Office of Audits
Office of Inspector General
U.S. General Services Administration

IMPLEMENTATION REVIEW OF CORRECTIVE ACTION PLAN:

GSA Purchased Chinese-Manufactured Videoconference Cameras and Justified It Using Misleading Market Research

Report Number A220070/A/6/F24002
January 23, 2024

Assignment Number A260058
November 10, 2026

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Introduction

We have completed an implementation review of the management actions taken in response to the recommendations contained in our January 2024 audit report, *GSA Purchased Chinese-Manufactured Videoconference Cameras and Justified It Using Misleading Market Research*, Report Number A220070/A/6/F24002.

Objective

The objective of our review was to determine whether GSA has taken the actions as outlined in the corrective action plan for our audit report, *GSA Purchased Chinese-Manufactured Videoconference Cameras and Justified It Using Misleading Market Research* (see ***Appendix A***). To accomplish our objective we:

- Reviewed the original audit report and related corrective action plan;
- Corresponded with and interviewed GSA personnel;
- Examined documentation submitted by GSA to support the completion of the corrective action plan steps; and
- Reviewed GSA's implementation of the guidance and procedures contained in these supporting documents.

Background

The GSA Office of Digital Infrastructure Technologies (IDT), a component of the Office of GSA IT (GSA IT), requested the purchase of videoconference cameras specifically made by Company A.[1] This purchase was requested as part of an agile pilot project through a task order managed by the GSA Federal Acquisition Service's Federal Systems Integration and Management Center (FEDSIM).[2]

FEDSIM provides assisted acquisition services for federal agencies, which include acquisition, financial, and project management services. A FEDSIM contracting officer used a task order to purchase 150 Chinese-manufactured cameras in two separate procurements for the agile pilot project. The FEDSIM contracting officer purchased 70 of the cameras, which were not compliant with the Trade Agreements Act of 1979 (TAA), in March 2022, followed by an additional purchase of 80 TAA-noncompliant cameras in October 2022.

[1] Company A is headquartered in the United States, but its videoconference cameras, which GSA purchased, were manufactured in China. In an effort to not name this company in the report, it is referenced throughout the report as Company A.

[2] The agile pilot project was initiated because a significant portion of GSA's conference room equipment was outdated.

The TAA (19 U.S.C. Chapter 13) was enacted on July 26, 1979, to foster fair and open international trade. This act requires the federal government to only purchase goods that are manufactured in the United States or a TAA-designated country, with limited exceptions. Examples of countries that are not TAA-designated are China, India, Iran, Iraq, and Russia. The videoconference cameras GSA purchased were manufactured in China; therefore, they do not comply with the TAA.

In June 2022, a private information technology (IT) security company publicly issued a report that identified five security vulnerabilities with the TAA-noncompliant camera purchased by FEDSIM. This IT security company summarized the vulnerabilities by stating that the cameras can be abused to act as a backdoor to the owner's network.

In response to the IT security company's report, Company A released software updates to address the identified vulnerabilities. These updates are typically pushed out to the cameras if they are consistently connected to the internet. However, if the cameras are not connected to the internet, they must be updated manually using a smartphone-compatible application and Bluetooth. To mitigate security vulnerabilities, Company A recommended that the cameras remain connected to the internet so they can be updated consistently.

On January 23, 2024, we issued an audit report, *GSA Purchased Chinese-Manufactured Videoconference Cameras and Justified It Using Misleading Market Research*, to GSA. The objective of the audit was to determine whether GSA's purchase and use of these Chinese-manufactured videoconference cameras were in accordance with federal laws, regulations, and internal guidance.

Our audit found the following:

1. GSA IDT employees misled a contracting officer with egregiously flawed information to acquire 150 Chinese-made, TAA-noncompliant videoconference cameras. Before completing the purchase, the contracting officer requested information from GSA IDT to justify its request for the TAA-noncompliant cameras, including the existence of TAA-compliant alternatives and the reason for needing this specific brand. GSA IDT provided misleading market research in support of the TAA-noncompliant cameras and failed to disclose that comparable TAA-compliant alternatives were available.

