

GAO-IG Act Reporting

Annual Report

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1. Introduction

On January 3, 2019, the Good Accounting Obligation in Government Act (GAO-IG Act or Act) was enacted as Public Law number 115-414. This report is published by the Consumer Financial Protection Bureau (Bureau or CFPB) in compliance with that law.¹

The GAO-IG Act requires agencies to annually submit a report to Congress on the status of certain open public audit recommendations. To comply with the requirements of the Act, this report contains the following sections: (1) open Government Accountability Office (GAO) recommendations, and (2) open Office of the Inspector General (OIG) of the Board of Governors of the Federal Reserve System (FRB) recommendations.

The GAO-IG Act also requires agencies to disclose discrepancies between its report and reports issued by the GAO and OIG. The Bureau is not aware of any discrepancy between this report and public reports issued by the GAO or OIG.

1.1 Background

The Bureau was established on July 21, 2010 under Title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). It was established as an independent bureau within the Federal Reserve System. The Bureau is an Executive agency as defined in Section 105 of Title 5, United States Code. As an Executive agency and under the Dodd-Frank Act, the CFPB is subject to external audits and reviews, some of which are legislatively mandated, others of which are conducted at the discretion of the oversight body.

Audits and reviews conducted by the GAO and OIG can be categorized as follows:

- **GAO Annual Financial Statement Audit:** This annual audit is to determine whether the CFPB's financial statements were fairly presented and whether the CFPB's management maintained effective internal control over financial reporting. The annual GAO financial statement audit is a requirement of the Dodd-Frank Act, 12 U.S.C. § 5496a(b).

¹ The GAO-IG Act requires agencies to “submit reports on outstanding recommendations in the annual budget justification submitted to Congress.” The Bureau does not submit a budget justification to Congress and has published this report as a standalone document.

- GAO Subject Matter Engagements: These engagements are performed at the request of congressional members, committees or subcommittees, may be mandated by public laws or committee reports, or undertaken at GAO's own initiative.
- OIG: Conducts audits, investigations, and other reviews of the Bureau's program functions. Section 1081 of the Dodd-Frank Act amended the Inspector General Act (IG Act) of 1978 to create one Inspector General for both the FRB and the CFPB and to provide the OIG with all of the authorities and responsibilities provided by the IG Act with respect to the Bureau.

2. Recommendations

From the inception of the CFPB in July 2010 through December 31, 2021, GAO and OIG have issued a total of 430 recommendations to the CFPB. To date, 349 or 81% have been closed. There are currently 80 open GAO and OIG recommendations, and one recommendation designated as “closed, unimplemented” by GAO. Of the 81 “open” and “closed, unimplemented” recommendations, 72 are public.

- Of the total 430 recommendations, 96 were issued by GAO and 334 were issued by OIG. Of the 334 findings issued by OIG, 274 or 82% have been closed. Of the 96 recommendations issued by GAO, 75 or 78% have been closed (and implemented).
- In fiscal year 2021, 28 recommendations were issued to the CFPB under 11 reports from GAO and OIG.

2.1 GAO Recommendations

Table 1 provides a list of all open (20) and closed, unimplemented (1) GAO recommendations.

TABLE 1: OPEN GAO RECOMMENDATIONS

Report Title	Report Date	Recommendation	Justification ²	Estimated Completion
Management Report: Improvements Needed in CFPB’s Internal Controls and Accounting Procedures (GAO-16-522R)	6/13/2016	To provide reasonable assurance that the property, equipment, and software transactions are properly tracked and capitalized or expensed as appropriate, the Director of CFPB direct the program offices to require vendors to provide detailed invoices with costs broken out by project.	Implementation in progress.	FY22

² The GAO-IG Act requires agencies to provide a justification for GAO recommendations it has “decided not to implement.” As applicable, this information is provided in the justification column.

