. Tolson  
 Telephone Number: 202-208-0584  
 Date: November 15, 2010

Audit Report Number/Title	Recommendation Number	Proposed Recommendation Completion Date
<b><i>OIG A100137/B/F/F10004 AUDIT OF GSA'S FY 2009 DIRECT PAY PURCHASES</i></b>	1	<i>January 31, 2011</i>

**Recommendation**

Office of the Chief Financial Officer and the Heads of Services and Staff Offices **Ensure that the Office of the Chief financial Officer's Policy on Submission of Invoices to the Office of Finance is consistently applied and followed Agencywide regarding the record retention requirements**

<u>Action to be taken Step by Step</u>	<u>To be Sent to BEI</u>	<u>Sent Last Day of</u>
Issue a memo to HSSOs and RAs on compliance with the OCFO Accounts Payable policies for Prompt Payment Act (PPA) and direct payment record retention requirements.	Copy of memo on compliance.	January 2011

Designated Responding Official: Alexis M. Stowe  
 Contact Person: Norma H. Tolson  
 Telephone Number: 202-208-0584  
 Date: November 15, 2010

Audit Report Number/Title	Recommendation Number	Proposed Recommendation Completion Date
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<b>OIG A100137/B/F/F10004</b> AUDIT OF GSA'S FY 2009 DIRECT PAY PURCHASES	2	<i>January 31, 2011</i>
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**Recommendation**

Office of the Chief Financial Officer and the Heads of Services and Staff Offices **Ensure that the Prompt Payment Act is followed Agency-wide to avoid the incurrence of late payment interest penalties.**

Action to be taken Step by Step      To be Sent to BEI      Sent Last Day of

Issue a memo to HSSOs and RAs on compliance with the OCFO Accounts Payable policies for Prompt Payment Act (PPA) and direct payment record retention requirements.	Copy of memo on compliance.	January 31, 2011
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Designated Responding Official: Alexis M. Stowe  
 Contact Person: Howard Katz  
 Telephone Number: 202-501-3348  
 Date: November 15, 2010

Audit Report Number/Title	Recommendation Number	Proposed Recommendation Completion Date
<b>OIG A100137/B/F/F10004</b> AUDIT OF GSA'S FY 2009 DIRECT PAY PURCHASES	3	April 30, 2011

Recommendation

Office of the Chief Financial Officer **Implement controls in Pegasys to prevent a single individual from holding three Pegasys role-holder positions to authorize direct pay purchases.**

Action to be taken Step by Step      Supporting Documentation To be Sent to BEI      Documentation will be Sent Last Day of

1. Issue memo to HSSOs and RAs on policy to support segregation of duties for Direct Pay in Pegasys.	Copy of policy memo.	January 31, 2011
2. Within 90 days of memo, BD will develop scripts to enforce the policy by detecting and removing any potential Direct Pay SOD issues on monthly basis.	SOD Monthly Report	April 30, 2011

**Implementation Review of Corrective Action Plan  
Audit of GSA's Fiscal Year 2009 Direct Pay Purchases  
Report Number A100137/B/F/F10004  
Dated September 30, 2010  
Assignment Number A110190**

**Appendix B: Report Distribution\***

Chief Financial Officer, Office of the Chief Financial Officer (B)

Commissioner, Federal Acquisition Service (Q)

Commissioner, Public Buildings Service (P)

Director, GAO and IG Audit Response Branch (BCBB)

Inspector General, Office of the Inspector General (J)

Deputy Inspector General, Office of the Inspector General (JD)

Assistant Inspector General for Auditing (JA)

Director, Audit Planning, Policy, and Operations Staff (JAO)

Assistant Inspector General for Investigations (JI)

**\*Audit reports distributed electronically**