



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



Results of Pandemic Relief Fraud Investigations at the CPSC

July 29, 2025

25-ROI-02



VISION STATEMENT

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.

STATEMENT OF PRINCIPLES

We will:

Work with the Commission and the Congress to improve program management.

Maximize the positive impact and ensure the independence and objectivity of our audits, investigations, and other reviews.

Use our investigations and other reviews to increase government integrity and recommend improved systems to prevent fraud, waste, and abuse.

Be innovative, question existing procedures, and suggest improvements.

Build relationships with program managers based on a shared commitment to improving program operations and effectiveness.

Strive to continually improve the quality and usefulness of our products.

Work together to address government-wide issues.



July 29, 2025

TO: Peter A. Feldman, Acting Chairman
Douglas Dziak, Commissioner

FROM: Christopher W. Dentel, Inspector General

SUBJECT: Report of Results of Pandemic Relief Fraud Investigations at the CPSC

The attached report summarizes the results of a number of investigations conducted by the U.S. Consumer Product Safety Commission (CPSC) Office of Inspector General (OIG) into potential Coronavirus Aid, Relief, and Economic Security Act (CARES Act) fraud by CPSC employees.

The OIG performed these investigations in conjunction with the Pandemic Response Accountability Committee (PRAC) as part of a government-wide effort to review CARES Act disbursements and recover fraudulent payments. Since its inception, the PRAC has partnered with OIGs to ascertain the propriety of CARES Act payments to federal employees.

At our request, the PRAC identified 36 CPSC employees linked to CARES Act loans. Of these 36 employees, the OIG determined that 26 showed no sign of any wrongdoing. Either no funds were disbursed or funds were properly distributed, either to a family member or to the employee, because of a legitimate claim related to a prior position or approved outside employment.

Eight CPSC employees or their spouses were found to be victims of identity theft. OIG staff contacted each impacted person individually and provided links to resources the victims could access to protect themselves.

Two CPSC employees were found to be connected to questionable loans. In one case, there was no available evidence linking the employee directly to wrongdoing related to pandemic relief funds. The OIG determined the second employee received most of their pandemic relief funds as a result of making false statements. The OIG conservatively estimates that this CPSC employee inappropriately received \$24,049.60 in pandemic relief funds as a result of their false statements.

The results of this investigation were provided to the Department of Justice and CPSC management for further action as warranted.



EXECUTIVE SUMMARY

Results of Pandemic Relief Fraud Investigations at the CPSC

July 29, 2025

OBJECTIVE In June 2024, at our request, the Pandemic Response Accountability Committee (PRAC) found and provided us 36 matches for U.S. Consumer Product Safety Commission (CPSC) employees who were connected to federal government pandemic relief loans. Established by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), the PRAC coordinates efforts among Offices of Inspectors General (OIGs) to relentlessly pursue fraud, waste, abuse, and mismanagement. Pursuant to the commitment of the OIG to fostering and promoting accountability and integrity in government, we undertook an investigation into the 36 matches to determine the appropriateness of these employees receiving pandemic relief loans. Specifically, we sought to detect fraud in these pandemic relief loans. We accepted the following issue for investigation:

Whether CPSC employees fraudulently applied for or received pandemic relief loans during the COVID-19 pandemic.

BACKGROUND The Inspector General Act of 1978, as amended, charges OIGs to conduct investigations relating to the programs and operations of their agencies and to detect and prevent waste, fraud, and abuse.

The OIG initiated a proactive investigation to review CPSC employees' connection to federal government pandemic relief loan programs to determine whether the employees who received these loans were entitled to the funds. We provided CPSC employee records to the PRAC's Pandemic Analytics Center of Excellence which identified 36 CPSC employees who were connected to pandemic loans. This investigation covers events that occurred between March 2020 and May 2022 during the COVID-19 pandemic in connection with these 36 CPSC employees.

ASSESSMENT Over the course of this investigation, based on all available evidence, the OIG determined by a preponderance of the evidence that, for these 36 CPSC employees:

1. Twenty-six CPSC employees had no impropriety in their connections to these loans.
2. Eight CPSC employees or their spouses were the victims of identity theft.
3. CPSC Employee #1 was not found to have been directly linked to wrongdoing.
4. CPSC Employee #2 received over \$24,000 in pandemic-relief relief funds through the submission of false statements.