Report Title	Report Date	Recommendation	Justification ²	Estimated Completion
<p>Student Loans: Oversight of Servicemembers' Interest Rate Cap Could Be Strengthened (GAO-17-4)</p>	<p>11/15/2016</p>	<p>To better ensure that servicemembers with private student loans benefit from the SCRA interest rate cap, the Director of the Consumer Financial Protection Bureau and the Attorney General of the Department of Justice should coordinate with each other, and with the four federal financial regulators, as appropriate, to determine the best way to ensure routine oversight of SCRA compliance for all nonbank private student loan lenders and servicers. If CFPB and DOJ determine that additional statutory authority is needed to facilitate such oversight, CFPB and DOJ should develop a legislative proposal for Congress.</p>	<p>The CFPB has written agreements (MOUs) in place for interagency coordination and information sharing with the DOJ, the federal prudential regulators, and most state regulators. The CFPB's Office of Servicemember Affairs also meets regularly with the DOJ. The CFPB is always interested in improving cooperation and coordination with its interagency partners and will continue to build upon these mechanisms and relationships. Based on the extensive coordination already occurring among these agencies, however, the CFPB believes that it has complied with the recommendation, and that it may be closed.</p>	<p>NA</p>
<p>Private Deposit Insurance: Credit Unions Largely Complied with Disclosure Rules, but Rules Should Be Clarified (GAO-17-259)</p>	<p>3/29/2017</p>	<p>To help state credit union supervisors and privately insured credit unions better interpret Regulation I and inform consumers when an institution is not federally insured, CFPB should issue guidance to clarify whether drive-through windows require disclosures.</p>	<p>The issues identified by the GAO do not appear to present significant risk of consumer harm and the CFPB has seen no indication of consumer or industry concerns related to this issue. At this time, the CFPB has not added this item to our rulemaking program.</p>	<p>NA</p>

Report Title	Report Date	Recommendation	Justification ²	Estimated Completion
Private Deposit Insurance: Credit Unions Largely Complied with Disclosure Rules, but Rules Should Be Clarified (GAO-17-259)	3/29/2017	To help state credit union supervisors and privately insured credit unions better interpret Regulation I and inform consumers when an institution is not federally insured, CFPB should issue guidance to describe what constitutes clear and conspicuous disclosure, including minimum signage dimensions and font size for disclosures.	The issues identified by the GAO do not appear to present significant risk of consumer harm and the CFPB has seen no indication of consumer or industry concerns related to this issue. At this time, the CFPB has not added this item to our rulemaking program.	NA
Private Deposit Insurance: Credit Unions Largely Complied with Disclosure Rules, but Rules Should Be Clarified (GAO-17-259)	3/29/2017	To help state credit union supervisors and privately insured credit unions better interpret Regulation I and inform consumers when an institution is not federally insured, CFPB should issue guidance to explain and provide examples of which communications are advertising.	The issues identified by the GAO do not appear to present significant risk of consumer harm and the CFPB has seen no indication of consumer or industry concerns related to this issue. At this time, the CFPB has not added this item to our rulemaking program.	NA
Community Banks and Credit Unions: Regulators Could Take Additional Steps to Address Compliance Burdens (GAO-18-213)	2/27/2018	The Director of CFPB should issue public information on its plans for reviewing regulations applicable to banks and credit unions, including information describing the scope of regulations the timing and frequency of the reviews, and the extent to which the reviews will be coordinated with the federal depository institution regulators as part of their periodic EGRPRA reviews.	Not applicable. Implementation in progress.	TBD
Financial Technology: Additional Steps by Regulators Could Better Protect Consumers and Aid Regulatory Oversight (GAO-18-254)	3/22/2018	The Director of the Consumer Financial Protection Bureau should engage in collaborative discussions with other relevant financial regulators in a group that includes all relevant stakeholders and has defined agency roles and outcomes to address issues related to consumers' use of account aggregation services.	Not applicable. Implementation in progress.	TBD

