U.S. CONSUMER PRODUCT SAFETY COMMISSION

OFFICE OF THE INSPECTOR GENERAL

SEMIANNUAL REPORT TO CONGRESS

October 1, 2014 – March 31, 2015

UNITED STATES
CONSUMER PRODUCT SAFETY COMMISSION
BETHESDA, MD 20814

Memorandum

Date: April 30, 2015

TO : Elliot F. Kaye, Chairman
Robert S. Adler, Commissioner
Marietta S. Robinson, Commissioner
Ann Marie Buerkle, Commissioner
Joseph P. Mohorovic, Commissioner

FROM : Christopher W. Dentel
Inspector General

SUBJECT : Semiannual Report, October 1, 2014 through March 31, 2015

I hereby submit the Semiannual Report for the Office of the Inspector General for the period October 1, 2014 through March 31, 2015. The report, which is required by the Inspector General Act of 1978, as amended, summarizes the activities of this office during this six-month period. Section 5 of the Act requires that the head of the agency transmit this report to the appropriate Congressional committees within 30 days of its receipt.

I appreciate the cooperation and support received from the Commission staff during the reporting period.

Sincerely,

Christopher W. Dentel
Inspector General

EXECUTIVE SUMMARY

This semiannual report summarizes the major activities performed by the Office of the Inspector General during the reporting period, October 1, 2014 through March 31, 2015. During the reporting period, this office worked on 7 audits or reviews. At the end of the reporting period, 3 audits or reviews and 0 investigations were in progress.

The Office of the Inspector General received a number of complaints during the reporting period, 3 of which resulted in the initiation of a formal investigation. 4 investigations were closed or transferred during the reporting period. Management officials acted on the recommendations made in the completed investigations from the previous reporting periods in all but one case; final action in that case is pending.

The Office of the Inspector General continues to be involved with the Council of the Inspectors General on Integrity and Efficiency and the Council of Counsels to the Inspectors General.

INTRODUCTION

U. S. CONSUMER PRODUCT SAFETY COMMISSION

The U.S. Consumer Product Safety Commission (CPSC) is an independent regulatory agency created in 1972, under the provisions of the Consumer Product Safety Act (P.L. 92-573) to protect the public against unreasonable risks of injuries associated with consumer products. Under the Consumer Product Safety Act and the Consumer Product Safety Improvement Act, Congress granted the CPSC broad authority to issue and enforce standards prescribing performance requirements, warnings, or instructions regarding the use of consumer products. The CPSC also regulates products covered by a variety of other acts, such as the Virginia Graeme Baker Pool and Spa Safety Act, the Children's Gasoline Burn Prevention Act, the Flammable Fabrics Act, the Federal Hazardous Substances Act, the Poison Prevention Packaging Act, and the Refrigerator Safety Act.

The CPSC is headed by five Commissioners appointed by the President with the advice and consent of the Senate. The Chairman of the CPSC is designated by the President. The CPSC's headquarters is located in Bethesda, MD. The agency has field personnel stationed throughout the country. The CPSC had a budget of $123 million and 567 authorized full-time equivalent positions for FY 2015.

OFFICE OF THE INSPECTOR GENERAL

The Office of the Inspector General is an independent office established under the provisions of the Inspector General Act of 1978, as amended by the Inspector General Act Amendments of 1988, and the Inspector General Reform Act of 2008. The Inspector General Act gives the Inspector General the authority and responsibility to:

- conduct and supervise audits and investigations of CPSC programs and operations;

- provide leadership, coordination, and recommend policies for activities designed to: (i) promote economy, efficiency, and effectiveness in the administration of the CPSC’s programs and operations and (ii) prevent and detect fraud, waste, and abuse of CPSC programs and operations; and

- keep the Commissioners and Congress fully and currently informed about problems and deficiencies related to the administration of CPSC programs and operations and the need for progress or corrective action.

The Office of the Inspector General investigates complaints and information received concerning possible violations of laws, rules, and regulations, mismanagement, abuse of authority, and waste of funds. These investigations are in response to allegations, complaints, and information received from CPSC employees, other government agencies, contractors, and concerned individuals. The objective of this program is to ensure the integrity of the CPSC and guarantee individuals fair, impartial, and independent investigations.

