

U.S. Chemical Safety and Hazard Investigation Board Fiscal Year 2025 Financial Statement Audit

January 8, 2026 | Report No. 26-F-0009



Abbreviations

CSB	U.S. Chemical Safety and Hazard Investigation Board
EPA	U.S. Environmental Protection Agency
OIG	Office of Inspector General

Cover Image

U.S. Chemical Safety and Hazard Investigation Board logo. (CSB image)

Are you aware of fraud, waste, or abuse in a CSB program?

EPA Inspector General Hotline
1200 Pennsylvania Avenue, NW (2431T)
Washington, D.C. 20460
(888) 546-8740
OIG.Hotline@epa.gov

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1200 Pennsylvania Avenue, NW (2410T)
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At a Glance

U.S. Chemical Safety and Hazard Investigation Board Fiscal Year 2025 Financial Statement Audit

Why This Audit Was Done

To accomplish this objective:

The audit was performed in accordance with the Chief Financial Officers Act of 1990, as amended by the Accountability of Tax Dollars Act of 2002, which requires the U.S. Chemical Safety and Hazard Investigation Board to prepare, and the Office of Inspector General to audit, the agency's financial statements each year.

The U.S. Environmental Protection Agency OIG, which also serves as the OIG for the CSB, contracted with Allmond & Company LLC to perform the audit of the CSB's fiscal year 2025 financial statements.

Allmond & Company is responsible for the enclosed auditor's report and the conclusions expressed in that report. We do not express any opinion or conclusions on the CSB's financial statements; internal control; or compliance with laws, regulations, contracts, and grant agreements.

To support this CSB mission-related effort:

- *Create and maintain an engaged, high-performing workforce.*

Address inquiries to our public affairs office at (202) 566-2391 or OIG.PublicAffairs@epa.gov.

[List of OIG reports.](#)

What Allmond & Company Found

Allmond & Company rendered an unmodified opinion on the CSB's fiscal year 2025 financial statements, meaning that the statements were fairly presented and free of material misstatements.

Allmond & Company found the CSB's financial statements to be fairly presented and free of material misstatements.

In planning and performing the audit, Allmond & Company considered the CSB's internal controls over financial reporting. Allmond & Company did not identify any deficiencies in internal control over financial reporting for fiscal year 2025 that would be considered material weaknesses or significant deficiencies.

Allmond & Company did identify a deficiency in the CSB's internal control over financial reporting. Although this deficiency was not considered to be a material weakness or significant deficiency, it nonetheless warranted management's attention. Allmond & Company communicated this matter to CSB management and, where appropriate, will report on the matter separately.

As part of obtaining reasonable assurance about whether the CSB's financial statements are free of material misstatement, Allmond & Company performed tests of the CSB's compliance with certain provisions of applicable laws, regulations, contracts, and grant agreements. Noncompliance with these provisions could have a direct and material effect on the financial statements. Allmond & Company did not identify any instances of noncompliance for fiscal year 2025 that would be reportable under U.S. generally accepted government auditing standards.

Allmond & Company made no recommendations as a result of this audit.



OFFICE OF INSPECTOR GENERAL
U.S. ENVIRONMENTAL PROTECTION AGENCY

January 8, 2026

Mr. Steve Owens
Chairperson
U.S. Chemical Safety and Hazard
Investigation Board
470 L'Enfant Plaza SW, Suite 604 #23278
Washington, D.C. 20026

Dear Mr. Owens:

This letter transmits the enclosed audit report on the U.S. Chemical Safety and Hazard Investigation Board's fiscal year 2025 financial statements. The project number for this audit was OA-FY25-0065. This audit is required by the Chief Financial Officers Act of 1990, as amended by the Accountability of Tax Dollars Act of 2002. The independent public accounting firm of Allmond & Company LLC performed this audit in accordance with the comptroller general of the United States' *Government Auditing Standards* and Office of Management and Budget Bulletin 24-02, *Audit Requirements for Federal Financial Statements*.

Allmond & Company is responsible for the enclosed auditor's report and the opinions and conclusions expressed in that report. We do not express any opinion or conclusions on the CSB's financial statements; internal control; or compliance with laws, regulations, contracts, and grant agreements.

A response to this report is not required because the report contains no recommendations. If your office submits a response, however, it will be posted on the OIG's website, along with our memorandum commenting on the response. The response should be provided as an Adobe PDF file that complies with the requirements of section 508 of the Rehabilitation Act of 1973, as amended. The final response should not contain data that your office does not want released to the public; if the response contains such data, your office should identify the data for redaction or removal along with corresponding justification.

We will post this report to our website at www.epa.gov/oig.