2. The TAA-noncompliant cameras had known security vulnerabilities that needed to be addressed with a software update. However, GSA records indicated that some of these TAA-noncompliant cameras had not been updated and remained susceptible to these security vulnerabilities.

To address the findings identified in our report, we recommended that the GSA Administrator:

1. Ensure that GSA no longer purchases TAA-noncompliant cameras if there are TAA-compliant cameras that meet the Agency's requirements.
2. Return, or otherwise dispose of, previously purchased TAA-noncompliant cameras.
3. Strengthen controls to ensure that:
    a. TAA-compliant products are prioritized during future procurements;
    b. TAA contracting officer determinations are adequately reviewed prior to approval, including any comparisons or market research performed;
    c. Head of contracting activity non-availability determinations are obtained prior to procuring TAA-noncompliant products; and
    d. IT equipment is being updated in a timely manner to reduce the risk of overlooking identified vulnerabilities.
4. Take appropriate action against GSA IT and GSA IDT personnel to address the misleading information provided to the contracting officer for the purchase of TAA-noncompliant cameras.

GSA's Chief Information Officer, former Federal Acquisition Service Commissioner, and Senior Procurement Executive concurred with Recommendations 1, 3, and 4. They partially concurred with Recommendation 2.

Results

Our implementation review determined that GSA has taken appropriate corrective actions to address the recommendations. We determined that no further action is necessary.

Appendix A – Corrective Action Plan for Report Number A220070/A/6/F24002

GSA Corrective Action Plan

Designated Responding Official: Jeffrey Koses
Signature Jeff Koses **Date** 5/10/2024
Designated Responding Official: Erika Dinnie
Signature Erika Dinnie **Date** 5/10/2024
Designated Responding Official: Bo Berlas
Signature Bo Berlas **Date** 5/9/2024
Contact Person: Nicholas West (MVA)
Telephone Number: (703) 605-2834
Date: March 28, 2024

A220070 GSA Purchased Chinese-Manufactured Video Conference Cameras and Justified It Using Misleading Market Research	**Recommendation 001:** Ensure that GSA no longer purchases TAA-noncompliant cameras if there are TAA-compliant cameras that meet the Agency's requirements.	**Proposed Recommendation Completion Date** 11/2024

Finding(s): Only one per page. Findings are for GSA internal use only.
GSA IDT employees misled a contracting officer with egregiously flawed information to acquire 150 Chinese-made, TAA-non compliant video conference cameras. [GSA does not concur in this finding].

Recommendation: Only one per page
Ensure that GSA no longer purchases TAA-noncompliant cameras if there are TAA-compliant cameras that meet the Agency's requirements.

Action to be Taken Step by Step	Supporting Documentation to be sent to the OCFO BA or BG office	Documentation will be sent Last Duty Day of the month
001. GSA OGP will issue policy to clarify documentation requirements and increase the approval level when an acquisition team determines there is not a TAA-compliant item offered that meets the agency's requirements.	**001.** Copy of the policy documents	**001.** 7/31/2024
002. GSA OGP will work with FAS and other relevant stakeholders to conduct employee training for the acquisition workforce regarding market research, describing agency needs, and documentation requirements for foreign acquisitions, and mandate the training for the GSA organizations involved in purchasing IT for GSA use.	**002.** Copy of the training documents, presentation, and attendee count	**002**. 8/31/2024
003. Add or edit FY25 PMR tests to assess internal controls specific to documentation for the purchase of foreign end products.	**003.** Copy of updated PMR checklists	**003.** 11/30/2024

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GSA Corrective Action Plan

Designated Responding Official: Erika Dinnie
Contact Person: Michael Harris (IRA)
Telephone Number: 703-605-9376
Date: March 28, 2024

A220070 GSA Purchased Chinese-Manufactured Video Conference Cameras and Justified It Using Misleading Market Research	**Recommendation 002:** Return, or otherwise dispose of, previously purchased TAA-noncompliant cameras.	**Proposed Recommendation Completion Date** 09/2024

Finding(s): Only one per page. Findings are for GSA internal use only.
At the time of the audit, the TAA-noncompliant cameras had known security vulnerabilities that needed to be addressed with a software update. However, a substantial number of these cameras were not updated and remained susceptible to these security vulnerabilities. [GSA does not concur in this finding].

