



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

THE INSPECTOR GENERAL

March 15, 2022

The Honorable Shalanda Young
Acting Director
Office of Management and Budget
Executive Office of the President
Washington, D.C. 20503

Dear Ms. Young:

Pursuant to our role under the Payment Integrity Information Act of 2019, the Office of Inspector General for the U.S. Environmental Protection Agency—which also serves as the OIG for the U.S. Chemical Safety and Hazard Investigation Board—evaluated the CSB’s fiscal year 2021 compliance with improper payment legislation and guidance. We conducted this evaluation in accordance with the *Quality Standards for Inspection and Evaluation*, published in December 2020 by the Council of the Inspectors General on Integrity and Efficiency. These standards require that we perform the evaluation to obtain sufficient, competent, and relevant evidence to provide a reasonable basis for our findings and conclusions based on our objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions. We found that the CSB was fully compliant with improper payments legislation and guidance during FY 2021.

In November 2021, we initiated our evaluation and found that the Office of Management and Budget had not identified any high-priority programs within the CSB. In addition, the CSB had not noted any programs that were susceptible to significant improper payments. The CSB made approximately \$7.2 million in payments during the fiscal year that were subject to improper payment requirements and reported improper payments totaling approximately \$345.

In accordance with the Payment Integrity Information Act, we were required to evaluate only two of the ten criteria for compliance with improper payment legislation. We sought to determine whether the CSB had completed the following two requirements:

1. Published improper payment information with the annual financial statement of the Agency for the most recent fiscal year and posted the annual financial statement and accompanying materials required under the guidance of the Office of Management and Budget on the Agency’s website.
2. Conducted improper payment risk assessments for each program with an annual outlay greater than \$10 million at least once in the last three years.

To determine compliance with the first requirement, we reviewed the CSB’s FY 2021 *Performance and Accountability Report*, which included improper payment information in its annual financial statement. We also reviewed the CSB’s website and home page. The CSB submitted and published its FY 2021 *Performance and Accountability Report* on its website and posted the location of the report on its home

page on November 16, 2021. This was one day later than the mandatory deadline of November 15, 2021; however, the CSB notified the Office of Management and Budget in advance that its submission and website posting would be delayed by one day.

To determine compliance with the second requirement, we reviewed the CSB's risk assessment titled *Audit of CSB's Compliance with Improper Payments Legislation—CSB Review of Programs & Activities Susceptible to Significant Improper Payments—FY 2021*. We received this risk assessment from the CSB on November 29, 2021. While the CSB was not required to conduct any risk assessments within the last three years because the CSB determined that it did not meet the \$10-million threshold for significant improper payment reporting for any of its programs, the CSB nonetheless proactively conducted annual assessments. The CSB also noted that recent audits and reviews of CSB activities had not identified significant improper payment concerns.

The CSB reviewed our draft analysis and had no comments.

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

Sincerely,

A handwritten signature in blue ink that reads "Sean W O'Donnell". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Sean W. O'Donnell