TABLE OF CONTENTS

ABBREVIATIONS AND SHORT TITLES.....	2
BACKGROUND	3
Objective.....	3
CPSC	3
CIGIE & PRAC	3
ASSESSMENT	5
No Impropriety for 26 CPSC Employees Connected to Pandemic Relief Funds	5
Eight CPSC Employees or their Spouses Were the Victims of Identity Theft in Connection with Pandemic Relief Loans.....	5
Two CPSC Employees Appear to be Connected to Questionable Loans	6
CONCLUSION	7
SCOPE AND METHODOLOGY	8
Scope.....	8
Methodology	8



ABBREVIATIONS AND SHORT TITLES

TERM	DEFINITION
CARES Act	Coronavirus Aid, Relief, and Economic Security Act
CIGIE	Council of the Inspectors General on Integrity and Efficiency
CPSC	U.S. Consumer Product Safety Commission
EIDL	Economic Injury Disaster Loan
OIG	Office of Inspector General
PACE	Pandemic Analytics Center of Excellence
PPP	Paycheck Protection Program
PRAC	Pandemic Response Accountability Committee
SBA	Small Business Administration



BACKGROUND

Objective

In June 2024, at our request, the Pandemic Response Accountability Committee (PRAC) found and provided us 36 matches for U.S. Consumer Product Safety Commission (CPSC) employees who were connected to federal government pandemic relief loans. As a result, we undertook an investigation into these 36 matches to determine how these CPSC employees were connected to these pandemic relief loans. Specifically, we sought to detect fraud in these pandemic relief loans.

We accepted the following issue for investigation:

Whether CPSC employees fraudulently applied for or received pandemic relief loans during the COVID-19 pandemic.

CPSC

The CPSC is an independent agency created in 1972 by the Consumer Product Safety Act, as amended, with a mission to protect consumers from unreasonable risks of injury or death associated with consumer products under the agency's jurisdiction. These products range from lawn mowers to cigarette lighters to baby strollers, and include items manufactured domestically and outside the United States.

The CPSC is composed of a maximum of five commissioners. The president, with the advice and consent of the Senate, appoints commissioners to seven-year terms and selects one of the commissioners to serve as chairman. The CPSC chairman is empowered to conduct the executive and administrative functions of the agency, including hiring and firing personnel, delegating duties among other commissioners and staff, and expending appropriations.

CIGIE & PRAC

The Council of the Inspectors General on Integrity and Efficiency (CIGIE) is an independent entity within the executive branch of the federal government established by the Inspector General Reform Act of 2008 (Pub. L. 110-409) to address integrity, economy, and effectiveness issues that go beyond individual government agencies. CIGIE also aims to increase the professionalism and effectiveness of Office of Inspector General (OIG) personnel by developing policies, standards, and approaches to aid in the establishment of a well-trained and highly skilled workforce in each OIG.



The PRAC was established by section 15010 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) as a committee within CIGIE to promote transparency and conduct and support oversight of pandemic relief funds. The PRAC promotes transparency and provides Congress and the public with objective, reliable information about the approximately \$1.2 trillion in COVID-19 Economic Injury Disaster Loan (EIDL) and Paycheck Protection Program (PPP) funds disbursed by the federal government at [PandemicOversight.gov](https://pandemicoversight.gov). The PRAC also works with OIGs to recommend program improvements, refer matters for criminal investigations, and identify funds for recovery.

Overall, under the CARES Act, the Small Business Administration (SBA) disbursed the following:

SBA Disbursements

Loan Program	Disbursed Loan Funds (Estimated)	Number of Loans (Estimated)	Average Loan Size (Estimated)
EIDL	\$ 378,400,000,000	3,900,000	\$ 97,025.64
Emergency EIDL grants	\$ 20,000,000,000	5,781,390	\$ 3,459.38
Targeted EIDL Advance	\$ 5,200,000,000	601,058	\$ 8,651.41
Supplemental Targeted EIDL Advance	\$ 2,300,000,000	453,417	\$ 5,072.59
PPP	\$ 793,000,000,000	11,500,000	\$ 68,956.52
TOTAL	\$ 1,198,900,000,000	22,235,865	\$ 53,917.40

Source: OIG summary of SBA and PRAC data.

A 2023 SBA OIG report estimated that over \$200 billion, roughly 17 percent of all pandemic relief funds, was disbursed to potentially fraudulent actors.

In 2021, Congress appropriated funds that allowed the PRAC to build the Pandemic Analytics Center of Excellence (PACE). The goal was to build an analytics platform that would support the oversight and law enforcement communities during their pandemic-related work detecting fraud and improper payments made under the CARES Act. Specifically, the PACE analyzes more than 1.6 billion records from public, non-public, and commercial data sources. Using advanced analytic tools, the PACE's data scientists identify flags and anomalies indicating fraud and improper payments, which they refer to the PRAC Fraud Task Force, OIGs, and select law enforcement officials for investigation. As of March 2024, the PACE had provided investigative support to 47 federal law enforcement and OIG partners on 783 pandemic-related investigations with nearly 10,000 subjects and an estimated fraud loss of \$2.03 billion.



ASSESSMENT

The PRAC identified 36 matches for CPSC employees at the agency as of November 2023, who were connected to pandemic relief funds as of June 2024. These matches were investigated by the OIG to determine whether the person named had applied for funds and whether they had appropriately received pandemic relief funds.