Recommendation: Only one per page
Return, or otherwise dispose of, previously purchased TAA-noncompliant cameras. [GSA partially concurs with this recommendation].

Action to be Taken Step by Step	**Supporting Documentation to be sent to the OCFO BA or BG office**	**Documentation will be sent Last Duty Day of the month**
001. GSA IT will dispose of all 1st generation OWL cameras.	**001.** Supporting documentation from ServiceNow/Asset Mgmt.	**001.** 04/30/2024 Complete
002. GSA IT will develop a Pilot Close-Out Plan. This plan will document the outcomes of the pilot and propose three alternatives for management consideration and decision: (1) dispose of all Owl video cameras in the environment, regardless of generation; (2) migrate remaining Owl video cameras to the GSA network, securing an Authority To Operate (ATO) and ensuring proper security and operational protocols are in place as with other technology; or (3) extend pilot for a specified period of time.	**002.** A copy of the Pilot Close Out Plan for Owls. Optionally, should the decision be made to migrate Owls to the GSA network, documentation detailing security controls and the ATO will be submitted.	**002**. 6/28/2024 09/30/2024
003: GSA IT will document in an Instructional Letter the governance for all technology pilots to ensure at minimum that all pilot projects are supported by a project plan that itemizes the purpose goals and objectives of the pilot; defines the scope and duration of the pilot; projects; defines risks and mitigation strategies; and establishes success criteria to inform decision makers considering the disposition of the pilot.	**003.** A copy of the instructional letter	**003**. 09/30/2024

Version Date: 3/01/2023

GSA Corrective Action Plan

Designated Responding Official: Jeffrey Koses
Contact Person: Nicholas West (MVA) and Brennan Conaway (QVBB)
Telephone Number: (703) 605-2834, 703-605-2613
Date: March 28, 2024

A220070 GSA Purchased Chinese-Manufactured Video Conference Cameras and Justified It Using Misleading Market Research	**Recommendation 003a:** Strengthen controls to ensure that: a. TAA-compliant products are prioritized during future procurements;	**Proposed Recommendation Completion Date** 11/2024

Finding(s): Only one per page. Findings are for GSA internal use only.
GSA IDT employees misled a contracting officer with egregiously flawed information to acquire 150 Chinese-made, TAA-noncompliant videoconference cameras. [GSA does not concur in this finding].

Recommendation: Only one per page
Strengthen controls to ensure that:
a. TAA-compliant products are prioritized during future procurements;

Action to be Taken Step by Step	**Supporting Documentation to be sent to the OCFO BA or BG office**	**Documentation will be sent Last Duty Day of the month**
001. GSA OGP will issue policy to clarify documentation requirements and increase the approval level when an acquisition team determines there is not a TAA-compliant item offered that meets the agency's requirements.	**001**. Copy of the policy documents	**001.** 7/31/2024

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002. GSA OGP will work with FAS and other relevant stakeholders to conduct employee training for the acquisition workforce regarding market research, describing agency needs, and documentation requirements for foreign acquisitions, and mandate the training for the GSA organizations involved in purchasing IT for GSA use. Upon completion of the training, attendees will understand it is the government's policy to prioritize TAA/BAA compliance when buying products.	**002**. Copy of the training documents, presentation, and attendee count	**002.** 8/31/2024
003. Add or edit FY25 PMR tests to assess internal controls specific to documentation for the purchase of foreign end products.	**003.** Copy of updated PMR checklists	**003.** 11/30/2024

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GSA Corrective Action Plan

Designated Responding Official: Jeffrey Koses
Contact Person: Nicholas West (MVA) and Brennan Conaway (QVBB)
Telephone Number: (703) 605-2834
Date: Date: March 28, 2024

A220070 GSA Purchased Chinese-Manufactured Video Conference Cameras and Justified It Using Misleading Market Research	**Recommendation 003b:** Strengthen controls to ensure that: b. TAA contracting officer determinations are adequately reviewed prior to approval, including any comparisons or market research performed;	**Proposed Recommendation Completion Date** 11/2024

Finding(s): Only one per page. Findings are for GSA internal use only.
GSA IDT employees misled a contracting officer with egregiously flawed information to acquire 150 Chinese-made, TAA-noncompliant videoconference cameras. [GSA does not concur in this finding].