Sincerely,

Nicole N. Murley
Deputy Inspector General performing the duties of
the Inspector General

Chemical Safety and Hazard Investigation Board (CSB)
Fiscal Year 2025 Financial Statement Audit

Independent Auditors' Report

Submitted for review and acceptance to:
Contracting Officer's Representative (COR)
Environmental Protection Agency
Office of the Inspector General
1301 Constitution Avenue, NW
Washington, DC 20004

Submitted by:
Jason L. Allmond CPA, CGFM, CISA, CISM
Managing Member
Allmond & Company, LLC
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Lanham, MD 20706
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Independent Auditors' Report

Prepared under contract to the Environmental Protection Agency (EPA) Office of Inspector General (OIG) to provide financial auditing services

**Independent Auditors' Report**

Chairperson, U.S. Chemical Safety and Hazard Investigation Board
Inspector General, Environmental Protection Agency:

Report on the Financial StatementsOpinion

Pursuant to the Accountability of Tax Dollars Act of 2002, we have audited the U.S. Chemical Safety and Hazard Investigation Board (CSB) financial statements. CSB's financial statements comprise the balance sheet as of September 30, 2025, and the related statements of net cost, changes in net position, and budgetary resources for the fiscal year then ended, and the related notes to the financial statements.

In our opinion, CSB's financial statements present fairly, in all material respects, CSB's financial position as of September 30, 2025, and its net cost of operations, changes in net position, and budgetary resources for the fiscal year then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audit in accordance with U.S. generally accepted auditing standards (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 24-02, *Audit Requirements for Federal Financial Statements*. Our responsibilities under those standards and OMB Bulletin No. 24-02 are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the CSB and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for

- the preparation and fair presentation of the financial statements in accordance U.S. generally accepted accounting principles;
- preparing, measuring, and presenting the Required Supplementary Information (RSI) in accordance with U.S. generally accepted accounting principles;
- preparing and presenting other information included in CSB's Performance and Accountability Report, and ensuring the consistency of that information with the audited financial statements and the RSI; and
- designing, implementing, and maintaining effective internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to (1) obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and (2) issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit of the financial statements conducted in accordance with GAAS, generally accepted government auditing standards (GAGAS), and OMB Bulletin No. 24-02 will always detect a material misstatement or material weakness when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered to be material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, GAGAS, and OMB Bulletin No. 24-02, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures that are responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to an audit of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CSB's internal control over financial reporting. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Perform other procedures we consider necessary in the circumstances.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope of and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the financial statement audit.

Required Supplementary Information (RSI)

U.S. generally accepted accounting principles issued by the Federal Accounting Standards Advisory Board (FASAB) require that the information in the RSI be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required under standards issued by FASAB, which considers it to be an essential part of financial reporting for placing the financial statements in appropriate operational, economic, or historical context.

We have applied certain limited procedures to the RSI in accordance with U.S. generally accepted government auditing standards. These procedures consisted of (1) inquiring of management about the methods used to prepare the RSI and (2) comparing the RSI for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during the audit of CSB's

financial statements, in order to report omissions or material departures from FASAB guidelines, if any, identified by these limited procedures. We did not audit and we do not express an opinion or provide any assurance on the RSI because the limited procedures we applied do not provide sufficient evidence to express an opinion or provide any assurance.

Other Information

CSB's other information contains a wide range of information, some of which is not directly related to the financial statements. This information is presented for purposes of additional analysis and is not a required part of the financial statements or the RSI. Management is responsible for the other information included in CSB's Performance and Accountability Report. The other information comprises the following sections: *Message from the Chairperson, Message from the Chief Financial Officer, Management Discussion and Analysis (MD&A) and Performance Report*. Other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exist between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Internal Control over Financial Reporting

In connection with our audit of CSB's financial statements, we considered CSB's internal control over financial reporting, consistent with the auditor's responsibilities discussed below.

Results of Our Consideration of Internal Control over Financial Reporting

Our consideration of internal control was for the limited purpose described below, and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies¹ or to express an opinion on the effectiveness of CSB's internal control over financial reporting. Given these limitations, during our FY 2025 audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses or significant deficiencies. However, material weaknesses or significant deficiencies may exist that have not been identified.

During our fiscal year 2025 audit, we identified a deficiency in CSB's internal control over financial reporting that we do not consider to be a material weakness or significant deficiency that, nonetheless, warrant management's attention. We have communicated these matters to CSB management and, where appropriate, will report on them separately.

1 A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit the attention by those charged with governance.

Basis for Results of Our Consideration of Internal Control over Financial Reporting

We performed our procedures related to CSB's internal control over financial reporting in accordance with U.S. generally accepted government auditing standards and OMB audit guidance.

Responsibilities of Management for Internal Control over Financial Reporting

CSB management is responsible for designing, implementing, and maintaining effective internal control over financial reporting relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Consideration of Internal Control over Financial Reporting

In planning and performing our audit of CSB's financial statements as of and for the fiscal year ended September 30, 2025, in accordance with U.S. generally accepted government auditing standards, we considered CSB's internal control relevant to the financial statement audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CSB's internal control over financial reporting. Accordingly, we do not express an opinion on CSB's internal control over financial reporting. We are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses. We did not consider all internal controls relevant to operating objectives, such as those controls relevant to preparing performance information and ensuring efficient operations.