The Office of the Inspector General also reviews existing and proposed legislation and regulations related to the programs and operations of the CPSC concerning their impact on the economy and efficiency in the administration of such programs and operations.

The Office of the Inspector General is authorized seven full-time equivalent positions for FY 2015: the Inspector General, a Deputy Inspector General for Audits, an Attorney-Investigator, an office manager, an Information Technology auditor, and two line auditors.

AUDIT PROGRAM

During this period, the Office of the Inspector General worked on 7 audits and reviews. A summary of each follows:

AUDIT OF FINANICAL STATEMENTS

The Consumer Product Safety Commission is required to submit audited financial statements in accordance with the Accountability of Tax Dollars Act of 2002, which retroactively implements the Chief Financial Officers Act of 1990. To conduct this audit, the CPSC OIG contracted with CliftonLarsonAllen (CLA), an independent certified public accounting firm. The contract requires that the audit be performed in accordance with Generally Accepted Government Audit Standards and the Financial Audit Manual. CLA audited the financial statements of the U.S. Consumer Product Safety Commission (Commission), which comprise the balance sheet as of September 30, 2014 and 2013, and the related statements of net cost, changes in net position, budgetary resources, and custodial activity for the year then ended, and the related notes to the financial statements (financial statements).

The objective of the audit was to express an opinion on the fair presentation of those financial statements. In connection with the audit, CLA also considered the CPSC’s internal control over financial reporting and tested the CPSC’s compliance with certain provisions of applicable laws and regulations that could have a direct and material effect on its financial statements.

In CLA’s opinion, the financial statements presented fairly, in all material respects, the financial position, net cost, changes in net position, budgetary resources, and custodial activity of the CPSC as of, and for the years ending September 30, 2014 and 2013, in conformity with accounting principles generally accepted in the United States of America.

In planning and performing the audit of the financial statements of the CPSC, CLA considered the CPSC’s internal control over financial reporting (internal control) as a basis for designing auditing procedures for the purpose of expressing their opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CPSC's internal control. Accordingly, CLA did not express an opinion on the effectiveness of the CPSC's internal control.

Because of inherent limitations in internal controls, including the possibility of management override of controls; misstatements, losses, or noncompliance may nevertheless occur and not be detected. According to the American Institute of Certified Public Accountants:

- A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis.

- A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is a more than remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

- A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

CLA's consideration of internal control was for the limited purpose described above and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. CLA did not identify deficiencies in internal control that CLA would consider to be a material weakness, as defined above. However, material weaknesses may exist that have not been identified.

CPSC management is responsible for complying with laws and regulations applicable to the agency. To obtain reasonable assurance about whether CPSC's financial statements were free of material misstatements, CLA performed tests of compliance with certain provisions of laws and regulations, noncompliance which could have a direct and material effect on the determination of financial statement amounts, and certain other laws and regulations specified in OMB Bulletin No. 07-04, as amended. CLA did not test compliance with all laws and regulations applicable to the CPSC.

CLA’s tests of compliance with laws and regulations, described in the audit report, disclosed instances of noncompliance with laws and regulations that are required to be reported under U.S. generally accepted government auditing standards or OMB guidance.

In fiscal year 2013, CPSC OIG disclosed in an investigative report that between on or about January 1, 1996, and September 25, 2013, employees working under telework status received reimbursement for telecommunication services without the proper certification of adequate safeguards against private misuse and without proper safeguards against private misuse. The expenditures did not meet the requirements of the applicable appropriations statute, § 620 of the Treasury, Postal Service, and General Government Appropriations Act, 1996 (P.L. 104-52) -- which carved out a specific exception and conditions for an otherwise prohibited use of appropriated funds -- and thereby exceeded CPSC’s appropriation. The CPSC also violated a separate statute, 31 U.S.C. § 1348, which deals with the use of appropriated funds to pay for telephones in private residences. Due to its failure to comply with § 620 of P.L 104-52, the CPSC lacked legal authority to use the funds in question in the manner in which they were expended. By expending the funds in question without legal authority the CPSC violated the Anti-Deficiency Act. The agency no longer had adequate records to allow for a determination of the full extent and size of the Anti-Deficiency Act violation. For a variety of reasons, including maintenance of only seven years of historical financial records and a change in financial management systems, relevant records were not available regarding transactions that occurred before fiscal year 2007. However, based on the records that were available, since October 1, 2006 over $1,208,424 dollars in appropriated funds were expended without legal authority. The Commission submitted the required Anti-Deficiency Act letter to the Speaker of the House of Representatives, the Comptroller General of the United States, the President of United States Senate and the President of the United States on October 24, 2014.