Recommendation: Only one per page
Strengthen controls to ensure that:

b. TAA contracting officer determinations are adequately reviewed prior to approval, including any comparisons or market research performed.

Action to be Taken Step by Step	**Supporting Documentation to be sent to the OCFO BA or BG office**	**Documentation will be sent Last Duty Day of the month**
001. GSA OGP will issue policy to clarify documentation requirements and increase the approval level when an acquisition team determines there is not a TAA-compliant item offered that meets	**001.** Copy of the policy documents	**001.** 7/31/2024

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the agency's requirements. **002.** GSA OGP will work with FAS and other relevant stakeholders to conduct employee training for the acquisition workforce regarding market research, describing agency needs, and documentation requirements for foreign acquisitions, and mandate the training for the GSA organizations involved in purchasing IT for GSA use. **003.** Add or edit FY25 PMR tests to assess internal controls specific to documentation for the purchase of foreign end products.	**002.** Copy of the training documents, presentation, and attendee count **003.** Copy of updated PMR checklists	**002.** 8/31/2024 **003.** 11/30/2024

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GSA Corrective Action Plan

Designated Responding Official: Jeffrey Koses
Contact Person: Nicholas West (MVA) and Brennan Conaway (QVBB)
Telephone Number: (703) 605-2834, 703-605-2613
Date: Date: March 28, 2024

A220070 GSA Purchased Chinese-Manufactured Video Conference Cameras and Justified It Using Misleading Market Research	**Recommendation 003c:** Strengthen controls to ensure that: c. Head of contracting activity non-availability determinations are obtained prior to procuring TAA-noncompliant products;	**Proposed Recommendation Completion Date** 11/2024

Finding(s): Only one per page. Findings are for GSA internal use only.
GSA IDT employees misled a contracting officer with egregiously flawed information to acquire 150 Chinese-made, TAA-noncompliant videoconference cameras. [GSA does not concur in this finding].

Recommendation: Only one per page
Strengthen controls to ensure that:

c. Head of contracting activity non-availability determinations are obtained prior to procuring TAA-noncompliant products;

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Action to be Taken Step by Step	**Supporting Documentation to be sent to the OCFO BA or BG office**	**Documentation will be sent Last Duty Day of the month**
001. GSA OGP will issue policy to clarify documentation requirements and increase the approval level when an acquisition team determines there is not a TAA-compliant item offered that meets the agency's requirements.	**001.** Copy of the policy documents	**001.** 7/31/2024
002. GSA OGP will work with FAS and other relevant stakeholders to conduct employee training for the acquisition workforce regarding market research, describing agency needs, and documentation requirements for foreign acquisitions, and mandate the training for the GSA organizations involved in purchasing IT for GSA use.	**002.** Copy of the training documents, presentation, and attendee count	**002.** 8/31/2024
003. Add or edit FY25 PMR tests to assess internal controls specific to documentation for the purchase of foreign end products.	**003**. Copy of updated PMR checklists	**003.** 11/30/2024

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GSA Corrective Action Plan

Designated Responding Official: Bo Berlas and Erika Dinnie
Contact Person: Michael Harris (IRA)
Telephone Number: 703-605-9376
Date: Date: March 28, 2024

A220070 GSA Purchased Chinese-Manufactured Video Conference Cameras and Justified It Using Misleading Market Research	**Recommendation 003d:** Strengthen controls to ensure that: d. Information technology equipment is being updated in a timely manner to reduce the risk of overlooking identified vulnerabilities.	**Proposed Recommendation Completion date:** 04/2024

Finding(s): Only one per page. Findings are for GSA internal use only.
At the time of the audit, the TAA-noncompliant cameras had known security vulnerabilities that needed to be addressed with a software update. However, a substantial number of these cameras were not updated and remained susceptible to these security vulnerabilities. [GSA does not concur in this finding].

Recommendation: Only one per page
Strengthen controls to ensure that IT equipment is being updated in a timely manner to reduce the risk of overlooking identified vulnerabilities.