Report Title	Report Date	Recommendation	Justification ²	Estimated Completion
Financial Technology: Agencies Should Provide Clarification on Lenders' Use of Alternative Data (GAO-19-111)	12/19/2018	The Director of the Bureau of Consumer Financial Protection should, in coordination with the federal banking regulators and with input from relevant stakeholders, communicate in writing to fintech lenders on the appropriate use of alternative data in the underwriting process, including issues to consider when selecting types of alternative data to use.	Implementation in progress.	TBD
Dodd-Frank Regulations: Consumer Financial Protection Bureau Needs a Systemic Process to Prioritize Consumer Risks (GAO-19-158)	12/21/2018	The Director of CFPB should implement a systematic process for prioritizing risks to consumers and considering how to use the bureau's available policy tools—such as rulemaking, supervision, enforcement, and consumer education—to address these risks. Such a process could incorporate principles from the prior One Bureau process, such as an assessment of the extent of potential harm to consumers in financial markets, to prioritize the most significant risks.	Implementation in progress.	TBD
Consumer Data Protection: Actions Needed to Strengthen Oversight of Consumer Reporting Agencies (GAO-19-196)	2/21/2019	The Director of CFPB should identify additional sources of information, such as through registering CRAs or leveraging state information, that would help ensure the agency is tracking all CRAs that meet the larger participant threshold.	Implementation in progress.	TBD
Consumer Data Protection: Actions Needed to Strengthen Oversight of Consumer Reporting Agencies (GAO-19-196)	2/21/2019	The Director of CFPB should assess whether its process for prioritizing CRA examinations sufficiently incorporates the data security risks CRAs pose to consumers, and take any needed steps identified by the assessment to more sufficiently incorporate these risks.	Implementation in progress.	TBD

Report Title	Report Date	Recommendation	Justification ²	Estimated Completion
Private Student Loans: Clarification from CFPB Could Help Ensure More Consistent Opportunities and Treatment for Borrowers (GAO-19-430)	5/24/2019	The Director of CFPB should provide written clarification to nonbank private student loan lenders on their authorities under the Fair Credit Reporting Act to offer private student loan rehabilitation programs that include removing information from credit reports.	The CFPB informed GAO on May 6, 2019 that it does not intend to act on the recommendation. CFPB has previously noted: "Where a financial institution chooses to offer the type of private student loan rehabilitation program specified in section 623(a)(1)(E)(i) of FCRA, it can obtain the legal protections offered by that provision, though a financial institution supervised by a Federal banking agency must seek written approval of the appropriate Federal banking agency concerning the terms and conditions of the program. There is no similar Congressional directive for a financial institution that is not supervised by a Federal banking agency to seek the Bureau's approval. Nor does section 623(a)(1)(E) indicate that any consequences would flow from any such Bureau approval or withholding of approval." Our position remains the same and we recommend closing the matter.	NA

Report Title	Report Date	Recommendation	Justification ²	Estimated Completion
<p>Private Student Loans: Clarification from CFPB Could Help Ensure More Consistent Opportunities and Treatment for Borrowers (GAO-19-430)</p>	<p>5/24/2019</p>	<p>The Director of CFPB, after consulting with the prudential regulators and relevant industry groups, should provide written clarification on what information in a consumer's credit report constitutes a private student loan reported "default" that may be removed after successful completion of a private student loan rehabilitation program.</p>	<p>The CFPB continues to believe it is premature to act on this recommendation. In July 2020, the Consumer Data Industry Association (CDIA) issued updated guidance regarding private student loan furnishing, including guidance that addresses the rehabilitation of defaulted private education loans. This guidance was developed in consultation with other interested parties with regard to private student loans. The CFPB continues to monitor such work and implementation of the guidance. However, to date the CFPB is not aware of any private student loan lenders who are subject to the legislation and who have offered rehabilitation programs and implemented the guidance through either their in-house or third-party servicing operations. The CFPB will continue to monitor the private student loan marketplace and evaluate whether additional guidance or other clarification from the CFPB is required.</p>	<p>NA</p>

