



**U.S. Consumer Product Safety Commission
OFFICE OF INSPECTOR GENERAL**



Semiannual Report to Congress

April 1, 2023 to September 30, 2023

October 30, 2023

24-O-01

Top 10 Most Significant Open Recommendations from the Office of Inspector General to the U. S. Consumer Product Safety Commission

1. Develop and implement an internal control system covering the operations of the CPSC's programs. (FMFIA)
2. Develop effective written policies and procedures to govern agency operations. (DIRECTIVES)
3. Develop and implement an Enterprise Risk Management (ERM) program to allow agency officials to utilize risk management principles in the operations of the agency. (FISMA21)
4. Ensure that management officials are aware of OIG recommendations that impact their areas of responsibility and actively work toward implementing said recommendations. (BREACH)
5. Develop and implement a data-driven methodology to measure the Human Capital Program's effectiveness and report results to agency management. (HCPA)
6. Improve the effectiveness of agency communication and other outreach efforts by implementing a risk assessment process. (OCM)
7. Use all available tools to assist in the recruitment and retention of staff, particularly in hard to fill positions. (HCPA)
8. Develop and implement written guidance governing the CPSC's use of statements of assurance to meet its requirements under the FMFIA. (BREACH)
9. Develop, document, and maintain a software inventory. (CYBER)
10. Assess the IT security risks previously identified and develop a corrective action plan that prioritizes addressing the most critical risks and establishes a timeline for taking corrective action. (FISMA21)



MESSAGE FROM THE INSPECTOR GENERAL



I am pleased to submit the Semiannual Report to Congress for the U.S. Consumer Product Safety Commission (CPSC) Office of Inspector General (OIG). This report details the work of the OIG in the oversight of the CPSC for the second half of Fiscal Year (FY) 2023.

My professional and dedicated staff continue to do the work necessary to fight fraud, waste, and abuse at the CPSC while continuing to make findings and recommendations to aid the agency in achieving its mission.

As detailed in both previous semiannual reports and our audits of the CPSC's Implementation of the Federal Managers' Financial Integrity Act and Grants Program, the CPSC has still not established and implemented a formal internal control program over its operations, nor an effective cost accounting system. The former is necessary to ensure that the agency effectively carries out its mission and the latter to ensure that agency leadership can adequately track resources.

Additionally, there remains a misalignment between how the CPSC identifies programmatic or operational activities, how it measures the performance of these activities, and how it reports these activities. Without an effective internal control program, the CPSC may not be able to identify and address appropriate risks or measure whether programs are operating as intended. As evidenced by recent failures to comply with the Consumer Product Safety Act, Antideficiency Act, GAO-IG Act, and OMB-M-22-14, we are concerned that the internal control challenges facing the agency also adversely impact the CPSC's ability to comply with its legal requirements.

However, in FY 2023, the agency finally funded long planned efforts to improve its internal control program

by using a contractor to perform risk assessments over various offices. The contractor also aided in the design of internal control programs for said offices. The agency reports that as of the end of FY 2023, it had developed formal internal control programs in accordance with Green Book and Office of Management and Budget Circular A-123 for 7 out of the 14 offices that had core processes supporting the CPSC's mission. This would represent a dramatic improvement in this area and a fundamental step in achieving effective internal control at the CPSC.

In another promising development, the Office of General Counsel appears to be making real progress in leading agency efforts at revising the directives system. For years, the CPSC has been handicapped by policies and procedures that were outdated or lacking entirely. The development of a functioning directive system would be a key step in improving agency operations.

There has also been progress in two long standing issues related to OIG independence. The OIG is submitting an independent budget request for FY 2025. It is my hope that this will resolve the issue of OIG staffing levels. Finally, I am pleased to report that the agency has, as promised, addressed the previously reported issue related to OIG access to agency emails.

We look forward to continuing to work with Congress and agency management in order to promote the efficiency and effectiveness of agency programs.

Christopher W. Dentel, Inspector General

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BACKGROUND

U.S. Consumer Product Safety Commission

The U.S. Consumer Product Safety Commission (CPSC or Commission) is an independent federal regulatory agency, created in 1972, by the Consumer Product Safety Act (CPSA). In addition to the CPSA, as amended by the Consumer Product Safety Improvement Act of 2008 (CPSIA), and Public Law No. 112-28, the CPSC administers other laws, such as: the Flammable Fabrics Act, the Refrigerator Safety Act, the Federal Hazardous Substances Act, the Poison Prevention Packaging Act, the Labeling of Hazardous Art Materials Act, the Child Safety Protection Act, the Virginia Graeme Baker Pool and Spa Safety Act, the Children’s Gasoline Burn Prevention Act, the Drywall Safety Act, the Child Nicotine Poisoning Prevention Act, the Portable Fuel Container Safety Act (15 U.S.C. § 2056d), the Nicholas and Zachary Burt Memorial Carbon Monoxide Poisoning Prevention Act, the Safe Sleep for Babies Act, Reese’s Law (Public Law No. 117-171), the imitation firearms provisions of Public Law Nos. 100-615 and 117-167, and the Stop Tip-overs of Unstable, Risky Dressers on Youth requirements of Public Law No. 117-328.