In fiscal year 2014, CPSC OIG disclosed in an investigative report that an employee of the Commission worked, by performing an interview, during the Government shutdown after being placed on furlough status. CPSC OIG found that the CPSC had adequate policies and procedures in place to prevent an inadvertent violation of the Antideficiency Act related to the Government Shutdown from occurring. However, internal controls cannot prevent willful misconduct and the violation occurred due to the willful misconduct of the employee. The Commission submitted the required Antideficiency Act letter to the Speaker of the House of Representatives, the Comptroller General of the United States, the President of United States Senate and the President of the United States on June 5, 2014.

The independent auditor’s report contains no new recommendations as no significant deficiencies were found by the auditors. Management was provided a draft copy of the audit report for comment and generally concurred with the findings. In accordance with OMB Circular No. A-50, Audit Follow-up, revised, the CPSC was to prepare a corrective action plan that set forth the specific action planned to implement the agreed upon recommendations from the prior fiscal year’s audit report and the schedule for implementation. The CPSC has designated the Chief Financial Officer to be the audit follow-up official for the financial statement audit. CLA reviewed the status of the recommendations related to findings from the prior year audit and determined that as of fiscal year 2014, the material weakness related to the Capitalization of Leasehold Improvements had been resolved, but that the compliance finding related to violations of the Antideficiency Act had been repeated and thus could not be considered resolved in fiscal year 2014.

CPSC OIG reviewed CLA’s report and related documentation and made necessary inquiries of its representatives. Our review, as differentiated from an audit in accordance with generally accepted government auditing standards, was not intended to enable the OIG to express, and we do not express an opinion on the CPSC’s financial statements; nor do we provide conclusions about the effectiveness of internal control or conclusions on CPSC’s compliance with laws and regulations. CLA is responsible for the audit report. However, the CPSC OIG review disclosed no instances where CLA did not comply, in all material respects, with Government Auditing Standards.

THIRD PARTY LABORATORY ACCREDITATION PROGRAM AUDIT

On August 14, 2008, the Consumer Product Safety Improvement Act (CPSIA) of 2008, Public Law (P.L.) 110-34, was signed into law. The CPSIA constituted a comprehensive overhaul of consumer product safety rules, which significantly affected nearly all children's products entering the U.S. market. The CPSIA imposed a third-party testing requirement on all consumer products primarily intended for children twelve years of age or younger. Every manufacturer (including importers) or private labeler of children's products must have the product tested by an accredited independent testing laboratory and, based on the testing, must be issued a certificate stating that the product meets all applicable CPSC requirements. The CPSC was given authority under the CPSIA to either directly accredit third-party conformity assessment bodies to complete the required testing of children's products, or designate independent accrediting organizations to accredit the testing laboratories. The CPSC has the authority to suspend or terminate a laboratory's accreditation in appropriate circumstances, and is required to periodically assess whether or not laboratories should continue to be accredited. The statute requires that the CPSC issue laboratory accreditation regimes for a variety of different categories of children's products.

Section 205(a)(2) of the CPSIA requires the CPSC's Office of Inspector General (OIG) to review the adequacy of the CPSC's procedures for accrediting conformity assessment bodies. In accordance with this requirement, the CPSC OIG completed reviews over the CPSC's compliance with third-party accreditation requirements in fiscal years (FY) 2011 and 2012. The initial review found that while the CPSC had established a laboratory accreditation program within a short time period, the program lacked certain aspects to ensure that it operated efficiently and effectively to meet its stated objectives. Findings included the absence of documented policies and procedures, a subjective review process, and weak program management internal controls. In response to the OIG's review, the CPSC's management took aggressive steps to address the program's deficiencies and, upon completion of the FY 2012 follow-up review, most of the OIG's recommendations were found to have been fully implemented. This resulted in the overall conclusion that the CPSC was in compliance with CPSIA and agency regulations.

