

**22nd Annual Government Financial Management Conference**

# **Comprehensive Transaction Review**



**for Agency Bank Card Compliance**

**August 20, 2012**

# Presenters

Brian Feehely, Relationship Manager, PNC Bank Federal Services

Louis Towchik, Solutions Development, PNC Bank Federal Services

# Agenda

- A Review of the Current Landscape
- Compliance
- Incidents of Waste and Misuse
- Control Objectives
- Technology Enablement
- Cost Benefit Elements
- Getting Started
- Questions?

# Current Landscape

*There are many stories over the years from business owners who have fallen victim to an employee going rogue with the company card. Most employees are good people and probably would never even think of doing such a thing. But as long as at least some will commit fraud, it's important to nip this problem in the bud before it even arises.*

*Mike Dolan*

*Creator*

*CreditCardForum*

- OMB Circular A-123 Appendix B
- Agency Policies
- Pending Legislation

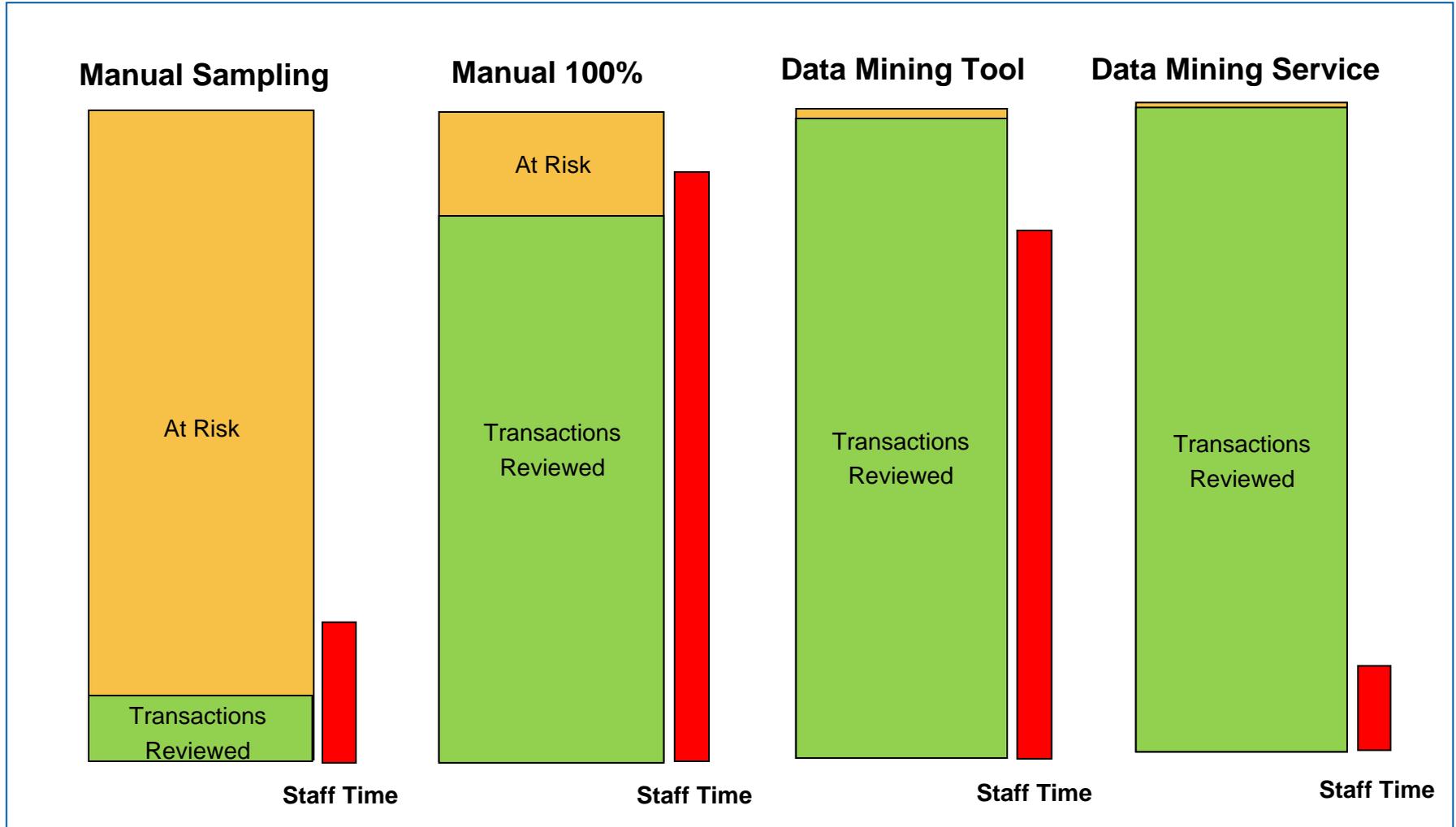
# Incidents of Waste and Misuse

- A 17-year federal employee used his government-issued card to buy tires for his car
- An agency employee purchased over \$147,000 in retail gift cards using her government-issued purchase card
- A military employee purchased a piece of equipment for a parachute team that was prohibited by agency policy
- A federal agency employee spent thousands of dollars on digital marketplace items such as app purchases, usage and music