Report Title	Report Date	Recommendation	Justification ²	Estimated Completion
Consumer Reporting Agencies: CFPB Should Define Its Supervisory Expectations (GAO-19-459)	7/16/2019	The Director of CFPB should communicate to CRAs its expectations regarding reasonable procedures for assuring maximum possible accuracy of consumer report information.	CFPB continues to commit significant resources through the supervision and enforcement of CRAs to enforce the FCRA. CFPB believes this recommendation should be closed.	NA
Consumer Reporting Agencies: CFPB Should Define Its Supervisory Expectations (GAO-19-459)	7/16/2019	The Director of CFPB should communicate to CRAs its expectations regarding reasonable investigations of consumer disputes.	CFPB continues to commit significant resources through the supervision and enforcement of furnishers to enforce the FCRA. CFPB believes this recommendation should be closed.	NA
Information Management: Selected Agencies Need to Fully Address Federal Electronic Recordkeeping Requirements (GAO-20-59)	2/27/2020	Establish a time frame to develop an inventory of electronic information systems used to store agency records that includes all of the required elements.	Implementation in progress.	TBD
Consumer Privacy: Better Disclosures Needed on Information Sharing by Banks and Credit Unions (GAO-21-36)	10/22/2020	The Director of CFPB, in consultation with the other federal financial regulators, should update the model privacy form and, in doing so, consider whether it is feasible to include more comprehensive information about third parties with whom financial institutions share consumer personal information.	Implementation in progress.	TBD
Fair Lending: CFPB Needs to Assess the Impact of Recent Changes to Its Fair Lending Activities (GAO-21-393)	5/6/2021	The Director of CFPB should develop and implement performance goals and measures specific to its efforts to supervise and enforce fair lending laws.	Implementation in progress.	TBD
Fair Lending: CFPB Needs to Assess the Impact of Recent Changes to Its Fair Lending Activities (GAO-21-393)	5/6/2021	The Director of CFPB should collect and analyze information on the outcomes of its 2018–2019 fair lending reorganization and use that assessment to address any challenges or unintended consequences resulting from the change.	Implementation in progress.	TBD

Report Title	Report Date	Recommendation	Justification ²	Estimated Completion
Home Mortgage Disclosure Act: Reporting Exemptions Had a Minimal Impact on Data Availability, but Additional Information Would Enhance Oversight (GAO-21-350)	5/17/2021	The Director of CFPB should provide the federal financial regulators with additional information in its analysis to help them oversee lenders' eligibility for partial exemptions and related HMDA reporting.	Implementation in progress.	TBD
Federal Rulemaking: Selected Agencies Should Fully Describe Public Comment Data and Their Limitations (GAO.21-103181)	9/21/2021	The Director of CFPB should fully describe available public comment data, including any limitations, to external users of the data. This should include coordination with GSA, as the manager of Regulations.gov, as appropriate.	Implementation in progress.	TBD

2.2 OIG Recommendations

Table 2 provides a list of all 51³ open public OIG recommendations.

TABLE 2: OPEN OIG RECOMMENDATIONS

Report Title	Report Date	Recommendation	Explanation ⁴	Estimated Completion
2014 Audit of the CFPB's Information Security Program (2014-IT-C-020)	11/14/2014	Strengthen the CFPB's vulnerability management practices by implementing an automated solution and process to periodically assess and manage database and application-level security configurations.	Implementation in progress.	FY22
2017 Audit of the CFPB's Information Security Program (2017-IT-C-019)	10/31/2017	Develop and implement a tiered approach for implementing multifactor authentication that considers system risk levels and user roles and uses lessons learned to inform broader adoption.	Implementation in progress.	FY22
2017 Audit of the CFPB's Information Security Program (2017-IT-C-019)	10/31/2017	Ensure that a risk appetite statement and associated risk tolerance levels are defined and used to develop and maintain an agency wide risk profile.	Implementation in progress.	FY22
The CFPB Can Further Strengthen Controls Over Certain Off boarding Processes and Data (2018-MO-C-001)	1/22/2018	Finalize the building access system upgrade to ensure that PIV badges and site badges are automatically deactivated in the building access system and that PIV badges are automatically deactivated in the USAccess system upon an individual's separation.	Implementation in progress.	FY22
The CFPB Can Further Strengthen Controls Over Certain Off boarding Processes and Data (2018-MO-C-001)	1/22/2018	Once upgrades to the offboarding system have been fully implemented, develop a process to periodically reconcile new separation data in the offboarding system with one of the CFPB's human resources systems to ensure that the separation data are current, accurate, and complete.	Implementation in progress.	TBD

³ Open non-public recommendations are not included in this report.