The CPSC OIG retained the services of Kearney & Company, P.C. (Kearney), an external audit firm, to conduct a performance audit of the CPSC's compliance with relevant Consumer Product Safety Act requirements, as amended by the CPSIA. Under a contract monitored by the OIG, Kearney conducted a performance audit to assess the compliance of the CPSC's program for accrediting laboratory assessment bodies with the CPSIA and the applicable sections of the Federal Register. Kearney found that to accredit testing laboratories, the CPSC relies on accreditation bodies that are signatories to the International Laboratory Accreditation Cooperation Mutual Recognition Arrangement. Kearney also found that the CPSC has a process in place for accepting accredited laboratories (and also auditing them on a periodic basis). The CPSC website, which is used to display public information regarding the accepted laboratories, was found to be up-to-date and current.

Finally, Kearney found that the CPSC had made several improvements to its Third-Party Laboratory Accreditation Program, to include updating written policies and procedures, addressing prior/open findings identified from OIG reviews, and updating the Laboratory Approval System to automate manual processes/controls. However, Kearney noted several instances in which the CPSC performed certain controls it did not have documented in its written policies and procedures.

In connection with the contract, CPSC OIG reviewed Kearney's report and related documentation and inquired of its representatives. Our review, as differentiated from an audit in accordance with generally accepted government auditing standards, was not intended to enable us to express, and we do not express, an opinion on the matters contained in the report. Kearney is responsible for the attached report. However, our review disclosed no instances where Kearney did not comply, in all material respects, with generally accepted government auditing standards.

GOVERNMENT PERFORMANCE AND RESULTS ACT AUDIT

The purpose of the Government Performance and Results Act of 1993 (GPRA) was to improve government performance management. It required agencies to prepare a five-year strategic plan, an annual performance plan that established performance goals, and an annual performance report to review agency results in meeting targeted performance goals. The Government Performance and

Results Modernization Act of 2010 (GPRAMA) amended and strengthened the original law by creating a more defined performance framework and better connecting plans, programs and performance information. It also requires more frequent reporting to increase the use of performance information in program decision-making.

The CPSC OIG retained the services of Withum, Smith & Brown (WS+B) an independent certified public accounting firm, to assess the CPSC's compliance with GPRA and GPRAMA and to determine whether the performance data published in CPSC's FY2013 Annual Performance Report (APR) complies with established guidance and is reliable.

Under a contract monitored by the Office of Inspector General, WS+B concluded that the CPSC made significant progress in its implementation of GPRAMA requirements, especially in making changes to comply with revised reporting requirements. At the time of the audit the agency was planning to develop a new strategic plan to replace the current 2011-2016 Strategic Plan and had hired an outside firm to assist in this project. The CPSC performance measures were to be reviewed as a part of the planned strategic plan development process and were expected to be revised as needed. In FY 2013 the CPSC elected to prepare an Annual Performance Report instead of a consolidated Performance and Accountability Report as in previous years. Forty key performance measures were selected across the agency's five strategic goals and the results were reported in the APR. GPRAMA also included new reporting requirements for agency's Annual Performance Plans (APP). The CPSC issues two reports that together address GPRAMA's APP reporting requirements: the CPSC's Performance Budget Request and the Operating Plan (which implements the Performance Budget Request). WS+B found the CPSC to be in compliance with the new APP requirements.

WS+B found that some policies and procedures regarding verifying and validating the performance data to be reported had been developed. However, WS+B also found the policies and procedures lack of full implementation hindered the agency's ability to verify and validate the accuracy and reliability of the performance data reported in the CPSC's FY2013 APR. WS+B found that reported amounts were generally accepted at face value at both the agency and office levels. Verification and validation techniques were not clearly defined or implemented to ensure the consistency, accuracy and reliability of performance data across the agency. This occurred because the CPSC focused its resources on implementing a new Performance Management Database (PMD) system which was designed to facilitate compliance with GPRAMA performance reporting requirements when fully implemented. Without adequate implementation of procedures to verify and validate performance data, WS+B found that the agency could not ensure the completeness and reliability of the information being reported.