Congress granted the CPSC broad authority to issue and enforce standards prescribing performance requirements, warnings, or instructions regarding the use of consumer products under the CPSA and the CPSIA, as well as numerous other laws.

By statute, the CPSC is headed by five commissioners who are nominated by the president and appointed by and with the advice and consent of the Senate. One of the commissioners is designated by the president and confirmed by the Senate to serve as the Chairman of the CPSC. The chairman is the principal executive officer of the Commission.

Currently, the commission consists of four members. The administration has nominated a fifth. If confirmed, this nominee would bring the commission back to a full complement of commissioners.



Office of Inspector General

The Office of Inspector General (OIG) is an independent office established under the provisions of the Inspector General Act of 1978 (IG Act), as amended. The CPSC OIG was established on April 9, 1989. Mr. Christopher W. Dentel was named Inspector General in 2004.

We are agents of positive change striving for continuous improvements in our agency's management and program operations, as well as within the Office of Inspector General.

We are committed to:

- Working with the Commission and the Congress to improve program management.
- Maximizing the positive impact and ensuring the independence and objectivity of our audits, investigations, and other reviews.
- Using our investigations and other reviews to increase government integrity and recommend improved systems to prevent fraud, waste, and abuse.
- Being innovative, questioning existing procedures, and suggesting improvements.
- Building relationships with program managers based on a shared commitment to improving program operations and effectiveness.
- Striving to continually improve the quality and usefulness of our products.
- Working together to address government-wide issues.

We offer actionable recommendations to increase the efficiency and effectiveness of the CPSC in its mission to protect the public against unreasonable risks of injuries associated with consumer products. We focus our available resources on high-risk areas and continuously seek ways to provide value to our stakeholders.

Top Management and Performance Challenges Facing the CPSC for FY 2024

1. Internal Control System
2. Enterprise Risk Management
3. Resource Management
4. Information Technology Security

The top four management challenges facing the CPSC in fiscal year (FY) 2023 remained the same as in FY 2022. While the titles of the challenges remained the same, the details supporting the challenges were revised as new audits and research brought to light further opportunities for change and progress at the agency.

The OIG recently developed a new product, called a Management Alert, designed to call management's attention to an issue that requires immediate attention. This tool is generally used when we find a matter related to legal compliance rather than program performance. We issued the first management alert on March 23, 2023, please [click here](#) for the alert.



Ongoing Projects

As of the date of this report, the OIG has five ongoing projects. These include three discretionary audits and one discretionary evaluation selected based on our annual risk assessment. The audits of the agency's import surveillance and third-party laboratory accreditation programs will assess the effectiveness of two CPSC programs that are key to protecting American consumers from dangerous imported products. The third audit is to determine if the CPSC has effective controls over the utilization of its leased space and is complying with relevant laws and regulations. These audits are being performed by CPSC OIG staff. The final discretionary evaluation is contracted out and involves a review of the agency's cloud computing and third-party management capabilities from an internal control, legal, and contractual perspective.

Finally, the OIG is using contractors for the statutorily required annual financial statement audit. The two contracted engagements address government-wide requirements for which there are a large number of competent contractors available to perform the work. As a result of contracting these assessments out, the OIG is able to focus its resources and leverage the expertise of our staff auditors, who are familiar with the CPSC's mission and programs, on CPSC-specific audits.



AUDIT PROGRAM

During this semiannual period, the OIG completed three audits, reviews, or special projects.

Report on the Evaluation of the CPSC's Compliance with PIIA for FY 2022

Transmitted: May 4, 2023

For the full report and list of open recommendations click [here](#)

The OIG contracted with Kearney & Company (Kearney) to perform a review of the CPSC's compliance with the reporting requirements contained in the Payment Integrity Information Act (PIIA), for transactions in FY 2022. The review was performed in accordance with Council of Inspectors General for Integrity and Efficiency (CIGIE) *Quality Standards for Inspection and Evaluation* (QSIE). The review focused on the CPSC's compliance with the elements identified as criteria in the relevant Office of Management and Budget (OMB) guidance, as well as program internal controls. Overall, Kearney found that for FY 2022, the CPSC complied with PIIA. In accordance with OMB, all elements must be complied with in order to result in overall compliance.

Evaluation of the CPSC's FISMA implementation for FY 2023

Transmitted: July 28, 2023

For the full report and list of open recommendations click [here](#)

The OIG contracted with Williams Adley & Company-DC, LLP (Williams Adley) to review the CPSC's compliance with the reporting requirements of the Federal Information Security Modernization Act (FISMA) for FY 2023. The objective of this review was to determine the effectiveness of the CPSC's information security program in accordance with the FY 2023 FISMA reporting requirements, issued by the Department of Homeland Security and OMB Memorandum (M)-23-03, Fiscal Year 2023 Guidance of *Federal Information Security and Privacy Management Requirements*. As a result of recent changes in OMB requirements, this year was the second year under the new continuous monitoring model. Therefore, Williams Adley reviewed only the subset of 40 metrics that were in scope for FY 2023. The review was performed in accordance with CIGIE QSIE.

