



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
INSPECTOR GENERAL

January 23, 2020

The Honorable Mick Mulvaney
Director
Office of Management and Budget
Executive Office of the President
Washington, D.C. 20503

RE: U.S. Chemical Safety and Hazard Investigation Board's Compliance in Fiscal Year 2019
with Improper Payments Legislation and Guidance
Report No. 20-N-0064

Dear Mr. Mulvaney:

We have amended our memorandum to you dated December 19, 2019, to add a sentence stating that our work was not performed in accordance with generally accepted government auditing standards.

Pursuant to our role under the Improper Payments Elimination and Recovery Act (IPERA) of 2010, the Office of Inspector General (OIG) reviewed the U.S. Chemical Safety and Hazard Investigation Board's (CSB's) compliance in fiscal year 2019 with improper payments legislation and guidance. We found that the CSB was fully compliant with improper payments legislation and guidance during fiscal year 2019.

In November 2019, we initiated our assessment and found that the Office of Management and Budget (OMB) had not identified any high-priority programs within the CSB, nor had the CSB identified any programs that were susceptible to significant improper payments. The CSB made \$9.7 million in payments during the fiscal year that were subject to improper payments requirements and reported 36 improper payments totaling \$205,638.¹ As a result, we needed to assess only two of the six criteria for compliance with improper payments legislation.

We sought to determine whether the CSB had completed the following two requirements:

1. Published an Agency Financial Report or a Performance and Accountability Report (PAR) for fiscal year 2019 and posted the report on its website by 6 p.m. Eastern Standard Time on November 19, 2019, in a location that was clearly identified on its web homepage, per OMB Circular A-136.
2. Conducted an improper payment risk assessment within the last 3 years, per OMB Circular A-123, Appendix C.

¹ This total is higher than in prior years because of one payroll processing error of \$204,922 made by the Interior Business Center during the fiscal year 2019 government shutdown. Absent that anomaly, the CSB reported 35 improper payments related to sales tax and travel expenses totaling \$716.

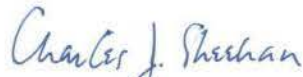
To determine compliance with the first requirement, we reviewed the CSB's fiscal year 2019 PAR and the CSB's website and homepage. On November 20, 2019, we determined that the CSB published its fiscal year 2019 PAR on the website and posted the report on its homepage at the *Performance and Accountability Reports* link.

To determine the CSB's compliance with the second requirement, we reviewed the CSB's risk assessment, *CSB Review of Programs & Activities Susceptible to Significant Improper Payments*, received on November 7, 2019. While the CSB was required to conduct only one risk assessment within the last 3 years, the CSB proactively conducts such an assessment annually. The CSB determined that it did not meet the \$10 million threshold for significant improper payments reporting. The CSB additionally noted that recent audits and reviews of CSB activities had not identified significant improper payment concerns.

This report does not constitute an audit done in accordance with generally accepted government auditing standards.

If you have questions regarding this or any other matter, please contact Michael Davis, Director, Efficiency Directorate, Office of Audit and Evaluation, at davis.michaeld@epa.gov or (513) 487-2363.

Sincerely,



Charles J. Sheehan
Acting Inspector General