Definition and Inherent Limitations of Internal Control over Financial Reporting

An entity's internal control over financial reporting is a process effected by those charged with governance, management, and other personnel. The objectives of internal control over financial reporting are to provide reasonable assurance that

- transactions are properly recorded, processed, and summarized to permit the preparation of financial statements in accordance with U.S. generally accepted accounting principles, and assets are safeguarded against loss from unauthorized acquisition, use, or disposition, and
- transactions are executed in accordance with provisions of applicable laws, including those governing the use of budget authority, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent, or detect and correct, misstatements due to fraud or error.

Intended Purpose of Report on Internal Control over Financial Reporting

The purpose of this report is solely to describe the scope of our consideration of CSB's internal control over financial reporting and the results of our procedures, and not to provide an opinion on the effectiveness of CSB's internal control over financial reporting. This report is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering internal control over financial reporting. Accordingly, this report on internal control over financial reporting is not suitable for any other purpose.

Report on Compliance with Laws, Regulations, Contracts, and Grant Agreements

In connection with our audit of CSB's financial statements, we tested compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements consistent with our auditor's responsibilities discussed below.

Results of Our Tests for Compliance with Laws, Regulations, Contracts, and Grant Agreements

Our tests for compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements disclosed no instances of noncompliance for fiscal year 2025 that would be reportable under U.S. generally accepted government auditing standards. However, the objective of our tests was not to provide an opinion on compliance with laws, regulations, contracts, and grant agreements applicable to CSB. Accordingly, we do not express such an opinion.

Basis for Results of Our Tests for Compliance with Laws, Regulations, Contracts, and Grant Agreements

We performed our tests of compliance in accordance with U.S. generally accepted government auditing standards and OMB audit guidance.

Responsibilities of Management for Compliance with Laws, Regulations, Contracts, and Grant Agreements

CSB management is responsible for complying with laws, regulations, contracts, and grant agreements applicable to CSB.

Auditor's Responsibilities for Tests of Compliance with Laws, Regulations, Contracts, and Grant Agreements

Our responsibility is to test compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements applicable to CSB that have a direct effect on the determination of material amounts and disclosures in CSB's financial statements, and to perform certain other limited procedures. Accordingly, we did not test compliance with all laws, regulations, contracts, and grant agreements applicable to CSB. We caution that noncompliance may occur and not be detected by these tests.

Intended Purpose of Report on Compliance with Laws, Regulations, Contracts, and Grant Agreements

The purpose of this report is solely to describe the scope of our testing of compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements, and the results of that testing, and not to provide an opinion on compliance. This report is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering compliance. Accordingly, this report on compliance with laws, regulations, contracts, and grant agreements is not suitable for any other purpose.

Allmond & Company, LLC

Lanham, MD
January 5, 2026

Independent Auditors' Report

Exhibit I
Status of Prior Year Findings and Recommendations

The following table provides the fiscal year (FY) 2025 status of all recommendations included in the Audit Report on the U.S. Chemical Safety Hazard Investigation Board FY 2024 Financial Statements (November 15, 2024).

FY 2024 Finding	Prior Year Recommendation	FY 2024 Status
Potential Anti- Deficiency Act Violation (2024-01)	<p>Recommendation:</p> <p>We recommend that CSB management:</p> <ol style="list-style-type: none">1. Report the ADA Violation noted to the appropriate parties.	Closed

U.S. CHEMICAL SAFETY & HAZARD INVESTIGATION BOARD
FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025





**U.S. CHEMICAL SAFETY & HAZARD INVESTIGATION BOARD
FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

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U.S. CHEMICAL SAFETY & HAZARD INVESTIGATION BOARD
BALANCE SHEET
AS OF SEPTEMBER 30, 2025
(In Dollars)

2025

Assets

Intragovernmental Assets	
Fund Balance with Treasury (Note 2)	\$ 8,682,964
Advances and Prepayments	10,175
Total Intragovernmental Assets	8,693,139
Other than Intragovernmental Assets	
Accounts Receivable, Net (Note 3)	14,736
Property, Plant, and Equipment, Net (Note 4)	11,983
Total Other than Intragovernmental Assets	26,719
Total Assets	\$ 8,719,858

Liabilities

Intragovernmental Liabilities	
Accounts Payable	\$ 1,987
Other Liabilities (Note 6)	77,706
Other Liabilities (Without Reciprocals)	19,409
Liability to the General Fund of the U.S. Government for Custodial and	
Other Non-Entity Assets	14,034
Other Current Liabilities - Benefit Contributions Payable	44,263
Total Intragovernmental Liabilities	79,693
Other than Intragovernmental Liabilities	
Accounts Payable	599,297
Federal Employee Salary, Leave, and Benefits Payable	921,518
Total Other than Intragovernmental Liabilities	1,520,815
Total Liabilities (Note 5)	\$ 1,600,508

Commitments and Contingencies

Net Position

Unexpended Appropriations	
Funds from Other than Dedicated Collections	\$ 7,755,900
Total Unexpended Appropriations (Consolidated)	7,755,900
Cumulative Results of Operations	
Funds from Other than Dedicated Collections	(636,550)
Total Cumulative Results of Operations (Consolidated)	(636,550)
Total Net Position	\$ 7,119,350
Total Liabilities and Net Position	\$ 8,719,858

The accompanying notes are an integral part of these financial statements.