Williams Adley found that the CPSC was not compliant with all of FISMA's requirements. However, the CPSC was making progress in implementing many FISMA requirements. Williams Adley made 44 recommendations, 14 of which were new, to improve the CPSC's information security posture.

Evaluation of the CPSC's Compliance with Tax Withholding Requirements

Transmitted: September 11, 2023

For the full report and list of open recommendations click [here](#)

The OIG retained the services of GBB & Co, LLP, an independent public accounting firm, to evaluate the CPSC's tax withholding compliance. This evaluation was performed in accordance with the CIGIE QSIE. The objective of the evaluation was to determine whether the CPSC was compliant with Internal Revenue Service withholding and payment requirements, related state income tax withholding and payment requirements, and appropriately handled lock-in letters from the Internal Revenue Services which require specified withholdings by employees for the



period January 1, 2017, to December 31, 2021. Overall, GBB & Co, LLP found that the CPSC complied with Internal Revenue Service requirements.



INVESTIGATIVE PROGRAM

The OIG investigates complaints and information received from the CPSC’s employees, other government agencies, and members of the public concerning possible violations of laws, rules, and regulations, as well as claims of mismanagement, abuse of authority, and waste of funds. The objectives of this program are to maintain the integrity of the CPSC and ensure individuals of a fair, impartial, and independent investigation.

Several individuals contacted the OIG directly during the reporting period to discuss their concerns about matters involving CPSC programs and activities. During the reporting period, as a result of two complaints received, the OIG made process improvement suggestions regarding agency operations, two of which the agency adopted. The OIG did not receive any actionable allegations of whistleblower retaliation. The table below summarizes the disposition of complaints and investigative work performed from April 1, 2023, through September 30, 2023.

Investigation Status	Count
Open as of April 1, 2023	6*
Opened during reporting period	41
Closed during reporting period	12
Transferred to other Departments/Agencies	34
Investigative Reports issued	0
Referred to Department of Justice for Criminal Prosecution	0
Referred for State/Local Criminal Prosecution	0
Total Indictments/Information from Prior Referrals	0
Open as of September 30, 2023	1

*The number closed during the period includes one complaint not captured in the database for the prior period.

In developing the above statistical table, each case was entered into the appropriate rows based on its ultimate outcome.

No convictions resulted from investigations conducted by the OIG.



INSTANCES OF CPSC INTERFERENCE WITH OIG INDEPENDENCE

Section 5(a)(15) of the Inspector General Act of 1978, as amended, requires a detailed description of any attempt by the establishment (in this instance the CPSC) to interfere with the independence of the agency's OIG. This potential interference includes an ongoing issue between the establishment and OIG regarding the allocation of the OIG's budget. However, the issue previously reported regarding access to agency email appears to have been resolved.

Budgetary Constraints

The CPSC has received \$50 million in American Rescue Plan Act of 2021 funding as well as receiving additional funding for its grants programs. Further, the CPSC is seeking a substantial increase in funding over the next several years in order to allow it to better address evolving issues related to consumer safety. In order to continue to provide adequate oversight of the CPSC, particularly in light of the agency's ongoing problems with internal controls, this office sought and received agency approval to hire two additional fulltime equivalent positions (FTEs) to provide organic oversight of agency programs. After initially approving the request but receiving a final appropriation lower than anticipated, the agency provided the OIG an additional allocation of funds sufficient to fully fund an additional FTE but prevented the OIG from using the funds to hire an additional FTE. The agency indicated that the funding was being provided solely to allow the OIG to contract out oversight services. However, the determination of both whether or not to contract out OIG work in specific and how to best utilize OIG resources in general is ours and not agency management's to make. We have determined that it would be more appropriate to perform the work in question, which would be of an ongoing nature, with OIG personnel rather than contracting it out. Unlike many agencies, the CPSC does not have a FTE level set by OMB. In so far as the CPSC has an FTE cap, it is self-imposed. It is concerning that the agency has repeatedly chosen to deny the OIG the ability to increase staff despite acknowledging the availability of funding to do so.

A possible resolution of this matter is the CPSC's concurrence in the OIG's decision to submit a separate OIG budget request to OMB. The OIG's authority to submit a separate budget request is set out in the IG Act. We are seeking an earmark. It is our belief that the greater independence inherent in having our portion of the agency budget set out in an earmark will facilitate our efforts to manage our operations and our budget independently from the agency. This will, in turn, allow us to more efficiently and independently serve the needs of the American people through our oversight of the CPSC.

