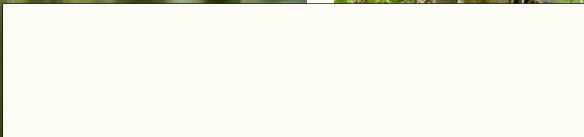
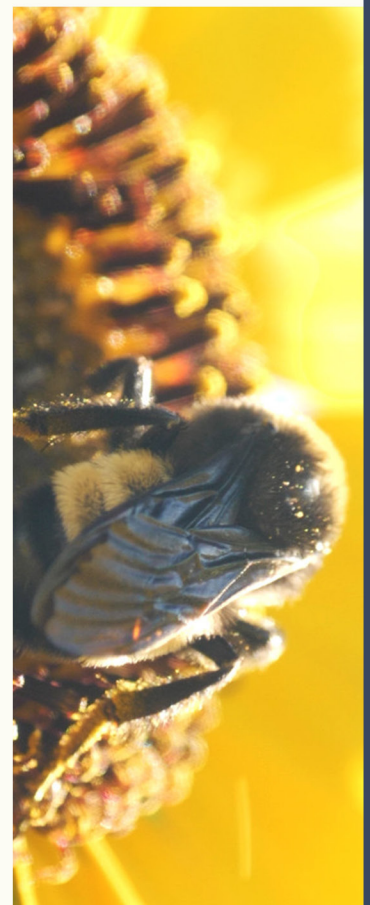
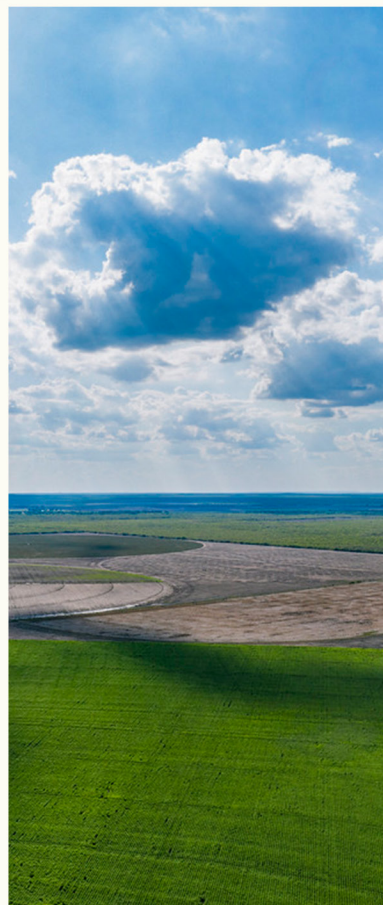




U.S. Department of Agriculture Office of Inspector General





DATE: January 26, 2024

FAV
NUMBER: 24026-0001-31

TO: Lynn Moaney
Deputy Chief Financial Officer Office of the
Chief Financial Officer

FROM: Janet Sorensen
Assistant Inspector General for Audit

SUBJECT: Final Action Verification—*Food Safety Inspection Service's Oversight of the New Poultry Inspection System*

The Office of Inspector General (OIG) completed a final action verification (FAV) of both recommendations in our December 19, 2018, report on *Food Safety and Inspection Service's Oversight of the New Poultry Inspection System* (Audit Report 24601-0006-31). A FAV determines whether the final action documentation the agency provides to the Office of the Chief Financial Officer (OCFO) supports the agency's management decision reached with OIG.^{1, 2} Our objective was to determine whether the documentation the Food Safety and Inspection Service (FSIS) provided to OCFO was sufficient to close the recommendations made in the Audit Report 24601-0006-31.

On March 26, 2019, OCFO closed both recommendations, and we concur with this decision.

Background

Our report, *Food Safety Inspection Service's Oversight of the New Poultry Inspection System*,³ made two recommendations to improve FSIS' national level evaluation of New Poultry Inspection's (NPIS) implementation.

OIG and FSIS reached management decision on both recommendations on December 19, 2018, in a memorandum dated December 21, 2018. The memorandum detailed what FSIS needed to implement in order achieve final action on the recommendations.