⁴ The GAO-IG Act requires "an explanation of the reasons why no final action or action not recommended was taken with respect to each audit report to which the public recommendation for corrective action pertains." As applicable, this information is provided in the Explanation column.

Report Title	Report Date	Recommendation	Explanation ⁴	Estimated Completion
Report on the Independent Audit of the Consumer Financial Protection Bureau's Privacy Program (2018-IT-C-003)	2/14/2018	Develop, document, and implement a formal process for monitoring compliance with physical security requirements around portable media such as laptops, thumb drives, and smart phones, as well as around passwords and hard copies of sensitive PII.	Implementation in progress.	FY22
2018 Audit of the Bureau's Information Security Program (2018-IT-C-018)	10/31/2018	Strengthen configuration management processes by: a. remediating configuration-related vulnerabilities in a timely manner. b. ensuring that optimal resources are allocated to perform vulnerability remediation activities.	Implementation in progress.	FY22
2018 Audit of the Bureau's Information Security Program (2018-IT-C-018)	10/31/2018	Determine whether established processes and procedures for management of user-access agreements and rules-of-behavior forms for privileged users are effective and adequately resourced and make changes as needed.	Implementation in progress.	FY22
The Bureau Can Improve the Effectiveness of Its Life Cycle Processes for FedRAMP (2019-IT-C-009)	7/17/2019	Ensure that established SA&A processes are: a. performed prior to the deployment of all FedRAMP cloud systems used by the Bureau. b. used to make an agency-specific authorization decision for the system that is in production and noted in our report.	Implementation in progress.	FY22
The Bureau Can Improve the Effectiveness of Its Life Cycle Processes for FedRAMP (2019-IT-C-009)	7/17/2019	Ensure that: a. continuous monitoring information provided by the PMO or the CSP, as appropriate, is obtained and reviewed in a timely manner for all FedRAMP cloud systems used by the Bureau. b. for any gaps identified, including for incident response and contingency testing, a risk assessment is performed to determine appropriate responses.	Implementation in progress.	FY22
The Bureau Can Improve the Effectiveness of Its Life Cycle Processes for FedRAMP (2019-IT-C-009)	7/17/2019	Evaluate and implement, as appropriate, options to obtain additional assurance that electronic media sanitization performed by CSPs renders sensitive Bureau data unrecoverable when assets are decommissioned.	Implementation in progress.	FY22

Report Title	Report Date	Recommendation	Explanation ⁴	Estimated Completion
2019 Audit of the Bureau's Information Security Program (2019-IT-C-015)	10/31/2019	Ensure that established SA&A processes are performed prior to the deployment of all cloud systems used by the Bureau.	Implementation in progress.	FY22
2019 Audit of the Bureau's Information Security Program (2019-IT-C-015)	10/31/2019	Ensure that user-access agreements are consistently utilized to approve and maintain access to Bureau systems for nonprivileged users.	Implementation in progress.	FY22
2019 Audit of the Bureau's Information Security Program (2019-IT-C-015)	10/31/2019	Perform a risk assessment to determine: a. the optimal deployment of the Bureau's technology for monitoring and controlling data exfiltration to all network access points. b. appropriate access to internet storage sites.	Implementation in progress.	FY23
2019 Audit of the Bureau's Information Security Program (2019-IT-C-015)	10/31/2019	Ensure that system-level BIAs are conducted, as appropriate, and that the results are incorporated into contingency planning strategies and processes.	Implementation in progress.	FY22
Testing Results for the Bureau's Plan of Action and Milestones Process (2020-IT-C-014)	4/29/2020	Ensure that system owners are accurately estimating and accounting for costs associated with remediating security weaknesses listed in POA&Ms.	Implementation in progress.	FY22
Testing Results for the Bureau's Plan of Action and Milestones Process (2020-IT-C-014)	4/29/2020	Work with system owners to ensure that evidence to close system-level cybersecurity weaknesses listed in POA&Ms are submitted in a timely manner and that the weaknesses' status is accurately reflected in the Bureau's automated solution.	Implementation in progress.	FY22
Results of Scoping and Suspension of the Evaluation of the Bureau's Personnel Security Program (2020-MO-C-018)	8/17/2020	Develop a plan with measurable objectives to assess and monitor the PSO's management of the background investigation process.	Implementation in progress.	FY22
2020 Audit of the Bureau's Information Security Program (2020-IT-C-021)	11/2/2020	Ensure that: a. change control policies and procedures address separation of duties in the change management life cycle. b. separation of duties is enforced in the Bureau's change control tool.	Implementation in progress.	FY22