Access to Information

On August 12, 2021, the then Chief Information Officer (CIO) informed the Inspector General that the Office of Information and Technology Services (EXIT) was adopting a new policy regarding access to email systems and would no longer allow the OIG to directly access and search agency email. The CIO's proposal was to have EXIT staff conduct searches relating to OIG investigations and require that we inform the CIO and/or a Deputy Executive Director of the details of our requests for searches. This would impinge on OIG independence and violate both the privacy and due process rights of the subjects and witnesses involved in our investigations.



This issue was raised to the former acting Chairman in the summer 2021. He chose to accept the CIO's position and continued to deny the OIG direct access to agency email for use in investigations.

This issue was later raised with the current Chair. He proposed a solution whereby the OIG would use a Department of Justice contractor to access agency records and perform a search on behalf of the OIG. The OIG has worked with the Office of the Executive Director to finalize procedures to implement this solution. Although this process has not yet been used in an investigation, it appears to address our concerns.



OTHER ACTIVITIES

Legislation and Regulatory Review

The OIG reviews internal and external regulations and legislation that affect the OIG specifically, or the CPSC's programs and activities generally. The following were reviewed and commented upon during the reporting period:

Antideficiency Act
American Rescue Plan Act
Commission Decision Making Procedures
Consolidated Appropriations Act 2021 and 2022
Consumer Product Safety Act
Consumer Product Safety Commission Regulations
Consumer Product Safety Improvement Act of 2008
Economy Act
Ethics Regulations
Executive Order 13932
Federal Acquisition Regulations
Federal Records Act
Federal Records Management Act
Federal Travel Regulations
Freedom of Information Act
Good Accounting Obligation in Government Act
Government in the Sunshine Act
Inspector General Act of 1978, as amended
National Defense Authorization Act for Fiscal Year 2023
Office of Management and Budget Circulars and Memoranda
Office of Personnel Management Classification Standards
Peer Review Guides
Privacy Program
Prohibited Personnel Practices
Public Disclosure of Information, 15 U.S.C. 2055
Purpose Act
Quality Standards for Inspection and Evaluation
Records Management Policies and Regulations
Standards of Conduct for Government Employees
Whistleblower Protection Enhancement Act



OIG Coordination

Council of the Inspector General on Integrity and Efficiency

The Inspector General maintains active membership in CIGIE and its associated subcommittees. CIGIE identifies, reviews, and discusses issues that are of interest to the entire OIG community. The Inspector General serves on the Audit, Legislation, and Inspection and Evaluation Committees, the Audit Peer Review Subcommittee, and as an adjunct instructor for the CIGIE Training Institute. The Inspector General regularly attends meetings held by CIGIE and their joint meetings with the Government Accountability Office.

The OIG staff attended seminars and training sessions sponsored or approved by CIGIE. OIG staff are also active participants in a variety of CIGIE subgroups including, but not limited to, the Deputy Inspectors General group, the management and planning group, and groups covering topics such as investigations, information technology, FISMA, PIIA, and financial statement audits.

Council of Counsels to the Inspectors General

The Counsel to the Inspector General is a member of the Council of Counsels to the Inspectors General (CCIG). The CCIG considers legal issues of interest to the Offices of Inspectors General. During the review period, the Counsel met with peers to discuss items of mutual interest to all OIGs. The Counsel also participates in the CCIG National Defense Authorization Act Working Group (including the Definitions subgroup), CCIG Investigative Counsel working group, Freedom of Information Act working group, and Small OIG Counsel group.



Peer Reviews

The OIG has previously completed work under both Generally Accepted Government Auditing Standards (GAGAS) and CIGIE QSIE. Each standard-setting body requires the organization to obtain an external review of its system of quality control every three years and make the results publicly available. The OIG continues to perform work utilizing GAGAS but now only utilizes CIGIE QSIE for work that is contracted out.

GAGAS Peer Reviews

On March 31, 2023, the Ability One Office of Inspector General issued a report of its External Peer Review of our audit organization and opined that our system of quality control for the year ending September 30, 2022, had been "suitably designed and complied with to provide the CPSC OIG with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects with Government Auditing Standards and applicable legal and regulatory requirements." Audit organizations can receive a rating of pass, pass with deficiencies, or fail. We received an External Peer Review rating of pass. This peer review is on our website [here](#).

On December 15, 2022, the CPSC OIG completed a peer review of the Library of Congress' Office of Inspector General. They received an External Peer Review rating of pass.

CIGIE QSIE Peer Reviews

On March 10, 2023, the Architect of the Capitol Office of Inspector General issued a report of its External Peer Review of our Inspection and Evaluation organization and opined "that the CPSC OIG's policies and procedures generally complied and were consistent with Standard 7 - Quality Control of the Blue Book standards addressed in the external peer review." Inspection and Evaluation Organizations can receive a rating of "generally complied" or "did not generally comply" with Blue Book Standards. We received a rating of "generally complied" with applicable standards. This peer review is available on our website [here](#).

On July 14, 2023, the CPSC OIG completed a peer review of the Office of the Special Inspector General for the Troubled Asset Relief Program's Inspection and Evaluation organization. They received a peer review rating of "generally complied" with applicable standards.