U.S. CHEMICAL SAFETY & HAZARD INVESTIGATION BOARD
STATEMENT OF NET COST
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(In Dollars)

2025

Gross Program Costs	
Program A	
Gross Costs	\$ 15,103,359
Net Program Costs	\$ 15,103,359
Net Cost of Operations	\$ 15,103,359

The accompanying notes are an integral part of these financial statements.

U.S. CHEMICAL SAFETY & HAZARD INVESTIGATION BOARD
STATEMENT OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(In Dollars)

	2025
Unexpended Appropriations	
Beginning Balance	\$ 9,596,984
Appropriations Received	14,400,000
Other Adjustments	(2,047,471)
Appropriations Used	(14,193,613)
Net Change in Unexpended Appropriations	(1,841,084)
Total Unexpended Appropriations	\$ 7,755,900
Cumulative Results of Operations	
Beginning Balance	\$ (575,509)
Appropriations Used	14,193,613
Imputed Financing (Note 9)	848,705
Net Cost of Operations	(15,103,359)
Net Change in Cumulative Results of Operations	(61,041)
Total Cumulative Results of Operations	\$ (636,550)
Net Position	\$ 7,119,350

The accompanying notes are an integral part of these financial statements.

U.S. CHEMICAL SAFETY & HAZARD INVESTIGATION BOARD
STATEMENT OF BUDGETARY RESOURCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(In Dollars)

	2025
Budgetary Resources	
Unobligated Balance From Prior Year Budget Authority, Net (Note 10)	\$ 4,734,059
Appropriations	14,400,000
Total Budgetary Resources	\$ 19,134,059
Status of Budgetary Resources	
New Obligations and Upward Adjustments (Total) (Note 11)	\$ 13,940,242
Unobligated Balance, End of Year	
Apportioned, Unexpired Accounts	849,453
Unexpired, Unobligated Balance, End of Year	849,453
Expired, Unobligated Balance, End of Year	4,344,364
Unobligated Balance, End of Year (Total)	5,193,817
Total Budgetary Resources	\$ 19,134,059
Outlays, Net and Disbursements, Net	
Outlays, Net (Total)	\$ 14,103,584
Agency Outlays, Net	\$ 14,103,584

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The United States Chemical Safety and Hazard Investigation Board (CSB) is an independent Federal agency with the mission of ensuring the safety of workers and the public by promoting chemical safety and accident prevention. The CSB was established by the Clean Air Act Amendments of 1990 and is responsible for advising the President and Congress on key issues related to chemical safety and evaluating the effectiveness of other Government agencies on safety requirements. The CSB receives all of its funding through appropriations. The CSB reporting entity is comprised of General Funds and General Miscellaneous Receipts.

General Funds are accounts used to record financial transactions arising under congressional appropriations or other authorizations to spend general revenues. The General Fund accounts the CSB manages include those related to FOIA fees collected, debt collections and related administrative fees, and interest from former employees.

General Fund Miscellaneous Receipts are accounts established for receipts of non-recurring activity, such as fees, and other miscellaneous receipts for services and benefits.

The CSB has rights and ownership of all assets reported in these financial statements. The CSB does not possess any non-entity assets.

B. Basis of Presentation

The financial statements have been prepared to report the financial position and results of operations of the CSB. The Balance Sheet presents the financial position of the agency. The Statement of Net Cost presents the agency's operating results; the Statement of Changes in Net Position displays the changes in the agency's equity accounts. The Statement of Budgetary Resources presents the sources, status, and uses of the agency's resources and follows the rules for the Budget of the United States Government.

The statements are a requirement of the Chief Financial Officers Act of 1990, the Government Management Reform Act of 1994, and the Accountability of Tax Dollars Act of 2002. They have been prepared from, and are fully supported by, the books and records of the CSB in accordance with the hierarchy of accounting principles generally accepted in the United States of America, standards issued by the Federal Accounting Standards Advisory Board (FASAB), Office of Management and Budget (OMB) Circular A-136, Financial Reporting Requirements, as amended, and the CSB's accounting policies which are summarized in this note. These statements, except for the Statement of Budgetary Resources, are different from financial management reports, which are also prepared pursuant to OMB directives that are used to monitor and control the CSB's use of budgetary resources. Unless specified otherwise, all amounts are presented in dollars.

