

# Audit of the U.S. Chemical Safety and Hazard Investigation Board Payment Integrity Information Act Reporting for Fiscal Year 2024

May 27, 2025 | Report No. 25-P-0032



## Report Contributors

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## Abbreviations

CSB	U.S. Chemical Safety and Hazard Investigation Board
EPA	U.S. Environmental Protection Agency
OIG	Office of Inspector General
OMB	Office of Management and Budget
PIIA	Payment Integrity Information Act of 2019

## Cover Image

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

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U.S. ENVIRONMENTAL PROTECTION AGENCY

May 27, 2025

Mr. Steve Owens, Chairperson  
U.S. Chemical Safety and Hazard Investigation Board  
1750 Pennsylvania Avenue NW, Suite 910  
Washington, D.C. 20006

Dear Mr. Owens:

This is our report on the audit conducted by the U.S. Environmental Protection Agency Office of Inspector General of the U.S. Chemical Safety and Hazard Investigation Board's compliance with the Payment Integrity Information Act and requirements as set forth in Office of Management and Budget Circular A-123, Appendix C, *Requirements for Payment Integrity Improvement*, in fiscal year 2024. The project number for this audit was OA-FY25-0030.

You, the CSB chairperson, are responsible for the issues discussed in this report.

You are not required to respond to this report because it contains no recommendations. If you submit a response, however, it will be posted on the OIG's website, along with our letter commenting on your response. Your 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 you do not want to be released to the public; if your response contains such data, you should identify the data for redaction or removal along with corresponding justification.

We will post this report to our website at [www.epaoig.gov](http://www.epaoig.gov).

Sincerely,

Nicole N. Murley  
Acting Inspector General

## Purpose

The U.S. Environmental Protection Agency Office of Inspector General performed this audit to determine whether the U.S. Chemical Safety and Hazard Investigation Board, known as the CSB, complied with the Payment Integrity Information Act of 2019 (Public Law 116-117), known as PIIA, and requirements as set forth in Office of Management and Budget, or OMB, Circular A-123, Appendix C, *Requirements for Payment Integrity Improvement*, in fiscal year 2024.

## Background

PIIA aims to improve efforts to identify and reduce governmentwide improper payments. Agencies, including the CSB, must identify and review all programs and activities they administer that may be susceptible to significant improper payments based on requirements established by PIIA and the OMB. Each agency is to publish payment integrity information with its annual financial statement. Annually, the agency's inspector general is to review payment integrity reporting for compliance and issue a report. Since FY 2004, Congress has designated the EPA inspector general to be the inspector general for the CSB.

## Responsible Office

The CSB is an independent federal agency that investigates industrial chemical accidents. The Clean Air Act Amendments of 1990 established the CSB, which began operations in 1998. The CSB's mission is to "drive chemical safety excellence through independent investigations to protect communities, workers, and the environment." One of the CSB's strategic goals is to "prevent recurrence of significant chemical incidents through independent investigations." It is a nonregulatory, independent agency, and its investigations may review the effectiveness of regulations and regulatory enforcement. The CSB makes recommendations to entities such as facilities, regulatory agencies such as the EPA, industry organizations, and labor groups.

The CSB is composed of five board members who are appointed by the president and confirmed by the U.S. Senate. As of April 2025, there were three sitting board members. The CSB is considered a micro agency with an appropriation of \$14.4 million for FY 2024 and, as of September 2024, the CSB had a staff of 44 professionals.

## Scope and Methodology

We conducted this performance audit from December 2024 to April 2025 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

We assessed the internal controls necessary to satisfy our audit objective.<sup>1</sup> In particular, we assessed the internal control components—as outlined in the U.S. Government Accountability Office's *Standards for Internal Control in*

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<sup>1</sup> An entity designs, implements, and operates internal controls to achieve its objectives related to operations, reporting, and compliance. The U.S. Government Accountability Office sets internal control standards for federal entities in GAO-14-704G, *Standards for Internal Control in the Federal Government*, issued September 10, 2014.

*the Federal Government*—significant to our audit objective. Any internal control deficiencies we found are discussed in this report.