Report Title	Report Date	Recommendation	Explanation ⁴	Estimated Completion
The Bureau Can Strengthen Its Hiring Practices and Can Continue Its Efforts to Cultivate a Diverse Workforce (2021-MO-C-006)	3/29/2021	Monitor the use of structured interviews and provide periodic reports tracking the use of structured interviews to senior Bureau officials, such as division and office leaders and the chief operating officer.	Implementation in progress.	FY22
The Bureau Can Strengthen Its Hiring Practices and Can Continue Its Efforts to Cultivate a Diverse Workforce (2021-MO-C-006)	3/29/2021	Review current hiring practices and identify potential opportunities to incorporate additional practices to cultivate a diverse workforce, such as monitoring the use of restrictive hiring authorities and other practices, including using noncompetitive details; removing names from résumés during the hiring manager's résumé review; and using demographically diverse interview panels.	Implementation in progress.	FY22
The Bureau Can Strengthen Its Hiring Practices and Can Continue Its Efforts to Cultivate a Diverse Workforce (2021-MO-C-006)	3/29/2021	Update policies and procedures to: <ul style="list-style-type: none"> a. require documentation of changes to the planned assessment process after a position has been posted. b. provide additional guidance for hiring managers on the use of structured interviews and selection of interview panelists. 	Implementation in progress.	FY22
The Bureau Can Strengthen Its Hiring Practices and Can Continue Its Efforts to Cultivate a Diverse Workforce (2021-MO-C-006)	3/29/2021	Strengthen internal controls to more accurately identify qualified internal Bureau applicants and conduct interviews, as required.	Implementation in progress.	TBD
The Bureau Can Strengthen Its Hiring Practices and Can Continue Its Efforts to Cultivate a Diverse Workforce (2021-MO-C-006)	3/29/2021	Review current schedule C reporting practices and requirements, identify additional ways to increase public transparency on the use of these positions, and update relevant guidance accordingly.	Implementation in progress.	FY22
The Bureau Can Strengthen Its Hiring Practices and Can Continue Its Efforts to Cultivate a Diverse Workforce (2021-MO-C-006)	3/29/2021	Align policy, procedure, and guidance documents with the actual practices related to identifying SMEs early in the hiring process and requiring SME signatures on combined rating sheets.	Implementation in progress.	FY22

Report Title	Report Date	Recommendation	Explanation ⁴	Estimated Completion
The Bureau Can Strengthen Its Hiring Practices and Can Continue Its Efforts to Cultivate a Diverse Workforce (2021-MO-C-006)	3/29/2021	Improve the consistency and timeliness of hiring documentation by updating the hiring process documentation requirements to specify the required timing and level of detail. Update relevant policies and procedures as well as the job analysis and selection forms to ensure that all key information is captured. Provide training to relevant staff on documentation requirements.	Implementation in progress.	FY22
The Bureau Can Strengthen Its Hiring Practices and Can Continue Its Efforts to Cultivate a Diverse Workforce (2021-MO-C-006)	3/29/2021	Implement automated system controls to ensure that key date fields are completed for all hiring actions in the Hiring Tracker database.	Implementation in progress.	FY22
The Bureau Can Strengthen Its Hiring Practices and Can Continue Its Efforts to Cultivate a Diverse Workforce (2021-MO-C-006)	3/29/2021	Update the Measuring and Reporting Time to Hire SOP to include: a. comprehensive guidance on documenting purposeful omissions in the Hiring Tracker data entry form. b. OHC practices for reviewing the Hiring Tracker database for accuracy and completeness.	Implementation in progress.	FY22
The Bureau Can Strengthen Its Hiring Practices and Can Continue Its Efforts to Cultivate a Diverse Workforce (2021-MO-C-006)	3/29/2021	Require training for staff responsible for entering information into the Hiring Tracker database on: a. using the Hiring Tracker data entry form and database. b. the updated SOP so that practices align with established processes.	Implementation in progress.	FY22