C. Basis of Accounting

Transactions are recorded on both an accrual accounting basis and a budgetary basis. Under the accrual method, revenues are recognized when earned, and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash. Budgetary accounting facilitates the control and monitoring of federal funds as well as the compliance with legal requirements on the use of those funds.

D. Fund Balance with Treasury

Fund Balance with Treasury is an asset of a reporting entity and a liability of the General Fund. It is the aggregate amount of the CSB's funds with Treasury in expenditure, receipt accounts. Appropriated funds recorded in expenditure accounts are available to pay current liabilities and finance authorized purchases.

The CSB does not maintain bank accounts of its own, has no disbursing authority, and does not maintain cash held outside of Treasury. When the reporting entity seeks to use Fund Balance with Treasury or investments in Government securities to liquidate budgetary obligations, Treasury will finance the disbursements in the same way it finances all other disbursements, which is to borrow from the public if there is a budget deficit (and to use current receipts if there is a budget surplus). Funds are disbursed for the agency on demand. Foreign currency payments are made by the Treasury and are reported by the CSB in U.S. dollar equivalents.

E. Accounts Receivable

Accounts receivable consist of amounts owed to the CSB by other federal agencies and the general public. Amounts due from federal agencies are considered fully collectible. Accounts receivable from the public include debt collections from employees. An allowance for uncollectible accounts receivable from the public is established when, based upon a review of outstanding accounts and the failure of all collection efforts, management determines that collection is unlikely to occur, considering the debtor's ability to pay.

F. Property, Equipment, and Software

Property, equipment, and software represent furniture, fixtures, equipment, and information technology hardware and software, which are recorded at original acquisition cost and are depreciated or amortized using the straight-line method over their estimated useful lives. Major alterations and renovations are capitalized, while maintenance and repair costs are expensed as incurred. The CSB's capitalization threshold is \$10,000 for individual purchases and \$50,000 for bulk purchases. Property, equipment, and software acquisitions that do not meet the capitalization criteria are expensed upon receipt. Applicable standard governmental guidelines regulate the disposal and convertibility of agency property, equipment, and software. The useful life classifications for capitalized assets are as follows:

<u>Description</u>	<u>Useful Life (years)</u>
Leasehold Improvements	7
Office Furniture	5
Office Equipment	3
Software	3

G. Advances and Prepaid Charges

Advance payments are generally prohibited by law. There are some exceptions, such as reimbursable agreements, subscriptions, and payments to contractors and employees. Payments made in advance of the receipt of goods and services are recorded as advances or prepaid charges at the time of prepayment and recognized as expenses when the related goods and services are received.

H. Liabilities

Liabilities represent the amount of funds likely to be paid by the CSB as a result of transactions or events that have already occurred.

The CSB reports its liabilities under two categories, Intragovernmental and Other than Intragovernmental. Intragovernmental liabilities represent funds owed to another government agency. Liabilities other than intragovernmental represent funds owed to any entity or person that is not a federal agency, including private sector firms and federal employees. Each of these categories may include liabilities that are covered by budgetary resources and liabilities not covered by budgetary resources.

Liabilities covered by budgetary resources are liabilities funded by a current appropriation or other funding source. These consist of accounts payable and accrued payroll and benefits. Accounts payable represent amounts owed to another entity for goods ordered and received, and for services rendered except for employees. Accrued payroll and benefits represent payroll costs earned by employees during the fiscal year which are not paid until the next fiscal year.

Liabilities not covered by budgetary resources are liabilities that are not funded by any current appropriation or other funding source. These liabilities consist of accrued annual leave, actuarial FECA, and the amounts due to Treasury for collections and FOIA request fees. Liabilities not covered by budgetary resources on the Balance Sheet are equivalent to amounts reported as components requiring or generating resources on the Reconciliation of Net Cost to Budget.

I. Annual, Sick, and Other Leave

Annual leave is accrued as it is earned, and the accrual is reduced as leave is taken. The balance in the accrued leave account is adjusted to reflect current pay rates. Liabilities associated with other types of vested leave, including compensatory, restored leave, and sick leave in certain circumstances, are accrued at year-end, based on latest pay rates and unused hours of leave. Funding will be obtained from future financing sources to the extent that current or prior year appropriations are not available to fund annual and other types of vested leave earned but not taken. Nonvested leave is expensed when used. Any liability for sick leave that is accrued but not taken by a Civil Service Retirement System (CSRS)-covered employee is transferred to the Office of Personnel Management (OPM) upon the retirement of that individual. Credit is given for sick leave balances in the computation of annuities upon the retirement of Federal Employees Retirement System (FERS)-covered employees.

J. Accrued and Actuarial Workers' Compensation

The Federal Employees' Compensation Act (FECA), administered by the U.S. Department of Labor (DOL) addresses all claims brought by the CSB's employees for on-the-job injuries. The DOL bills each agency annually as its claims are paid, but payment of these bills is deferred for two years to allow for funding through the budget process. Similarly, employees who the CSB terminates without cause may receive unemployment compensation benefits under the unemployment insurance program also administered by the DOL, which bills each agency quarterly for paid claims. Future appropriations will be used for reimbursement to DOL. The liability consists of (1) the net present value of estimated future payments calculated by the DOL, and (2) the unreimbursed cost paid by DOL for compensation to recipients under the FECA.