In connection with the contract, CPSC OIG reviewed WS+B's report and related documentation and inquired of its representatives. Our review, as differentiated from an audit in accordance with generally accepted government auditing standards, was not intended to enable us to express, and we do not express, an opinion on the matters contained in the report. WS+B is responsible for the audit report. However, our review disclosed no instances where WS+B did not comply, in all material respects, with generally accepted government auditing standards.

CIVIL PENALTIES PROGRAM AUDIT (Ongoing)

The purpose of the audit is to determine whether the CPSC has developed proper internal controls (including internal controls over compliance), that are operating effectively over the civil penalties collections process and whether the tracking and recording of civil penalties in the CPSC's accounting system is accurate. To assess the CPSC's Civil Penalties Collections Process, our criteria will include, but not be limited to: the Consumer Product Safety Improvement Act of 2008, the Debt Compliance Improvement Act of 1996, and any applicable CPSC directives and/or standard operating procedures.

AUDIT OF THE COMMISSION'S COMPLIANCE WITH THE FREEDOM OF INFORMATION ACT (FOIA) (Ongoing)

The purpose of this audit is to determine whether the CPSC has developed proper internal controls and policies & procedures to comply with FOIA laws and regulations. To assess the CPSC's compliance with the FOIA, our criteria will include, but not be limited to: the Freedom of Information Act of 1966; 16 CFR part

1015; Department of Justice FOIA procedure requirements; relevant Office of Management and Budget circulars and memorandums; relevant Executive Orders; and CPSC directives.

IMPROPER PAYMENTS ELIMINATION AND RECOVERY ACT (IPERA) INSPECTION (Ongoing)

Improper Federal payments to individuals, organizations, and contractors totaled an estimated $106B during fiscal year 2013. The Improper Payments Elimination and Recovery Act of 2010 (IPERA), as implemented by OMB Memorandum M-15-02, requires that Federal agencies take several steps to reduce improper payments and that Inspectors General review annually their agency's improper payment reporting in their agency's Performance and Accountability Report (PAR) or Agency Financial Report (AFR) as appropriate.

In 2011, as a result of an Office of Inspector General's review, the CPSC acknowledged that it was not in compliance with IPERA. The agency did not conduct an initial estimate of improper payments or a formal program risk assessment. The PAR did not include any information regarding the agency's efforts to recapture improper payments. The CPSC indicated in their 2011 PAR that in 2012 they planned to refine the risk assessment criteria such that a, ". . . gross estimate is included and to be more substantially compliant with OMB's guidance and IPERA."

In 2012, the CPSC OIG retained the services of Withum, Smith & Brown (WS+B) an independent certified public accounting firm, to assess the CPSC's compliance with IPERA. Under a contract monitored by the Office of Inspector General, WS+B concluded that the CPSC was in compliance with IPERA. They found that the CPSC had taken several steps to identify risk and establish a systematic method to estimate improper payments. However, they also identified certain areas where they believed that the CPSC could improve its process of estimating improper payments and better comply with OMB guidance.

In 2013, the CPSC OIG retained the services of Kearney & Company (Kearney) an independent certified public accounting firm. Under a contract monitored by the Office of Inspector General, Kearney, concluded that the CPSC was in compliance with IPERA. Kearney found that the CPSC had performed program-specific risk assessments for those activities identified as susceptible to significant improper payments. Kearney also found that the CPSC had developed standard operating procedures for performing risk assessments and expanded the assessments to include each of the risk factors suggested by Office of Management and Budget (OMB) guidance. However, Kearney also found that the CPSC had not adequately address all of the IPERA disclosure requirements in its FY 2013 AFR, as required by OMB Memorandum M-11-16, and that the methods the CPSC used to perform its quantitative evaluation and extrapolate the gross estimate of improper payments needed improvement.