APPENDIX A: CROSS-REFERENCE TO REPORTING REQUIREMENTS OF THE IG ACT

Citation	Reporting Requirements	Page(s)
Section 4(a)(2)	Review of legislation and regulations.	10
Section 5(a)(1)	Significant problems, abuses, and deficiencies relating to the administration of programs and operations of the establishment and associated reports and recommendations for corrective action made by the OIG.	5-6, 17-21
Section 5(a)(2)	An identification of each recommendation made before the reporting period, for which corrective action has not been completed, and identification of cost savings associated with the recommendation.	17-21
Section 5(a)(3)	A summary of significant investigations closed during this reporting period.	7
Section 5(a)(4)	An identification of the total number of convictions during the reporting period resulting from investigations.	7
Section 5(a)(5)	Information regarding each audit, inspection, or evaluation, total dollar value of questioned costs and funds put to better use during this reporting period.	5-6
Section 5(a)(6)	Information regarding any management decision made during the reporting period with respect to any audit, inspection, or evaluation issued during a previous reporting period.	NA
Section 5(a)(7)	Information under section 804(b) of Federal Financial Management Improvement Act of 1996.	NA
Section 5(a)(8)	Results of peer review.	12
Section 5(a)(9)	Outstanding recommendations from any peer review conducted by another OIG.	NA
Section 5(a)(10)	Any peer reviews performed of another OIG.	12
Section 5(a)(11)	Statistical table showing total number of investigative reports, referrals, and results of referrals.	7
Section 5(a)(12)	Metrics used to develop data for tables in section 5(a)(11).	7
Section 5(a)(13)	Report on each investigation involving a senior government official where allegations of misconduct are substantiated.	7
Section 5(a)(14)	Detailed description of whistleblower retaliation.	NA
Section 5(a)(15)	Detailed description of attempts to interfere with OIG independence.	8-9
Section 5(a)(16)	Detailed description of every inspection, evaluation, and audit closed and not publicly disclosed, and every investigation of senior government employee closed and not publicly disclosed.	NA



APPENDIX B: STATEMENT REGARDING PLAIN WRITING

We strive to follow the Plain Writing Act of 2010. The act requires that government documents be clear, concise, well-organized, and follow other best practices appropriate to the subject or field and intended audience. The abbreviations we use in this report are listed below.

Table of Abbreviations	
CCIG	Council of Counsels to the Inspectors General
CIGIE	Council of the Inspectors General on Integrity and Efficiency
CIO	Chief Information Officer
CPSA	Consumer Product Safety Act
CPSC or Commission	U. S. Consumer Product Safety Commission
CPSIA	Consumer Product Safety Improvement Act of 2008
FISMA	Federal Information Security Modernization Act
FMFIA	Federal Managers' Financial Integrity Act
FTE	Full Time Equivalent
FY	Fiscal Year
GAGAS	Generally Accepted Government Auditing Standards
IG Act	The Inspector General Act of 1978, as amended
Kearney	Kearney & Company
M	Memorandum
NIST CSF	National Institute of Standards and Technology Cybersecurity Framework
OCM	Office of Communications Management
OIG	Office of Inspector General
OMB	Office of Management and Budget
PIIA	Payment Integrity Information Act
QSIE	Quality Standards for Inspection and Evaluation
Williams Adley	Williams, Adley & Company-DC, LLP



APPENDIX C: STATUS OF RECOMMENDATIONS

During this most recent reporting period 22 recommendations were closed. This is a slight improvement over the prior reporting period during which only 18 recommendations were closed and mirrored the number of recommendations closed (22) in the period preceding that one. However, the closure rate is down substantially from the October 1, 2021, through March 31, 2022, period when management closed 45 recommendations. This is especially troubling as (1) in 2022 the Chair instructed staff that closing recommendations would be a priority for the agency and (2) the commissioners voted to require that recommendations either be closed within six months or an explanation provided to the Commission as to why they were not closed.

One possible reason for the agency's difficulties in closing recommendations this period is the unusually high turnover rate in key positions at the CPSC. For example, the Deputy Chief Financial Officer and the Deputy Director of Finance separated during this period, and the Director of Human Resources accepted another position in the agency. Moreover, the new Chief Information Officer, Chief Information Security Officer, Information Technology Security Branch Chief/Information Security Officer each onboarded within a few months of the start of this reporting period. As these individuals are responsible for managing the processes required to close the vast majority of OIG recommendations, turnover in these positions could impact the closure rate. However, as the new personnel become more acclimated to the CPSC and its processes, improvements are expected.

The CPSC has other long-term challenges that may impact closure rates. For example, many agency programs rely on out-of-date written policies and procedures or lack written policies and procedures entirely. The CPSC has attempted to address this challenge by revising its directives system. However, to date, the changes in the directives system have not improved the agency's closure rate. If effectively established, however, a revised directives system has the potential to greatly improve agency operations and internal controls as well as to serve as a key component in closing multiple recommendations.