K. Retirement Plans

The CSB's employees participate in either the CSRS or the FERS. The employees who participate in CSRS are beneficiaries of the CSB's matching contribution, equal to seven percent of pay, distributed to their annuity account in the Civil Service Retirement and Disability Fund.

Prior to December 31, 1983, all employees were covered under the CSRS program. From January 1, 1984, through December 31, 1986, employees had the option of remaining under CSRS or joining FERS and Social Security. Employees hired as of January 1, 1987, are automatically covered by the FERS program. Both CSRS and FERS employees may participate in the federal Thrift Savings Plan (TSP). FERS employees receive an automatic agency contribution equal to one percent of pay, and the CSB matches any employee contribution up to an additional four percent of pay. For FERS participants, the CSB also contributes the employer's matching share of Social Security.

FERS employees and certain CSRS reinstatement employees are eligible to participate in the Social Security program after retirement. In these instances, the CSB remits the employer's share of the required contribution.

The CSB recognizes the imputed cost of pension and other retirement benefits during the employees' active years of service. OPM actuaries determine pension cost factors by calculating the value of pension benefits expected to be paid in the future and communicate these factors to the CSB for current period expense reporting. OPM also provides information regarding the full cost of health and life insurance benefits. The CSB recognized the offsetting revenue as imputed financing sources to the extent these expenses will be paid by OPM.

The CSB does not report on its financial statements information pertaining to the retirement plans covering its employees. Reporting amounts such as plan assets, accumulated plan benefits, and related unfunded liabilities, if any, is the responsibility of the OPM, as the administrator.

L. Other Post-Employment Benefits

The CSB's employees eligible to participate in the Federal Employees' Health Benefits Plan (FEHBP) and the Federal Employees' Group Life Insurance Program (FEGLIP) may continue to participate in these programs after their retirement. The OPM has provided the CSB with certain cost factors that estimate the true cost of providing the post-retirement benefit to current employees. The CSB recognizes a current cost for these and Other Retirement Benefits (ORB) at the time the employee's services are rendered. The ORB expense is financed by OPM and offset by the CSB through the recognition of an imputed financing source.

M. Use of Estimates

The preparation of the accompanying financial statements in accordance with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. Actual results could differ from those estimates.

N. Contingencies

Liabilities are deemed contingent when the existence or amount of the liability cannot be determined with certainty pending the outcome of future events. The CSB recognizes contingent liabilities in the accompanying balance sheet and statement of net cost when it is both probable and can be reasonably estimated. The CSB discloses contingent liabilities in the notes to the financial statements when the conditions for liability recognition are not met or when a loss from the outcome of future events is more than remote.

O. Classified Activities

Accounting standards require all reporting entities to disclose that accounting standards allow certain presentations and disclosures to be modified, if needed, to prevent the disclosure of classified information.

NOTE 2. FUND BALANCE WITH TREASURY

Fund Balance with Treasury account balances as of September 30, 2025, were as follows:

	2025
Status of Fund Balance With Treasury	
Unobligated Balance	\$ 5,193,817
Obligated Balance Not Yet Disbursed	3,489,147
Total Fund Balance With Treasury	\$ 8,682,964

No discrepancies exist between the Fund Balance reflected on the Balance Sheet and the balances in the Treasury accounts.

The obligated balance not yet disbursed includes accounts payable, accrued expenses, and undelivered orders that have reduced unexpended appropriations but have not yet decreased the fund balance on hand.

NOTE 3. ACCOUNTS RECEIVABLE, NET

Accounts receivable balances as of September 30, 2025, were as follows:

	2025
Other than Intragovernmental	
Accounts Receivable	\$ 14,736
Total Other than Intragovernmental Accounts Receivable	\$ 14,736
Total Accounts Receivable	\$ 14,736

The accounts receivable are primarily made up of debt collections due from employees.

NOTE 4. PROPERTY, PLANT, AND EQUIPMENT, NET

Schedule of General Property, Plant, and Equipment, Net as of September 30, 2025:

	Acquisition Cost	Accumulated Depreciation and Amortization	Net Book Value
2025			
Major Class:			
Furniture and Equipment	\$ 283,328	\$ 271,345	\$ 11,983
Software	76,402	76,402	-
Lessee Right-To-Use Lease Asset (Note 7)	1,145,208	1,145,208	-
Total	\$ 1,504,938	\$ 1,492,955	\$ 11,983

NOTE 5. LIABILITIES NOT COVERED BY BUDGETARY RESOURCES

The liabilities for the CSB as of September 30, 2025, include liabilities not covered by budgetary resources. Congressional action is needed before budgetary resources can be provided. Although future appropriations to fund these liabilities are likely and anticipated, it is not certain that appropriations will be enacted to fund these liabilities.