In 2014 Kearney was again retained to perform the CPSC’s annual IPERA review. This review is being conducted in accordance with the Quality Standards for Inspection and Evaluation established by the Council of Inspectors General on Integrity and Efficiency’s (CIGIE) and not the Generally Accepted Government Auditing Standards issued by the Government Accountability Office. The review was ongoing as of this writing.

FEDERAL INFORMATION SECURITY MANAGEMENT ACT REVIEW

The Federal Information Security Management Act of 2002 (FISMA) requires each Federal agency to develop, document, and implement an agency-wide program to provide information security for the information and information systems that support the operations and assets of the agency, including those provided or managed by another agency, contractor, or other source.

FISMA also requires that the U.S. Consumer Product Safety Commission’s (CPSC) Office of Inspector General (OIG) conduct an independent evaluation of the CPSC’s information security program and practices. In evaluating the CPSC’s progress in implementing its agency-wide information security program, we specifically assessed the CPSC’s compliance with the annual FISMA reporting metrics set forth by the Department of Homeland Security (DHS) and the Office of Management and Budget (OMB).

This year’s FISMA evaluation was conducted in accordance with the Quality Standards for Inspection and Evaluation established by the Council of Inspectors General on Integrity and Efficiency’s (CIGIE) and not the Generally Accepted Government Auditing Standards issued by the Government Accountability Office. We found that management continues to make progress in implementing the FISMA requirements. The CPSC's General Support System (GSS LAN) has completed the security accreditation process and retained an active security accreditation. In addition, the Consumer Product Safety Risk Management System (CPSRMS), the International Trade Data System/Risk Automation Methodology System (ITDS/RAM) application, and the CPSC public website, www.cpsc.gov, completed independent security assessments and retain active security accreditations.

Although much has been accomplished, a good deal of work remains. We noted that management has not updated and approved all of the major applications' security documentation, even though management formally accepted the risk associated with operating these applications. Additionally, management has not fully implemented the National Institute of Technology and Standards (NIST) Special Publication (SP) 800-37, *Risk Management Framework*. Management has not accredited the information resources that reside outside of the GSS LAN security boundary. Management also has not performed an assessment to identify, categorize, accredit, and authorize the operation of all agency applications in accordance with OMB Memorandum M-10-15. It is particularly important that management assess the Division if Epidemiology's applications because of the applications' crucial importance to the agency mission and because of the potential of these applications to contain Personally Identifiable Information (PII). The OIG noted 53 findings, seven of which are considered high-risk, in this year's review. The IT challenges currently facing the agency are particularly relevant as the agency continues to deal with the implementation of the Consumer Product Safety Improvement Act (CPSIA) in general, and specifically with the CPSIA's impacts on the agency's IT operations.

Management continues to develop remediation strategies to address the known weaknesses, with a priority placed on what the Office of Information and Technology Services (EXIT) informally determines to be the highest risk issues. However, the full mitigation of these risks will require a significant amount of additional effort.

INVESTIGATIVE PROGRAM

A number of individuals contacted the Office of the Inspector General, directly or anonymously, during the reporting period to discuss their concerns about matters involving CPSC programs and activities. These complaints resulted in the initiation of three investigations. In one case, an investigation that was completed in a prior reporting period is still "open" pending final agency action and will be reported on in the next semiannual report.

Investigations

	No. of Cases
Beginning of period	1
Opened	3
Closed	4
Transferred/Incorporated into existing investigation	0
End of the period	0

REPORTABLE INVESTIGATIONS

14-010 Alleged Misuse of Position and Official Time – an allegation was received indicating that a CPSC management official was abusing his position and official time by spending duty time engaging in an otherwise authorized outside activity and otherwise abusing his authority. Preliminary investigation indicated that there was no basis for a formal investigation. The case was closed on December 17, 2014.

15-001 Allegation of Employee Misconduct – an allegation was received by this office i[redacted] that subject had improperly used his government issued [redacted]. Preliminary investigation determined that this matt[redacted] fit the traditional definition of "fraud, waste, abuse, or mismanagement" and was thus outside the jurisdiction of this office. Case closed on October 10, 2014.

15-002 Allegation of Mismanagement – an allegation was received by this office that agency management had mismanaged the CPSC's Voluntary Leave Transfer program. Preliminary investigation determined that the evidence available did not support the existence of a prima face case. Case closed on December 11, 2014.

