



At a Glance

U.S. Chemical Safety and Hazard Investigation Board Fiscal Years 2023 and 2022 Financial Statement Audit

Why This Audit Was Done

To accomplish this objective:

The audit was performed in accordance with 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 years 2023 and 2022 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:

- *Creating and maintaining 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 a qualified opinion on the CSB's fiscal years 2023 and 2022 financial statements, meaning that except for material errors in unrecorded lease obligations, the statements were fairly presented. However, the CSB's budgetary accounting for recording lease obligations in prior years was not in accordance with U.S. generally accepted accounting principles; therefore, Allmond & Company's current opinion on the CSB's FY 2022 financial statement differs from its previous opinion. Specifically, in an audit report that was issued on November 15, 2022, Allmond & Company expressed the opinion that the CSB's FY 2022 financial statements were fairly presented.

Allmond & Company advised the CSB that all prior-period financial statements audited from FY 2016 through 2022 contain material errors and should no longer be relied upon.

In planning and performing the current audit, Allmond & Company considered the CSB's internal control over financial reporting. Allmond & Company identified one deficiency in internal control over financial reporting that would be considered a material weakness.

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, with which noncompliance could have a direct and material effect on the financial statements. During the current audit, Allmond & Company identified one instance of potential noncompliance with the Antideficiency Act in FY 2023.

Allmond & Company found the CSB's financial statements, except for unrecorded lease obligations, to be fairly presented.

Recommendations and Planned Agency Corrective Actions

Allmond & Company recommends that the CSB complete the investigation into the potential Antideficiency Act violation involving the office lease agreement and report, as necessary, to the president, Congress, and the comptroller general. Allmond & Company also recommends that the CSB:

- Record the remaining obligation for the Washington, D.C. lease; properly state the FY 2023 Statement of Budgetary Resources and related note disclosure; and restate the FY 2022 Statement of Budgetary Resources and related note disclosure.
- Develop and implement adequate internal controls to ensure lease obligations are recorded in compliance with Office of Management and Budget Circular A-11, Appendix B.
- Update accounting policies on the lease obligations to be consistent with the guidance in Office of Management and Budget Circular A-11, Appendix B.

The CSB does not concur with Allmond & Company's findings. As of February 26, 2024, the CSB was awaiting a ruling from the Office of Management and Budget as to whether the Antideficiency Act was violated.