



# At a Glance

## Why We Did This Review

The Office of Inspector General (OIG) of the U.S. Environmental Protection Agency received a hotline complaint about a U.S. Chemical Safety and Hazard Investigation Board (CSB) contract awarded for about \$1 million. In response to the complaint, the OIG initiated an audit to determine whether CSB effectively manages its contracts. The Inspector General for the U.S. Environmental Protection Agency is also the Inspector General for CSB.

### This report addresses the following CSB goal:

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

Send all inquiries to our public affairs office at (202) 566-2391 or visit [www.epa.gov/oig](http://www.epa.gov/oig).

The full report is at:  
[www.epa.gov/oig/reports/2015/20150731-15-P-0245.pdf](http://www.epa.gov/oig/reports/2015/20150731-15-P-0245.pdf)

## ***CSB Needs to Improve Its Acquisition Approvals and Other Processes to Ensure Best Value for Taxpayers***

### What We Found

CSB did not have in its contract files the proper approvals to allocate funds for 13 contracts and interagency agreements totaling over \$1.9 million.

**CSB's acquisition process is at risk and may have ineffective operations without a strategy to implement controls. Further, CSB has limited evidence it contracted at the best value.**

In October 2014, CSB issued instructions for managing acquisitions that were inconsistent with then-existing board orders that governed acquisitions. In January 2015, the Board rescinded those board orders. CSB does not have a method that controls or explains the updating of policies and procedures or the distinction between board orders and management directives.

CSB has not followed its internal controls and has not implemented the OIG's February 2011 audit recommendation to develop and implement a management control plan. By not adhering to its internal controls, CSB places its acquisitions process at risk. In addition, without a method to implement controls, CSB is at risk for ineffective and inefficient operations.

Further, CSB did not perform market research actions for two contracts totaling over \$380,000, and did not monitor or establish plans to monitor the quality of contract work performed through the use of quality assurance surveillance plans. Lastly, CSB did not know the extent to which contractor past performance information was used.

### Recommendations and Planned Agency Corrective Actions

We recommend that the CSB Board communicate to staff the requirement to follow acquisition policies and procedures. Further, we recommend that the Board update CSB's management control plan to set forth a method for updating policies and procedures and explain the distinction between board orders and management instructions. In addition, we recommend that the Board establish internal controls to document market research actions, monitoring quality for contracts when awarded, and internal controls to ensure contractor performance evaluations are properly documented.

CSB stated it plans to fully address our recommendations and provided corrective actions with milestone dates.