The Good Accounting Obligation in Government Act

The Good Accounting Obligation in Government Act, enacted in 2019, requires agencies to provide with their annual budget request a report that includes a list of unimplemented recommendations, an explanation of the reasons why no final action has been taken regarding the unimplemented recommendations, and a timeline for the implementation of unimplemented recommendations.

The Inspector General notes that the agency's Good Accounting Obligation in Government Act report dated February 7, 2023, includes neither the required explanation of the reasons why no final action was taken regarding unimplemented recommendations nor the required timeline concerning the implementation of same.



The table below provides a summary of reports with open recommendations made before the current semiannual period and shows progress made during the last six months.

Summary of Recommendation Implementation Progress							
Report Short Title	Report Date	Total Recommendations	Closed Prior to April 1, 2023	Open as of April 1, 2023	Closed during the period	Open as of September 30, 2023	Total Days Past Due as of September 30, 2023
RMS	6/5/2012	8	3	5	0	5	3954
CYBER	8/4/2016	5	0	5	0	5	2433
TELEWORK	9/29/2017	9	4	5	4	1	2012
OEP	6/7/2018	12	6	6	0	6	1761
DIRECTIVES	3/21/2019	2	1	1	0	1	1474
PROPERTY	5/31/2019	25	10	15	0	15	1403
PENTEST	6/11/2019	40	33	7	0	7	1392
BREACH	9/25/2020	40	13	27	5	22	920
OCM	2/19/2021	11	10	1	0	1	773
FDS	4/16/2021	4	0	4	0	4	717
EEO	4/27/2021	4	0	4	3	1	706
PD*	4/29/2021	13	1	12	0	12	704
FMFIA	5/12/2021	7	0	7	0	7	691
FISMA 21	10/29/2021	47	7	40	4	36	521
NIST CSF	1/18/2022	5	0	5	0	5	440
FISMA 22**	7/22/2022	4	0	4	0	4	255
PENTEST 22	12/13/2022	14	4	10	5	5	111
HR ASSESSMENT*	3/30/2023	41	0	41	0	41	4
OPS PLAN VOTE	12/1/2022	7	6	1	1	0	N/A
		298	98	200	22	178	

*One recommendation from the PD audit and eight recommendation from the HR Assessment are no longer monitored due to agency non-concurrence.

**This audit had a total of 24 recommendations, three of which were new and one was reopened from 2021.



Previously Issued Reports with Open Recommendations

Please see the links below for open recommendations for each report.

Consumer Product Safety Risk Management System Information Security Review Report (RMS)

Transmitted: June 5, 2012

For the full report and list of open recommendations click [here](#)

The objective of this review was to evaluate the application of the Risk Management Framework to the Consumer Product Safety Risk Management System. CPSIA requires the CPSC to implement a publicly accessible and searchable database of consumer product incident reports. The period of the review was December 2010 through February 2011. The work was performed in accordance with CIGIE QSIE. Overall, we found there were several inconsistencies and weaknesses in the security certification and assessment of this database.

Cybersecurity Information Sharing Act of 2015 (CYBER)

Transmitted: August 4, 2016

For the full report and list of open recommendations click [here](#)

The objective of this review was to determine whether the CPSC had established the policies, procedures, and practices required by the Cybersecurity Act of 2015 for agency systems that contain Personally Identifiable Information. During this review, we also considered whether standards for logical access were appropriate. The OIG completed this work in accordance with CIGIE QSIE. We found the CPSC had not achieved a number of the requirements set forth in the Cybersecurity Act of 2015 or developed appropriate logical access policies and procedures.

Audit of the Telework Program for Fiscal Year 2016 (TELEWORK)

Transmitted: September 29, 2017

For the full report and list of open recommendations click [here](#)

The objectives of this audit were to determine if the CPSC had an effective program in place to capitalize on the benefits of telework, established adequate internal controls over telework, and administered the telework program in accordance with federal laws, regulations, guidance, and agency policy. The audit was performed in accordance with GAGAS. Overall, we found that the agency had a policy; however, it was not entirely effective and did not fully comply with federal laws, regulations, and agency policy.

Audit of the Occupant Emergency Program for Fiscal Year 2017 (OEP)

Transmitted: June 7, 2018

For the full report and list of open recommendations click [here](#)

The OIG audited the CPSC's Occupant Emergency Program in place for FY 2017. The purpose of an Occupant Emergency Program is to reduce the threat of harm to personnel, property, and other assets within a federal facility in the event of an emergency. The objectives of this audit were to determine program effectiveness and compliance with the *Occupant Emergency Program: An Interagency Security Committee Guide* and other criteria. The audit was performed in accordance with GAGAS. Overall, we found that the CPSC's Occupant Emergency Program was not compliant with government-wide guidance and was not operating effectively.



