



At a Glance

Why We Did This Review

The Office of Management and Budget's (OMB's) guidance for implementation of the 2010 Improper Payments Elimination and Recovery Act (IPERA) specified responsibilities of agencies and inspectors general. Agencies are required to report on improper payments, and inspectors general are required to determine whether the agency complies with IPERA. As the inspector general for the U.S. Chemical Safety and Hazard Investigation Board (CSB), the U.S. Environmental Protection Agency Office of Inspector General undertook this review of CSB's compliance with IPERA.

This report addresses the following CSB Goal:

- *Preserve the public trust by maintaining and improving organizational excellence.*

For further information, contact our Office of Congressional and Public Affairs at (202) 566-2391.

The full report is at:
www.epa.gov/oig/reports/2013/20130312-13-P-0177.pdf

U.S. Chemical Safety and Hazard Investigation Board Complied With Reporting Requirements of the Improper Payments Elimination and Recovery Act

What We Found

CSB is fully compliant with the reporting requirements of IPERA, which require all agencies to periodically review all programs and activities that may be susceptible to significant improper payments. As required, CSB has published its fiscal year 2012 Performance and Accountability Report on its website, and we have determined that CSB programs do not meet the minimum risk assessment threshold that would require the CSB to perform a risk assessment. OMB Memorandum M-11-16, Part I B, requires agencies to make a determination on cost effectiveness of performing recovery audits on those activities that expend \$1 million or more annually. In February 2012, CSB performed an analysis, as stipulated in the OMB memorandum, and found that it would not be cost effective to perform recovery audits.

In evaluating the accuracy and completeness of CSB's reporting and performance in preventing, reducing, and recapturing improper payments, we determined that CSB should improve its review of the Bureau of the Public Debt's (BPD's) testing results of CSB's improper payments. BPD provides reimbursable administrative and information technology services to government agencies through its Administrative Resource Center. In addition, BPD helps government agencies reduce the number of improper payments issued. CSB considers improper payments a low-risk item and relies on BPD to ensure payments are correct. BPD has a performance metric of less than 1 percent for improper payments for all of its customer agencies, which is stated in its interagency agreement with CSB. Although the amount may be minimal, CSB should have knowledge of BPD's analysis for improper payments and whether these improper payments are correctly handled by BPD.

Recommendation and Planned Corrective Action

We recommended that the CSB Chairperson receive and review the results of BPD's testing for CSB improper payments on, at a minimum, a semiannual basis. CSB concurred with our recommendation and stated that BPD will be providing its testing results to CSB every 6 months, although the actual start date for when this will commence has not been provided. Until CSB establishes a date to begin review of BPD's testing for CSB improper payments, the recommendation remains unresolved. We evaluated CSB's intended planned action for this recommendation and concluded that the planned action should correct the concern identified.