Report Title	Report Date	Recommendation	Explanation ⁴	Estimated Completion
The Bureau Can Improve Its Controls for Issuing and Managing Interagency Agreements (2021-FMIC-C-009)	7/21/2021	Create or update existing IAA policies and procedures to establish clear expectations for issuing and managing IAAs. Ensure that expectations for the key activities in the IAA process are addressed, including: a. roles and responsibilities of relevant parties, including BFS ARC, the OCFO, Procurement, program offices, and invoice approvers. b. training and certification requirements for invoice approvers. c. developing and maintaining IAA agreement documents. d. monitoring performance under the IAA. e. approving IPACs. f. deobligating and closing IAAs.	Implementation in progress.	FY23
The Bureau Can Improve Its Controls for Issuing and Managing Interagency Agreements (2021-FMIC-C-009)	7/21/2021	Review the IAA-related report package on which it intends to rely and establish processes to ensure that all IAA data are complete.	Implementation in progress.	FY23
The Bureau Can Improve Its Controls for Issuing and Managing Interagency Agreements (2021-FMIC-C-009)	7/21/2021	Establish, in consultation with the Legal Division, internal controls to ensure that the Bureau is properly identifying IAA authorities and following relevant determinations and findings requirements. As part of establishing these internal controls, consider implementing OCFO or Procurement reviews to help ensure that the authority is accurate and that determinations and findings have been created as necessary.	Implementation in progress.	FY23
The Bureau Can Improve Its Controls for Issuing and Managing Interagency Agreements (2021-FMIC-C-009)	7/21/2021	Enhance oversight of the program offices' compliance with IPAC policies and procedures. Consider actions such as targeted training for invoice approvers regarding IPAC approvals as well as enforcement measures to foster compliance with IPAC policies and procedures.	Implementation in progress.	FY23

Report Title	Report Date	Recommendation	Explanation ⁴	Estimated Completion
The Bureau Can Improve Its Controls for Issuing and Managing Interagency Agreements (2021-FMIC-C-009)	7/21/2021	Strengthen controls to ensure that excess funds on future IAAs are deobligated in a timely manner. Consider mechanisms to reinforce expectations and incentivize program offices to coordinate with servicing agencies to reconcile billings and initiate deobligations closer to the end of the IAA period of performance and promptly provide deobligation documentation to the OCFO.	Implementation in progress.	TBD
The Bureau Can Improve Its Controls for Issuing and Managing Interagency Agreements (2021-FMIC-C-009)	7/21/2021	Take steps to review and deobligate funds on existing inactive IAAs.	Implementation in progress.	TBD
2021 Audit of the Bureau's Information Security Program (2021-IT-C-015)	10/29/2021	Develop and implement a cybersecurity risk register and associated processes to identify and manage organization-wide cybersecurity risks.	Implementation in progress.	FY22
2021 Audit of the Bureau's Information Security Program (2021-IT-C-015)	10/29/2021	Strengthen oversight processes to ensure, as appropriate, that weaknesses identified through vulnerability scanning activities are being managed through the agency's POA&M process.	Implementation in progress.	FY22
2021 Audit of the Bureau's Information Security Program (2021-IT-C-015)	10/29/2021	Ensure that the Bureau's configuration management plan is updated to reflect current processes, procedures, and technologies.	Implementation in progress.	FY22
The Bureau Can Improve Aspects of Its Quality Management Program for Supervision Activities (2021-SR-C-016)	11/1/2021	Finalize updates to the existing policy and issue new QMP policies and procedures and a staff handbook. Ensure that these documents describe the process for selecting QMP activities; the criteria for selecting QMP regional representatives, including minimum skills requirements and baseline expectations for participating in the program; and the process for following up on QMP recommendations.	Implementation in progress.	TBD