Audit of the CPSC'S Directives System (DIRECTIVES)

Transmitted: March 21, 2019

For the full report and list of open recommendations click [here](#)

The OIG conducted an audit of the CPSC's Directives System as of March 31, 2018. The objectives of this audit were to determine whether the CPSC's policies and procedures for the Directives System complied with federal regulations and procedures and were effective in helping agency staff meet the CPSC's mission. This audit was performed in accordance with GAGAS. Overall, we found that the CPSC's Directives System was not fully compliant with government-wide requirements, its own policies, or fully effective in helping staff to meet the CPSC's mission.

Review of Personal Property Management System and Practices for the Calendar Year 2017 (PROPERTY)

Transmitted: May 31, 2019

For the full report and list of open recommendations click [here](#)

The OIG contracted with Kearney to perform an assessment of the CPSC's control over personal property. The objective was to obtain an independent review of the controls over personal property items, from initial data entry through routine accounting control to disposal. The review was performed in accordance with CIGIE QSIE. Overall, Kearney found that the CPSC's Personal Property Management System and practices were neither compliant with government-wide guidance nor operating effectively.

Report on the Penetration and Vulnerability Assessment of CPSC's Information Technology Systems (PENTEST)

Transmitted: June 11, 2019

For the full report and list of open recommendations click [here](#)

The OIG contracted with Defense Point Security to perform a penetration and vulnerability assessment of the CPSC network. The objective of this penetration test was to assess the security of the CPSC's information technology infrastructure by safely attempting to exploit security vulnerabilities. The review was performed in accordance with CIGIE QSIE. Overall, Defense Point Security found that the CPSC had not designed its information technology infrastructure to be compliant with government-wide guidance and that its information technology infrastructure was not adequately secure.

Report of Investigation Regarding the 2019 Clearinghouse Data Breach (BREACH)

Transmitted: September 25, 2020

For the full report and list of open recommendations click [here](#)

The OIG was asked to investigate a data breach involving the CPSC's Clearinghouse. We determined that the scope of the data breach exceeded the CPSC's estimate in terms of both duration and quantity. The data breach was caused by a combination of mismanagement and incompetence. CPSC employees caused the data breach by inappropriately releasing confidential information. The CPSC's reliance on Clearinghouse management to assess the scope of the breach led to a minimization of the scope of the data breach and adversely affected the CPSC's efforts to respond to the data breach. We found a near total lack of: supervisory review, documented policies and procedures, and training for non-supervisory and first level



supervisory employees carrying out Clearinghouse duties. These problems were compounded by management's lack of integrity regarding the dearth of properly designed and implemented internal controls. For years, agency management signed statements of assurance affirming that there were effective internal controls in place over the Clearinghouse, despite knowing this was not true.

Audit of the CPSC's Office of Communications Management's Strategic Goals (OCM)

Transmitted: February 19, 2021

For the full report and list of open recommendations click [here](#)

The OIG audited the CPSC's Office of Communications Management's (OCM) strategic goals for FYs 2018 and 2019. The objectives of the audit were to assess OCM's methodology for developing key performance measures, implementing their strategic initiatives, and reporting on the results of the effectiveness of those strategic initiatives. Additionally, we assessed OCM's internal controls over the dissemination of consumer product safety information and collaboration with stakeholders. The audit was conducted in accordance with GAGAS. The OIG determined that OCM met or exceeded their targeted number of communications to the public. However, we identified several areas where OCM's internal controls over its performance reporting could be improved, particularly in the area of tracking communication quality and effectiveness.

Evaluation of the CPSC's Implementation of the Federal Data Strategy (FDS)

Transmitted: April 16, 2021

For the full report and list of open recommendations click [here](#)

The OIG contracted with Williams Adley to perform a review of the CPSC's implementation of the Federal Data Strategy. The objective of this review was to obtain an independent evaluation of the CPSC's implementation of the OMB M-19-18, *Federal Data Strategy - A Framework for Consistency*, and associated OMB-issued action plans. The review was performed in accordance with CIGIE QSIE. Williams Adley found that the CPSC completed the required agency actions described in the most recent action plan published by OMB.

Review of the CPSC's Equal Employment Opportunity Program (EEO)

Transmitted: April 27, 2021

For the full report and list of open recommendations click [here](#)

The OIG contracted with GKA, P.C., to perform an independent review of the CPSC's Equal Employment Opportunity (EEO) program. The objectives of this review were to determine whether the EEO program complied with all statutory requirements and to assess the accuracy, completeness, and reliability of the information EEO reported to the U.S. Equal Employment Opportunity Commission. This review was performed in accordance with CIGIE QSIE.

Audit of the CPSC's Position Designation and Suitability Program (PD)

Transmitted: April 29, 2021

For the full report and list of open recommendations click [here](#)

The OIG audited the CPSC position designation process. Each covered federal position is required to have a designation level (Tier 1 through Tier 5), depending on the sensitivity and risk



level of the position. The objectives of this audit were to determine whether all positions in the CPSC were appropriately designated and whether all CPSC employees and contractors have the appropriate background investigation completed. The audit was performed in accordance with GAGAS. The audit identified \$49,631 in questioned costs.