In our audit, we applied the requirements and guidance in PIIA; the *Guidance for Payment Integrity Information Act Compliance Reviews* provided by the Council of the Inspectors General on Integrity and Efficiency; and the OMB's Circular A-123 Appendix C, Circular A-136, Annual Data Call Instructions, and Payment Integrity Question and Answer Platform.

To answer our objective, we conducted the steps listed below to address PIIA requirements:

- Reviewed the payment integrity section of the CSB's FY 2024 financial statement and accompanying materials to assess the CSB's compliance with PIIA and related OMB guidance.
- Reviewed information the CSB submitted in response to the annual OMB payment integrity data call. The information collected through the data call is considered accompanying materials to the financial statement.
- Reviewed applicable federal laws, OMB guidance, and CSB policy and procedures.
- Obtained and reviewed source data from the CSB used to support applicable payment integrity information in the financial statement and accompanying materials.
- Analyzed the source data to ensure the accuracy and completeness of payment integrity information in the financial statement and accompanying materials.
- Assessed whether the CSB met PIIA compliance requirements.
- Interviewed CSB staff involved with preparing the financial statement audit to document their understanding of the procedures, oversight, and internal controls in place for preparing the payment integrity information in the financial statement and accompanying materials.

In determining compliance, we evaluated:

- The accuracy, completeness, and timeliness of the improper payment risk assessment and whether the appropriate conclusion was reached in determining if the program exceeded the statutory thresholds.
- The adequacy of the CSB's sampling and estimation methodology plans, accuracy of improper and unknown payment estimates, and whether the sampling and estimation plans used were appropriate given program characteristics. For example, we evaluated whether the program's improper payment rate estimates were accurate.
- The corrective action plans to determine whether they were adequate and focused on the true causes of improper and unknown payments.
- The published reduction targets and whether they were appropriately aggressive and realistic given program characteristics.

- Whether the CSB demonstrated improvement in payment integrity or reached tolerable improper and unknown payment rates.
- The CSB's plan to meet improper and unknown payment reduction targets, focusing on the actions the program will take during the following year to meet its established reduction targets.
- The published improper and unknown payment estimates, which should be less than 10 percent to comply with PIIA. If an estimate was greater than or equal to 10 percent, we would take into consideration whether the program had demonstrated that it had achieved a tolerable rate when evaluating this criterion and when providing recommendations to achieve compliance.

In obtaining an understanding of the controls in place for compiling, validating, and reporting the payment integrity information in the financial statement and accompanying materials, we:

- Reviewed the oversight and financial controls used by the program to identify and prevent improper and unknown payments.
- Obtained information from the CSB about its OMB Circular A-123 internal control testing related to improper payments.
- Obtained a sufficient understanding of the information system controls necessary to assess the CSB's risk.

## Results

In FY 2024, the CSB complied with PIIA and OMB improper payment requirements. The outlays for the CSB totaled \$11.34 million. The CSB reported gross improper payments totaling \$2,659. These improper payments were associated with payroll and travel expenses. The CSB reported no unknown payments, resulting in a total improper and unknown payment of \$2,659, or 0.02 percent of total outlays. This total was significantly less than the statutory threshold of 1.5 percent of program outlays established in PIIA for improper and unknown payments.

We determined that the CSB complied with the applicable PIIA reporting requirements for FY 2024:

1. Publish payment integrity information with the Agency's annual financial statement and accompanying materials for the most recent fiscal year.
2. Post the annual financial statement and accompanying materials on the Agency website.

The CSB fulfilled these requirements when the CSB chairperson, on November 26, 2024, signed the CSB's performance and accountability report for FY 2024. This report included the financial statement and the required accompanying materials. The CSB made this document available on its [website](#).

We identified no internal control deficiencies significant to our audit objective.

## Conclusions

We found that the CSB complied with improper payment requirements pursuant to PIIA and OMB guidance for FY 2024. We made no recommendations in this report.

We provided a preliminary version of this report to the CSB and discussed the findings with the CSB on March 12, 2025. The CSB did not comment on the draft report we provided on April 1, 2025.

cc: Sylvia Johnson, Board Member, CSB

Catherine Sandoval, Board Member, CSB

Steven Messer, Acting General Counsel, CSB

Sabrina Morris, Director of Administration, CSB

Michele Lawson, Director of Financial Operations, CSB



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