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Action to be Taken Step by Step	Supporting Documentation to be sent to the OCFO BA or BG office	Documentation will be sent Last Duty Day of the month	
001. GSA IT will document formal patch management and software update procedures for all Owl Pros and OWL 3s to ensure the latest security updates have been applied.	**001.** Provide a written Management & Support Plan for Owls.	**001.** 04/30/2024	Complete
002 Ensure Meeting Owl Pro - Hardening Guide is fully implemented.	**002**. Hardening Guide and Configuration Completed Compliance Checklist	**002.** 04/30/2024	Complete
003 Implement Management & Support Plan for Owls ensuring all devices are securely configured and running the latest supported software version.	**003**. Provide dated snapshot of Inventory list with configuration status and software version.	**003.** 4/30/2024	Complete
004 Implement automated Network Monitoring Rules to aid inventory and patch management processes.	**004**. Provide NAC Rules and examples of Elastic alerts created.	**004.** 04/30/2024	Complete
005 - Engage in Red Team Exercise to validate our security conclusions.	**005.** Red Team Report	**005.** 04/30/2024	Complete
006 - OCISO will review and provide oversight to ensure IDT adherence to Meeting Owl Pro - Hardening Guide via the Nest Portal ensuring BlueTooth Pin is set, MFA is enabled, and Software Versions are kept current.	**006.** Monthly Security Report of OWL Devices.	**006.** 04/30/2024	Complete

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007 - C-SCRM Vendor Risk Assessment - perform a formal C-SCRM review of OWL Inc., following GSA's Vendor Risk Assessment Program and generate a Supplier Investigation Report.	**007.** Supplier Investigation Report	**007. 0**4/30/2024 Complete

GSA Corrective Action Plan

Designated Responding Official: Erika Dinnie
Contact Person: Michael Harris (IRA)
Telephone Number: 703-605-9376
Date: March 28, 2024

A220070 GSA Purchased Chinese-Manufactured Video Conference Cameras and Justified It Using Misleading Market Research Corrective Action Plan 01/2024	**Recommendation 004:** Take appropriate action against the Office of GSA IT and GSA IDT personnel to address the misleading information provided to the contracting officer for the purchase of TAA-noncompliant cameras.	**Proposed Recommendation Completion date:** 09/2024

Finding(s): Only one per page. Findings are for GSA internal use only.

GSA IDT employees misled a contracting officer with egregiously flawed information to acquire 150 Chinese-made, TAA-noncompliant videoconference cameras. [GSA does not concur in this finding].

Recommendation: Only one per page

Take appropriate action against GSA IT and GSA IDT personnel to address the misleading information provided to the contracting officer for the purchase of TAA-noncompliant cameras.

Action to be Taken Step by Step	Supporting Documentation to be sent to the OCFO BA or BG office	Documentation will be sent Last Duty Day of the month
001. All IDT employees will be required to participate in a knowledge sharing session, to receive instruction on the tools developed to support customer needs analysis and requirements definition; solution analysis and analysis of alternatives; and supporting documentation.	**001.** • IDEA Intake Template; • IDT Solutions Analysis Template with embedded user instructions • Project High-level Design Template • Proof of Attendance - google document of IDT names with date of attendance.	**001.** 09/30/2024
002. Employees in the IDT project management team will be required to enroll in procurement courses, with respect to Buy American and Trade Agreements Act training.	**002.** Proof of Training including: a list of employee names within the IDT Project Management Team, Training Course Name, Training Source and Date of Completion.	**002.** 09/30/2024

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Appendix B – Report Distribution

GSA Administrator (A)

GSA Deputy Administrator (AD)

FAS Commissioner (F)

FAS Deputy Commissioner (F)

TTS Acting Director (F2)

FAS Chief of Staff (F1A)

GSA Chief Information Officer (I)

GSA Deputy Chief Information Officer (ID)

GSA IT Chief of Staff (I)

Chief Financial Officer (B)

Audit Management Division (BPA)

Assistant Inspector General for Auditing (JA)

Deputy Assistant Inspector General for Acquisition Audits (JA)

Deputy Assistant Inspector General for Real Property Audits (JA)

Director (JAO)

CONTACT US

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