Audit of the CPSC's Implementation of FMFIA for FYs 2018 and 2019 (FMFIA)

Transmitted: May 12, 2021

For the full report and list of open recommendations click [here](#)

The OIG contracted with Kearney to perform an audit of the CPSC's compliance in FYs 2018 and 2019 with the Federal Managers' Financial Integrity Act (FMFIA). Kearney was also charged with evaluating the effectiveness of the CPSC's processes to assess internal control over program operations, as reported in the Chairman's Management Assurance Statement in the Agency Financial Report. The review was performed in accordance with GAGAS. Kearney determined that the CPSC did not comply with the FMFIA in FYs 2018 and 2019. Specifically, a misalignment existed between how the CPSC identified programmatic or operational activities, how it measured the performance of these activities, and how it reported these activities. Additionally, although the CPSC implemented metrics to monitor the performance of its strategic goals and objectives, it did not establish and implement a formal internal controls program over its operations as required by the *Government Accountability Office's, Standards for Internal Control in the Federal Government*, and *OMB Circular A-123, Management's Responsibility for Internal Control*.

Evaluation of the CPSC's FISMA Implementation for FY 2021 (FISMA 21)

Transmitted: October 29, 2021

For the full report and list of open recommendations click [here](#)

The OIG contracted with Williams Adley to review the CPSC's compliance with the reporting requirements of FISMA in FY 2021. The objective of this review was to determine the effectiveness of the CPSC's information security program in accordance with the FY 2021 FISMA reporting requirements issued by the Department of Homeland Security and OMB M-21-02, *FY 2020-2021 Guidance on Federal Information Security and Privacy Management Requirements*. The review was performed in accordance with CIGIE QSIE. Williams Adley found that the CPSC was not compliant with all of FISMA's requirements. However, the CPSC was making progress in implementing many FISMA requirements.

NIST Cybersecurity Framework (CSF)

Transmitted: January 18, 2022

For the full report and list of open recommendations click [here](#)

The OIG contracted with Williams Adley to perform a review of the CPSC's implementation of the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF). The objective of this requirement was to obtain an independent evaluation of the CPSC's implementation of the NIST CSF. The review was performed in accordance with CIGIE QSIE. Williams Adley found that the CPSC had developed a high-level action plan for the NIST CSF in 2017, however, the CPSC had not implemented that plan.



Evaluation of the CPSC's FISMA Implementation for FY 2022 (FISMA 22)

Transmitted: July 22, 2022

For the full report and list of open recommendations click [here](#)

The OIG contracted with Williams Adley to review the CPSC's compliance with the reporting requirements of the Federal Information Security Modernization Act (FISMA) for FY 2022. The objective of this review was to determine the effectiveness of the CPSC's information security program in accordance with the FY 2022 FISMA reporting requirements, issued by the Department of Homeland Security and OMB M 22-05, *Fiscal Year 2021-2022 Guidance of Federal Information Security and Privacy Management Requirements*. As a result of changes in OMB requirements, this year was the first under the new continuous monitoring model. Williams Adley reviewed a subset of 20 "core" metrics that were in scope for FY 2022. The review was performed in accordance with CIGIE QSIE. Williams Adley found that the CPSC was not compliant with all of FISMA's requirements. However, the CPSC was making progress in implementing many FISMA requirements.

Penetration Test 2022 (PENTEST 22)

Transmitted: December 13, 2022

For the full report and list of open recommendations click [here](#)

The OIG contracted with Williams Adley to perform a penetration and vulnerability assessment of the CPSC network. Williams Adley subcontracted the assessment to Cerberus Sentinel. The objective of this penetration test was to assess the security of the CPSC's information technology infrastructure by safely attempting to exploit security vulnerabilities. The review was performed in accordance with CIGIE QSIE. Overall, Cerberus Sentinel found that the CPSC had not designed its information technology infrastructure to be compliant with government-wide guidance and that its information technology infrastructure was not adequately secure.

Human Resources Assessment (HR ASSESSMENT)

Transmitted: March 30, 2023

For the full report and list of open recommendations click [here](#)

The OIG contracted with AE Strategies to evaluate the CPSC's human resources function's ability to provide adequate support to the CPSC as the agency experiences a period of rapid growth. AE Strategies evaluated the human resources function using the Human Capital Framework evaluation model. This review was performed using Office of Personnel Management assessment tools to address strategic planning, talent management, performance management, and human resource performance evaluation topics.

AE Strategies found that the CPSC's human capital program did not align with federal regulations and lacked overall accountability. If not corrected, these shortcomings may prevent the CPSC from achieving its mission. Many of the findings and recommendations found in this assessment were over two decades old and were first identified in Office of Personnel Management evaluations in 1998 and 2008. These recommendations were never resolved, including a finding that the CPSC had not established a system of accountability to ensure that its Human Capital program is managed effectively and efficiently.





For more information on this report please contact us at CPSC-OIG@cpsc.gov

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