	2025
Unfunded Leave	\$ 649,235
Total Liabilities Not Covered by Budgetary Resources	\$ 649,235
Total Liabilities Covered by Budgetary Resources	937,239
Liabilities Not Requiring Budgetary Resources	14,034
Total Liabilities	\$ 1,600,508

Unfunded leave represents a liability for earned leave and is reduced when leave is taken. The balance in the accrued annual leave account is reviewed quarterly and adjusted as needed to accurately reflect the liability at current pay rates and leave balances. Accrued annual leave is paid from future funding sources and, accordingly, is reflected as a liability not covered by budgetary resources. Sick and other leave is expensed as taken.

NOTE 6. OTHER LIABILITIES

Other liabilities account balances as of September 30, 2025, were as follows:

	Current	Non-Current	Total
2025			
Intragovernmental Other Liabilities			
Employer Contributions and Payroll Taxes Payable (without reciprocals)	\$ 19,409	\$ -	\$ 19,409
Custodial Liability (to the general fund)	13,959	-	13,959
Liability for Non-Entity Assets Not Reported on the Statement of Custodial Activity (to the general fund)	75	-	75
Employer Contributions and Payroll Taxes Payable	44,263	-	44,263
Total Intragovernmental Other Liabilities	\$ 77,706	\$ -	\$ 77,706
Total Other Liabilities	\$ 77,706	\$ -	\$ 77,706

NOTE 7. LEASES

On July 15, 2019, the CSB entered into a novation agreement that recognized the transfer of ownership of its headquarters building and established a new lease term with the new building owner. The new agreement began on July 15, 2019, and the CSB exercised its option year with the landlord, extending the lease through September 2025. The novation lease included a cap on annual adjustments for real estate taxes, operating expenses, and a 24-hour HVAC requirement. Effective FY 2024, federal reporting entities were required to recognize a right-to-use (RTU) lease asset and a corresponding lease liability for non-intragovernmental, non-short-term contracts or agreements when the entity has the right to obtain and control access to the economic benefits or services of an underlying property, plant, or equipment asset for a period of time in exchange for consideration under the terms of the contract or agreement. The CSB occupied office space in Washington, D.C. under a lease agreement through September 30, 2025, which was accounted for as a non-intragovernmental operating lease in accordance with SFFAS 54 guidance. The lease term concluded on September 30, 2025, and the associated RTU asset was fully amortized as of that date. Final lease payments were processed in October 2025, prior to the issuance of the financial statements. These payments represented the final settlement of remaining lease obligations.

NOTE 8. COMMITMENTS AND CONTINGENCIES

There are currently two pending litigations that are expected to be resolved in FY 2026. A loss is not probable in either of these matters in FY 2025. Management believes that any potential liability associated with these cases is not expected to exceed \$30,000, collectively.

NOTE 9. INTER-ENTITY COSTS

CSB recognizes certain inter-entity costs for goods and services that are received from other federal entities at no cost or at a cost less than the full cost. Certain costs of the providing entity that are not fully reimbursed are recognized as imputed costs and are offset by imputed revenue. Such imputed costs and revenues relate to employee benefits and claims to be settled by the Treasury Judgement Fund. CSB recognizes as inter-entity costs the amount of accrued pension and post-retirement benefit expenses for current employees.

The assets and liabilities associated with such benefits are the responsibility of the administering agency, OPM. For the fiscal year ended September 30, 2025, inter-entity costs were as follows:

	2025
Office of Personnel Management	\$ 848,705
Total Imputed Financing Sources	\$ 848,705

NOTE 10. UNOBLIGATED BALANCE FROM PRIOR YEAR BUDGET AUTHORITY, NET

The Unobligated Balance Brought Forward from the prior fiscal year has been adjusted for recoveries of prior year paid and unpaid obligations, and other changes such as canceled authority. The Adjustments to Unobligated Balance Brought Forward, October 1, as of September 30, 2025, consisted of the following:

	2025
Unobligated Balance Brought Forward from Prior Year, October 1	\$ 5,641,245
Recoveries of Prior Year Obligations	1,140,285
Other Changes in Unobligated Balances	(2,047,471)
Unobligated Balance from Prior Year Budget Authority, Net (Discretionary and Mandatory)	\$ 4,734,059

NOTE 11. APPORTIONMENT CATEGORIES OF NEW OBLIGATIONS AND UPWARD ADJUSTMENTS

New obligations and upward adjustments incurred and reported in the Statement of Budgetary Resources in 2025 consisted of the following:

	2025
Direct Obligations, Category A	\$ 1,972,800
Direct Obligations, Category B	11,967,442
Total New Obligations and Upward Adjustments	\$ 13,940,242

NOTE 12. UNDELIVERED ORDERS AT THE END OF THE PERIOD

Budgetary resources obligated for undelivered orders as of September 30, 2025, were as follows:

