



United States Department of Agriculture

USDA Management Challenges for Pandemic-Related Responsibilities



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OFFICE OF INSPECTOR GENERAL

Message from the

INSPECTOR GENERAL

The Office of Inspector General (OIG) provides oversight to U.S. Department of Agriculture (USDA) programs and operations to help ensure that USDA is able to provide the best possible service to the public and American agriculture. We focus our efforts to advance the value, safety and security, and integrity of USDA programs. In providing such oversight, we make recommendations to address agency programs and core management functions that may be vulnerable to waste, fraud, abuse, and mismanagement. Annually, we issue a report on the top management challenges facing USDA; our most recent such report was issued in September 2019 prior to the widespread appearance of COVID-19 in the United States.

As part of the Government's response to the pandemic, the Pandemic Response Accountability Committee asked all OIGs whose host agencies are involved in pandemic response to identify the top pandemic challenges facing their agencies. This document does so by discussing the seven challenges (previously identified in our September 2019 report) in the context of current and future USDA pandemic-response activities. Our focus is proactive and intended to assist USDA in preventing potential waste, fraud, abuse, and mismanagement.

We would like to express our appreciation to the Secretary and the Deputy Secretary for their support of our mission and their commitment to excellence across USDA. We look forward to working with the Department and its agencies to further address these challenges.



Phyllis K. Fong
Inspector General

cc: Subcabinet Officials, Agency Administrators

USDA Top Management Challenges for Pandemic-Related Responsibilities

OIG issues an annual report on the top management challenges facing USDA. Our most recent report, based on completed OIG work, lists seven challenges that have broad application to USDA programs.¹ Since the issuance of OIG's report, Congress has provided over \$35.8 billion to USDA for pandemic relief activities.² OIG plans to provide appropriate audit and investigative oversight for these funds.³ As a proactive measure, this document frames the seven management challenges previously reported in the context of current and future USDA pandemic response activities, with a focus on preventing potential waste, fraud, abuse, and mismanagement.

- **USDA Needs to Improve Accountability and Oversight of its Programs**

As one of the Federal Government's largest departments, USDA faces the challenge of managing a wide range of programs. To implement relief efforts, USDA plans to use a combination of new and existing programs to distribute COVID-19 funding and must ensure proper oversight of the programs. USDA's publicly reported data on COVID-19 funds will be based, in part, on the Digital Accountability and Transparency Act of 2014 (DATA Act) reporting model.⁴ In November 2019, we reported that USDA's DATA Act submission was not complete and contained records that were not accurate, timely, or of good quality.⁵ USDA should closely monitor the implementation of COVID-19 funding and programs to comply with the DATA Act.

- **Information Technology Needs Continuous Improvement**

Like other Departments, USDA faces threats to its information technology (IT) security from adversarial nations, hostile non-state actors, and criminals seeking to exploit vulnerabilities. As Federal agencies rely more on data stored using IT, the risk of a security breach increases. USDA will need to ensure that the IT systems the Department uses to distribute the COVID-19 relief funds are adequately secured.

¹ [USDA Management Challenges](#), Sept. 2019.

² The Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136, 134 Stat. 281 and the Families First Coronavirus Response Act, Pub. L. No. 116-127, 134 Stat. 178, collectively referred to as COVID-19 funding.

³ [OIG COVID19 Oversight Plan](#), Apr. 2020.

⁴ Digital Accountability and Transparency Act of 2014, Pub. L. No. 113-101 (2014).

⁵ Audit Report 11601-0001-12, [USDA's Fiscal Year 2019, First Quarter DATA Act Submission](#), Nov. 2019.

- **USDA Needs to Strengthen Program Performance and Performance Measures**

Designing, developing, and implementing programs that reliably achieve their intended results has been a recurring challenge for the Department. OIG has found that USDA agencies do not have adequate reviews or controls in place to supply the metrics necessary to evaluate program performance. As USDA implements its pandemic-related responsibilities, the Department should concentrate its efforts to ensure programs operate as designed and provide impactful outcomes.

- **USDA Needs to Strengthen Controls Over Improper Payments and Financial Management**

USDA continues to be noncompliant with Federal requirements for improper payments, particularly with respect to several high-risk programs (as designated by OMB) that have received COVID-19 funds. Also, the Department needs to address internal control deficiencies to resolve ongoing problems with financial management and reporting. As the Department implements its pandemic-related responsibilities, USDA should focus its efforts to minimize improper payments.

- **USDA Needs to Improve Outreach Efforts**

The Secretary of Agriculture has stressed the importance of civil rights and equitable treatment in the Department's outreach efforts. Now more than ever, in a time of heightened sensitivity and cultural awareness of discrimination and sexual misconduct, USDA needs to make efforts to reach out to—and ensure equal treatment of—minorities, women, and veterans as well as new and beginning farmers and ranchers. Due to a history of public attention concerning how USDA has treated members of socially-disadvantaged groups—including both USDA employees and program recipients—the Department faces challenges in earning those groups' trust. As USDA implements relief efforts related to the pandemic, it should ensure assistance is provided to all of those in need, including socially-disadvantaged groups, to further build trust with those groups.

- **Food Safety Inspections Need Improved Controls**

The Food Safety and Inspection Service (FSIS) is responsible for protecting the public health by ensuring the safety of the Nation's commercial supply of meat, poultry, and processed egg products. FSIS is tasked with reducing contamination and limiting illnesses through the regulation of agricultural food products. OIG has found that the agency continues to face challenges, including

gathering reliable data to help ensure safety verification tasks are completed, effective, and consistent. The agency should compile reliable data to verify the protection and safety of products inspected by FSIS. This challenge continues as USDA and FSIS respond to the reported impact of the pandemic on FSIS inspectors, employees at meat and poultry slaughter and processing plants, and the food production supply chain.

- **The Food and Nutrition Service Needs to Strengthen Supplemental Nutrition Assistance Program Management Controls**

Although the Food and Nutrition Service has endeavored to improve management controls for the Supplemental Nutrition Assistance Program (SNAP), weaknesses continue to exist in controls over benefit distribution and quality control processes. The potential exists for taxpayer-funded assistance not to be delivered or used as intended. This challenge is heightened by the large increase in funding provided to SNAP, as well as other USDA nutrition programs, through COVID-19 funding. Given that USDA relies on States to implement and deliver these programs, the Department needs to provide effective oversight to the States to ensure that funding is used as intended.

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