



U.S. Consumer Product Safety Commission  
Office of Inspector General  
Bethesda, MD

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## **The CPSC Lacks a Formal Internal Controls Program Over its Operations**

BETHESDA – Today the U.S. Consumer Product Safety Commission (CPSC) Office of Inspector General (OIG) issued the results of an audit of the agency's compliance with the Federal Managers' Financial Integrity Act (FMFIA). The OIG retained the services of Kearney & Company (Kearney) to perform this audit.

Kearney determined that the CPSC did not comply with FMFIA for CPSC operations in either of the years that it evaluated, fiscal years 2018 and 2019. FMFIA requires agencies to maintain a system of internal controls as prescribed by the GAO Standards for Internal Control in the Federal Government (Green Book) and OMB Circular A-123. Specifically, a misalignment exists between how the CPSC identifies programmatic or operational activities, how it measures the performance of these activities, and how it reports these activities. 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.

Without an effective internal control program, the CPSC may not be able to identify and address operational risks or measure whether programs are operating as intended. This could ultimately lead to a situation where CPSC programs are under performing while at the same time the CPSC is reporting optimal performance to the public and Congress in its AFR. Kearney made seven recommendations to improve CPSC's operational internal control program.

The OIG is an independent office within the CPSC that performs audits and investigations of the CPSC, and prevents and detects fraud, waste and abuse. For more information, visit [OIG.CPSC.GOV](http://OIG.CPSC.GOV).

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