Report Title	Report Date	Recommendation	Explanation ⁴	Estimated Completion
The Bureau Can Improve Aspects of Its Quality Management Program for Supervision Activities (2021-SR-C-016)	11/1/2021	Assess the current oversight structure of the QMP and consider implementing a formal oversight mechanism that includes SEFL leadership.	Implementation in progress.	TBD
The Bureau Can Improve Aspects of Its Quality Management Program for Supervision Activities (2021-SR-C-016)	11/1/2021	Develop methods, including developing and distributing management reports and metrics on the program to SEFL leadership, to regularly monitor the program's alignment with its goals and objectives.	Implementation in progress.	TBD
The Bureau Can Improve Aspects of Its Quality Management Program for Supervision Activities (2021-SR-C-016)	11/1/2021	Develop and implement time frames for the expected time to complete the QC review process, including drafting and completing the QC report and obtaining regional management's response to the report.	Implementation in progress.	TBD
The Bureau Can Improve Aspects of Its Quality Management Program for Supervision Activities (2021-SR-C-016)	11/1/2021	Assess the current process for communicating the results of QC reviews and consider establishing a communication strategy to promote transparency and raise awareness of the program, such as maintaining a website available to OSE regional staff.	Implementation in progress.	TBD
The Bureau Can Improve Aspects of Its Quality Management Program for Supervision Activities (2021-SR-C-016)	11/1/2021	Implement a formal recommendation follow-up process for QC reviews that includes maintaining a list of open recommendations and describing the resolution status of those recommendations.	Implementation in progress.	TBD
The Bureau Can Improve Aspects of Its Quality Management Program for Supervision Activities (2021-SR-C-016)	11/1/2021	Assess the QMP's current staffing level and structure to determine whether additional or dedicated resources are needed or whether the current 25 percent time allotment for conducting QA reviews and the 2-week time allotment for QC reviews should be revised. Develop and implement plans to address the program's staffing needs based on the results of the assessment.	Implementation in progress.	TBD

Report Title	Report Date	Recommendation	Explanation ⁴	Estimated Completion
The Bureau Can Improve Aspects of Its Quality Management Program for Supervision Activities (2021-SR-C-016)	11/1/2021	Develop formalized training for the QMP. The training should clarify guidelines and expectations for conducting QMP activities, such as completing testing spreadsheets, templates, workpapers, and reports.	Implementation in progress.	TBD
The Bureau Can Improve Aspects of Its Quality Management Program for Supervision Activities (2021-SR-C-016)	11/1/2021	Evaluate the current approach to distributing QA dashboards and determine whether sharing the dashboards more broadly with OSE regional staff may be warranted.	Implementation in progress.	TBD
The Bureau Can Further Enhance Certain Aspects of Its Approach to Supervising Nondepository Institutions (2021-SR-C-017)	12/8/2021	Issue guidance to clarify when SEFL should issue a consumer compliance rating to nondepository institutions and include criteria for selecting the examination type.	Implementation in progress.	TBD
The Bureau Can Further Enhance Certain Aspects of Its Approach to Supervising Nondepository Institutions (2021-SR-C-017)	12/8/2021	Develop a plan to identify additional information sources for nondepository institutions within the Bureau's jurisdiction; as part of developing this plan, consider implementing a registration system for nondepository institutions.	Implementation in progress.	TBD
The Bureau Can Further Enhance Certain Aspects of Its Approach to Supervising Nondepository Institutions (2021-SR-C-017)	12/8/2021	Develop a plan to help ensure that OSE's staffing resources are commensurate with the office's responsibilities for supervising institutions within the Bureau's jurisdiction.	Implementation in progress.	TBD
The Bureau Can Further Enhance Certain Aspects of Its Approach to Supervising Nondepository Institutions (2021-SR-C-017)	12/8/2021	Determine what the Participating Agencies field should represent and revise the SES Data Entry Directive accordingly	Implementation in progress.	TBD
The Bureau Can Further Enhance Certain Aspects of Its Approach to Supervising Nondepository Institutions (2021-SR-C-017)	12/8/2021	Identify the specific fields that represent examination start and end dates, clearly describe and define these fields across SES guidance, and apply controls to require SES users to complete the fields accurately.	Implementation in progress.	TBD