



At a Glance

Why We Did This Review

We performed this audit in accordance with the Accountability of Tax Dollars Act of 2002, which requires the U.S. Chemical Safety and Hazard Investigation Board (CSB) to prepare, and the Office of Inspector General (OIG) to audit, the board's financial statements each year.

The U.S. Environmental Protection Agency's OIG, which also serves as the Inspector General for CSB, contracted with Allmond & Company, LLC, to perform the audit of the CSB's fiscal year 2016 financial statements. CSB's fiscal year 2015 statements had previously been audited by Walker and Company, LLP.

This report addresses the following CSB goal:

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

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Listing of [OIG reports](#).

Audit of the U.S. Chemical Safety and Hazard Investigation Board's Fiscal Years 2016 and 2015 Financial Statements

What Allmond & Company Found

Allmond & Company rendered an unmodified opinion on the CSB's financial statements for fiscal year 2016, meaning that the statements were fairly presented and free of material misstatements. Walker and Company had previously rendered an unmodified opinion on the CSB's financial statements for fiscal year 2015.

The CSB received an unmodified opinion on its fiscal year 2016 financial statements.

In planning and performing its audit, Allmond & Company considered the CSB's internal control over financial reporting. Allmond & Company noted no matters involving the internal control and the CSB operation that it considered to be a material weakness. However, Allmond & Company identified certain deficiencies in internal control that it considered to be a significant deficiency, which is a control deficiency or combination of control deficiencies that adversely affect CSB's ability to reliably initiate, authorize, record, process or report financial data. Allmond & Company found that CSB's internal controls over financial reporting were not sufficiently designed to detect and correct material errors in its financial statements. Specifically, Allmond & Company noted that CSB did not disclose in a note a \$1 million material difference in Net Outlays, did not prepare explanations for other material differences, did not properly record calculated imputed costs, and did not record an accrual for all liabilities owed by the agency. Allmond & Company reported that CSB subsequently corrected all errors noted.

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 laws and regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. Allmond & Company's fiscal year 2016 audit disclosed no instances of noncompliance or other matters that are required to be reported.

Allmond & Company is responsible for the enclosed auditor's report and the conclusions expressed in the report. We do not express any opinion or conclusions on the CSB's financial statements, internal control, or compliance with laws and regulations.

Allmond & Company Recommendations and CSB Comments

Allmond & Company made various recommendations for CSB to implement and enhance policies and procedures. CSB concurred with the recommendations.