15-003 Allegation of Mismanagement – an allegation of mismanagement, based on the complainant's non-selection for a position, was received by this office. Preliminary investigation determined that there was insufficient evidence to establish a prima facie case. Case closed on February 3, 2015.

ONGOING INVESTIGATIONS

No investigations were ongoing at the end of the period.

OTHER ACTIVITIES

LEGISLATION AND REGULATIONS

The Office of the Inspector General reviews internal and external legislation and regulations that affect the Office of the Inspector General in specific, or the CPSC's programs and activities, in general. The OIG reviewed and commented on procedures applicable to the following subjects during the reporting period:

Purpose Statute
EO 12674 (Standards of Conduct for Federal Employees),
18 USC 207 (Restrictions on Former Federal Employees),
Internal Revenue Code,
Whistle Blower Protection Act,
Antideficiency Act,
Consumer Product Safety Improvement Act,
Prompt Payment Act,
Improper Payments Elimination and Recovery Act,
Travel Card Program,
Debt Collection Improvement Act,
Conflicts of Interest,
Background Check Procedures,
Federal Information Security Management Act,
Inspector General Reform Act, and
Inspector General Enhancement Act (proposed legislation)

COUNCIL OF INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY

The Inspector General, as a member of the Council of Inspectors General on Integrity and Efficiency (Council), maintains active membership with the Council and its associated activities. The Council identifies, reviews, and discusses issues that are of interest to the entire IG community. The Inspector General attended regular meetings held by the Council and joint meetings of the Council and the GAO. The Office of Inspector General's staff attended seminars and training sessions sponsored or approved by the Council and its associated activities.

COUNCIL OF COUNSELS TO THE INSPECTORS GENERAL

The Council considers legal issues of interest to the Offices of Inspectors General. During the review period, the Council reviewed existing and pending laws affecting the CPSC in general and the Office of the Inspector General in specific and provided other support as needed to the Inspector General.

REPORTING REQUIREMENTS SUMMARY

Reporting requirements specified by the Inspector General Act of 1978, as amended, are listed below:

Citation	Reporting Requirements	See Page
Section 4(a)(2)	Review of Legislation and Regulations	17
Section 5(a)(1)	Significant Problems, Abuses, Deficiencies	4–16
Section 5(a((2)	Recommendations With Respect to Significant Problems, Abuses, and Deficiencies	4–16
Section 5(a)(3)	Significant Recommendations Included in Previous Reports on Which Corrective Action Has Not Been Taken	None
Section 5(a)(4)	Matters Referred to Prosecutive Authorities	None
Section 5(a)(5)	Summary of Instances Reported under Section 6(b)(2)	None
Section 5(a)(6)	Reports Issued	4–16
Section 5(a)(7)	Summary of Significant Reports	4–16
Section 5(a)(8)	Questioned Costs	None
Section 5(a)(9)	Recommendations That Funds Be Put to Better Use	None
Section 5(a)(10)	Summary of Audit Report Issued Before the Start of the Reporting Period for Which No Management Decision Has Been Made	None
Section 5(a)(11)	Significant Revised Management Decisions	None
Section 5(a)(12)	Management Decisions with Which the Inspector General Is in Disagreement	None
Section 5(a)(13)	Information Described Under Section 804(b) of the Federal Financial Management Improvement Act of 1996 Section	None
Section 5(a)(14) through 5(a)(16)	Information Regarding Peer Review Reports	Appendix B
Section 845 of The NDAA of 2008	Significant Contract Audit Reports	None

PEER REVIEW RESULTS

The last peer review conducted by another Office of Inspector General on the CPSC’s OIG was issued on March 14, 2014, and it is available on the CPSC OIG’s Web page. No deficiencies were noted, no recommendations for improvement were made, no letter of comment was issued, and this office received a peer review rating of pass.

The last peer review conducted by the CPSC’s OIG on another Office of Inspector General occurred on December 13, 2013, and it involved the National Endowment of the Arts Office of Inspector General (NEA OIG). No deficiencies were noted and no formal recommendations were made in that review. A letter of comment was issued to the NEA OIG.