	Intragovernmental	Other than Intragovernmental	Total
2025			
Paid Undelivered Orders	\$ 10,175	\$ -	\$ 10,175
Unpaid Undelivered Orders	109,805	2,442,103	2,551,908
Total Undelivered Orders	\$ 119,980	\$ 2,442,103	\$ 2,562,083

NOTE 13. EXPLANATION OF DIFFERENCES BETWEEN THE STATEMENT OF BUDGETARY RESOURCES AND THE BUDGET OF THE U.S. GOVERNMENT

The President's Budget, which will include fiscal year 2025 actual budgetary execution information, has not yet been published. The President's Budget is scheduled for publication in February 2026 and can be found at the OMB website: <http://www.whitehouse.gov/omb/>. The Fiscal Year 2026 Budget of the United States Government, with the "Actual" column completed for 2024, has been reconciled to the Statement of Budgetary Resources.

(In Millions)

	Total Budgetary Resources	New Obligations & Upward Adjustments (Total)	Distributed Offsetting Receipts	Net Outlays
Combined Statement of Budgetary Resources	\$ 19	\$ 14	\$ -	\$ 15
Unobligated Balance Not Available	(5)	-	-	-
Difference Due to Rounding	1	-	-	(1)
Budget of the U.S. Government	\$ 15	\$ 14	\$ -	\$ 14

NOTE 14: RECONCILIATION OF NET OPERATING COST & NET BUDGETARY OUTLAYS

The reconciliation of net outlays, presented on a budgetary basis, and the net cost, presented on an accrual basis, provides an explanation of the relationship between budgetary and financial accounting information.

The reconciliation of Net Cost to Net Outlays as of September 30, 2025:

	Intragovern- mental	Other than Intragovern- mental	Total
Net Operating Cost (Revenue) Reported on Statement of Net Cost	\$ 3,944,215	\$ 11,159,144	\$ 15,103,359
Components of Net Operating Cost Not Part of the Budgetary Outlays			
Property, Plant, and Equipment Depreciation Expense	-	(17,975)	(17,975)
Lessee Lease Amortization	-	(455,174)	(455,174)
Increase/(Decrease) in Assets Not Affecting Budgetary Outlays:			
Accounts Receivable, Net	-	(7,239)	(7,239)
Advances and Prepayments	(22,556)	-	(22,556)
Other Assets	-	455,174	455,174
(Increase)/Decrease in Liabilities Not Affecting Budgetary Outlays:			
Accounts Payable	104,604	(70,731)	33,873
Federal Employee Salary, Leave, and Benefits Payable	-	(118,459)	(118,459)
Other Liabilities	(18,714)	-	(18,714)
Financing Sources:			
Imputed Cost	(848,705)	-	(848,705)
Total Components of Net Operating Cost Not Part of the Budgetary Outlays	\$ (785,371)	\$ (214,404)	\$ (999,775)
Misc Items			
Custodial/Non-Exchange Revenue	3,214	(3,214)	-
Total Other Reconciling Items	\$ 3,214	\$ (3,214)	\$ -
Total Net Outlays (Calculated Total)	\$ 3,162,058	\$ 10,941,526	\$ 14,103,584
Budgetary Agency Outlays, net			\$ 14,103,584

**U.S. Chemical Safety and
Hazard Investigation Board**

470 L'Enfant Plaza SW, Suite 604 #23278 | Washington, DC 20026
Phone: (202) 261-7600 | www.csb.gov

Steve Owens
Chairperson

Sylvia E. Johnson, Ph.D.
Board Member



January 7, 2026

Ms. Katherine Trimble
Assistant Inspector General for Audits
U.S. EPA Office of Inspector General
1200 Pennsylvania Ave., NW
Mail Code: 2410T
Washington, DC 20460-0001

Dear Ms. Trimble:

The U.S. Chemical Safety and Hazard Investigation Board (CSB) would like to thank the Office of Inspector General for the opportunity to review the draft Transmittal Letter and Report. After reviewing the Independent Auditors report, the CSB noticed that the calendar year within the last page of the report is incorrect. The report currently reflects a date of January 5, 2025, and it should be dated January 5, 2026. Once the date has been corrected, please move forward with issuing the final Auditors report as the CSB accepts the “fairly stated” opinion of the external Auditors Allmond and Company, LLC.

Regards,

Sabrina Morris
Director of Administration

cc: Jason Allmond, Managing Member, Allmond & Company, LLC
Tristen Bell, Audit Manager, Allmond & Company, LLC
Steve Owens, Chairperson
Sylvia E. Johnson, Ph.D., Board Member
Michele Lawson, Director of Financial Operations
Steven Messer, Acting General Counsel



Whistleblower Protection

U.S. Environmental Protection Agency

The whistleblower protection coordinator's role is to educate Agency employees about prohibitions against retaliation for protected disclosures and the rights and remedies against retaliation. For more information, please visit our [website](#).

Contact us:



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