No Impropriety for 26 CPSC Employees Connected to Pandemic Relief Funds

After careful and deliberate analysis, we determined that 26 of these matches had no evidence of impropriety. Some matches featured pandemic relief loans connected to CPSC employees who were no longer employed by the CPSC or the federal government and contained no evidence of impropriety. Other matches featured pandemic relief loans connected to the spouses or family members of CPSC employees and appeared to contain no evidence of impropriety. Elsewhere, CPSC employees matched with pandemic relief loans as a result of a prior resident of their current residence receiving a pandemic relief loan. For a few other matches, CPSC employees applied for pandemic relief loans that were not funded.

Specifically, for these 26 CPSC matches, we found the following:

- Nine CPSC matches are no longer with the CPSC and there was no evidence of impropriety.
- Seven matches involved CPSC employees who applied for pandemic loan relief but did not receive any funds and there was no evidence of impropriety.
- Five CPSC matches involved spouses or family members of CPSC employees and there was no evidence of impropriety.
- Four matches involved loan applications for prior residents of the home or apartment of a CPSC employee and there was no evidence of impropriety on the part of the CPSC employee.
- One match involved a CPSC employee who received pandemic relief funds and there was no evidence of impropriety.

Eight CPSC Employees or their Spouses Were the Victims of Identity Theft in Connection with Pandemic Relief Loans

We determined that eight of the data matches for CPSC employees revealed employees or their spouses to be the victims of identity theft. None of these attempts to illicitly gain pandemic relief funds were successful as no pandemic funds were disbursed to the perpetrators of these



identity thefts. OIG staff contacted each impacted person individually and provided links to resources the victims could access to protect themselves from future problems.

Specifically, for these eight CPSC matches, we found the following:

- Five CPSC matches were CPSC employees who were the victims of identity theft.
- Two CPSC matches were the spouses of CPSC employees who were the victims of identity theft.
- One CPSC match was a CPSC employee's deceased spouse, who was a victim of identity theft.

Two CPSC Employees Appear to be Connected to Questionable Loans

CPSC Employee #1

According to PRAC records, there is evidence of wrongdoing but there is no available evidence directly linking CPSC Employee #1 to misconduct related to pandemic relief funds.

CPSC Employee #2

According to PRAC records, CPSC Employee #2 received a total of \$26,225.00 in pandemic relief funds for purported economic losses connected to CPSC Employee #2's rental property business. CPSC Employee #2 has been making payments as required on the EIDL balance of \$19,400.00. The PPP and EIDL Advance loans of \$6,825 were forgiven in full.

CPSC Employee #2's Pandemic Relief Loans

Loan Type	Date	Supported Amount	Loan Amount	Unsupported Amount
EIDL Advance	May 8, 2020	\$ 1,000.00	\$ 1,000.00	\$ -
EIDL	May 31, 2020	\$ 1,175.40	\$ 9,200.00	\$ 8,024.60
PPP	April 22, 2021	\$ -	\$ 5,825.00	\$ 5,825.00
EIDL Modification	May 13, 2022	\$ -	\$ 10,200.00	\$ 10,200.00
TOTAL		\$2,175.40	\$26,225.00	\$ 24,049.60

Source: OIG summary of investigative materials.

After an investigation, we determined CPSC Employee #2 received most of the pandemic relief funds as a result of false statements. As shown above, we conservatively estimate that CPSC Employee #2 received \$24,049.60 in pandemic relief funds through false statements.



CONCLUSION

In June 2023, the SBA OIG estimated that the SBA disbursed over \$200 billion in potentially fraudulent federal government pandemic relief loans, with nearly 1 in 5 such loans disbursed to potentially fraudulent actors. Of the 36 CPSC employees connected to federal government pandemic relief loans, we identified two fraudulent pandemic relief loans that were connected to CPSC employees. Over the course of this investigation, based on all available evidence, the OIG determined by a preponderance of the evidence that:

1. Twenty-six CPSC employees had no impropriety in their connections to these loans.
2. Eight CPSC employees or their spouses were the victims of identity theft.
3. CPSC Employee #1 was not found to have been directly linked to wrongdoing.
4. CPSC Employee #2 received over \$24,000 in pandemic-relief relief funds through false statements.

This report includes no recommendations. The results of this investigation were provided to the Department of Justice and agency management. Additional actions taken by the Department of Justice and agency management are outside of the scope of this report.



SCOPE AND METHODOLOGY

Scope

PRAC found 36 matches for CPSC employees at the agency as of November 2023 when we launched this investigation. We sought additional information from PRAC and other relevant sources on the matches to determine whether there was fraud or impropriety in the pandemic relief funds received by these CPSC employees.

Methodology

The OIG interviewed three CPSC employees pursuant to this investigation.

The OIG obtained and reviewed:

- a. relevant laws, regulations, and policies to gain an understanding of pandemic relief loans
- b. records of CPSC employees who matched for pandemic relief loans





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

To report fraud, waste, or abuse, mismanagement, or wrongdoing at the CPSC go to
OIG.CPSC.GOV or call (301) 504-7906

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