¹ *Final Action* is the completion of all actions that management has concluded, in its management decision, are necessary with respect to the findings and recommendations included in an audit report. USDA Departmental Regulation 1720-001, 6g (1), *Audit Follow-up and Management Decision* (Nov. 2, 2011), the Department Regulation in effect when management decision was reached.

² *Management decision* is an agreement between agency management and OIG on the action(s) taken or to be taken to address a finding and recommendation cited in an audit report. The management decision must include the agreed upon dollar amount affecting the recommendations and an estimated completion date unless all corrective action is completed by the time agreement is reached. USDA Departmental Regulation 1720-001, 6i, *Audit Follow-up and Management Decision* (Nov. 2, 2011).

³ Audit Report 24601-0006-31, *FSIS' Oversight of the New Poultry Inspection System*, Dec. 2018.

In accordance with Departmental Regulation 1720-001,⁴ OCFO has the responsibility to determine final action for recommendation(s) where OIG has agreed to management decision. As such, OCFO evaluates agency-provided documentation to support planned corrective actions and to determine if final action has occurred.

Scope and Methodology

The scope of this final action verification was limited to determining whether FSIS' plan of action for the two recommendations in the original audit report was completed in accordance with the management decisions reached on December 19, 2018. To accomplish our objective, we reviewed documentation FSIS submitted to OCFO. We did not perform internal control testing or make site visits to determine whether the underlying deficiencies that were initially identified had been corrected. In addition, we did not provide an opinion on the results of the implementation or effectiveness of each recommendation. This FAV was conducted in accordance with our internal guidance IG-7710, *Nonaudit Work*⁵ and *Final Action Verification Guidance and Procedures*.⁶

Results of Final Action Verification

We determined that FSIS provided sufficient documentation to OCFO to close the two recommendations we made in our December 19, 2018, audit report on *Food Safety Inspection Service's Oversight of the New Poultry Inspection System*. The table below summarizes the action FSIS took with respect to each recommendation.

We informed FSIS officials of the results of this final action verification.

⁴ USDA Departmental Regulation 1720-001, 7d, *Audit Follow-up and Management Decision* (Nov. 2, 2011).

⁵ IG-7710, *Non-audit Work*, (Sept. 20, 2018).

⁶ USDA OIG, *Final Action Verification Guidance and Procedures* (May 2019).

Table 1. FSIS' Actions for Recommendations with Sufficient Documentation to Achieve Final Action

Rec. No.	Recommendation	Action Taken
1	Clarify the term “fully implemented on a wide scale” to facilitate evaluations of NPIS.	In the response to the original audit report, FSIS clarified that FSIS considers “fully implemented on a wide scale” met when over 50 percent of the total poultry slaughter volume nationwide is from establishments that converted to NPIS. This clarification was made public via the Administrator’s response published in the original audit report. FSIS sought closure based on this public clarification.
2	Develop a plan with a prescribed timeline and associated milestones that clarifies when FSIS will continue to conduct interim analyses and present relevant findings, with the ultimate goal of collecting sufficient data to evaluate and externally report the overall effectiveness of NPIS in meeting its stated programmatic objectives.	<p>FSIS provided OCFO a document titled <i>FSIS NPIS Full Implementation Analysis Plan</i> that outlined FSIS’ plan, with associated timelines and milestones, when FSIS will conduct interim analyses and present relevant findings to evaluate and externally report the overall effectiveness of NPIS in meeting its stated program objectives. The analysis plan identifies when sufficient data will be available for each milestone, the types of analysis to be included in each milestone, and established target completion dates. All final report deliverables are expected to be publicly available on the FSIS website.</p> <p>The three planned NPIS reports, target completion dates, and descriptions are as follows:</p> <p>(1) <i>Inspection Verification Final Report</i>, comparing offline inspection task activity in NPIS plants pre-and post-conversion, September 2019;</p> <p>(2) <i>Pathogen Performance Final Report</i>, evaluating Salmonella pathogen performance at establishments operating under NPIS, September 2021; and</p> <p>(3) <i>Illness Reduction Assessment Final Report</i>, assessing Salmonella illness reduction FSIS July 2014 Public Health-Based Poultry Slaughter Inspection Risk Assessment, September 2022.</p>

cc: Agency Audit Liaison

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