



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-4704

August 21, 2008

MEMORANDUM FOR COMMANDER, U.S. EUROPEAN COMMAND
HEADQUARTERS
ASSISTANT SECRETARY OF THE ARMY (FINANCIAL
MANAGEMENT AND COMPTROLLER)
COMMANDER, U.S. ARMY CONTRACTING COMMAND
EUROPE

SUBJECT: Inspector General of the Department of Defense Report No. D-2008-106,
"U.S. European Command Headquarters Government Purchase Card
Controls," June 24, 2008

Because of errors identified after publishing, we are incorporating the following updates to the subject report that is located on our Internet site at <http://www.dodig.mil/Audit/reports/index.html>.

We are revising the Table of Contents by adding a page number for the review of internal controls.

We are revising the second paragraph "We judgmentally selected 278 purchase card transactions..." and subsequent Table 1 on page 4. On page 4, the 164 transactions are now valued at \$134,370. In Table 1 "Irregular Transactions" on page 4, the "Improper Purchase" amount is now valued at \$50,417 and the "Total" amount is now valued at \$134,370.

We are revising the second paragraph "Our review disclosed that..." on page 5. The 44 transactions are now 40. In Table 2 "Improper Transactions" on page 5, the "Split Procurements" are now valued at \$1,907 and the "Total" amount is now valued at \$50,417.

We are adding a paragraph to page 6 of the report. We added:
"Split Procurements. The splitting of procurements is the intentional breakdown of a known requirement or purchase amount to stay within a cardholder's delegated or authorized spending limit and is a violation of Federal regulation. For one sample transaction, the cardholder provided documentation that showed that the original purchase request that the AO approved was for procuring seven air conditioner units. The value of the seven air conditioners was \$2,700. Because the cardholder's single purchase limit was \$2,500, the cardholder split the procurement and made two purchases,

minutes apart—one purchase for three air conditioners valued at \$1,157 and one purchase for four air conditioners valued at \$1,543.” This addition altered the original pagination for pages 6-12.

We are revising paragraph A.1.a “Management Comments” section on page 11. The third sentence now reads, “He also said that the European Command Government Purchase Card directive would be updated.”

We are revising the second paragraph “The Command Staff Protocol Office...” on page 15. The second sentence now reads, “For 39 of the 41 ORF...”

We are revising Table 3 “ORF Transactions with Inadequate Documentation” on page 17. Sample number “ORF 5” is now valued at \$993.97.

If you have any questions on the changes, please contact Mr. James L. Kornides at (614) 751-1400 extension 211.



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