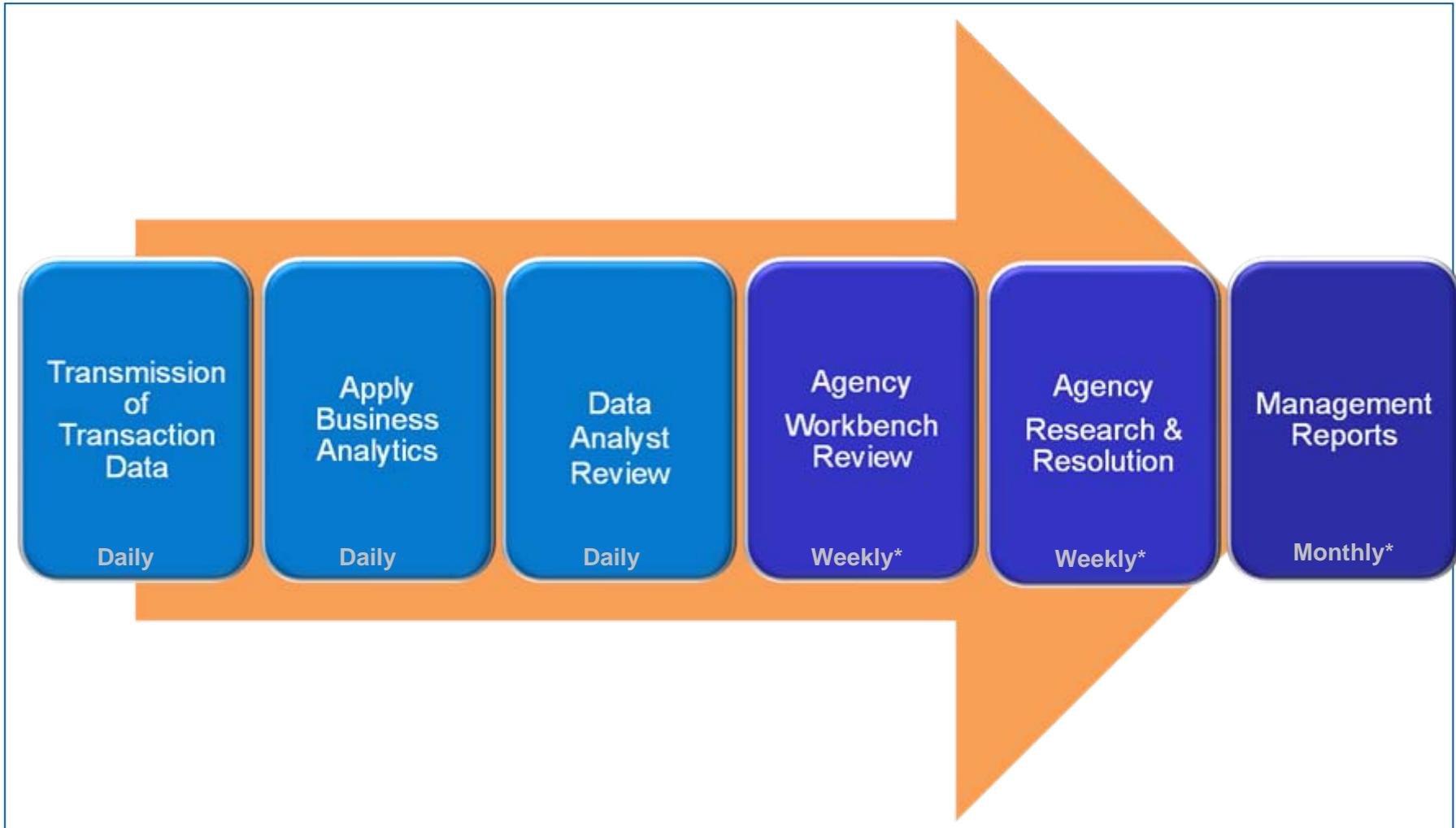
# Control Objectives

- Ensure OMB and agency policy compliance
- Manage compliance while reducing agency workload
- Provide timely and comprehensive reports
- Respond quickly and accurately to audits
- Evaluate program trends
- Pave the way for an expanded card program

# Technology Enablement - Effort vs. Coverage



## Technology Enablement - Process Example



# Technology Enablement - Benefits

- Manage compliance through automation
- Apply predictive analysis techniques
- Timely reporting of inappropriate transactions
- Obtain independent perspective
- Leverage best practices

# Cost-Benefit Elements

- Staff Required
- Technology Investment
- Risk Reduction/Reputation
- Deterrent effect
- Card Rebate Expansion

# Getting Started

- Define Business Needs
- Assess Available Solutions
- Perform Cost Benefit Analysis
- Identify Solution
- Implement

# Questions

