



U.S. ENVIRONMENTAL PROTECTION AGENCY

OFFICE OF INSPECTOR GENERAL

# FY 2017

## U.S. Chemical Safety and Hazard Investigation Board Management Challenge



## Abbreviations

CSB	U.S. Chemical Safety and Hazard Investigation Board
OIG	Office of Inspector General
OPM	Office of Personnel Management

**Cover photos:** Photos are from the CSB's 2017–2021 Strategic Plan.

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# At a Glance

## ***What Are Management Challenges?***

According to the Government Performance and Results Act Modernization Act of 2010, major management challenges are programs or management functions, within or across agencies, that have greater vulnerability to waste, fraud, abuse and mismanagement, where a failure to perform well could seriously affect the ability of an agency or the federal government to achieve its mission or goals.

As required by the Reports Consolidation Act of 2000, the Office of Inspector General is providing the issue we consider as the U.S. Chemical Safety and Hazard Investigation Board's (CSB's) major management challenge for fiscal year 2017.

### **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).

Listing of [OIG reports](#).

## ***Fiscal Year 2017 U.S. Chemical Safety and Hazard Investigation Board Management Challenge***

Based on our continuous audit work, CSB public hearings, congressional hearings and CSB board meetings, we identified one management challenge—related to human resources management—that represents a new management challenge for CSB.

**Continued CSB management attention on human resources should help CSB maximize its limited funding.**

### ***CSB Should Continue to Address Human Resources Management***

CSB's leaders should continue to address the human resources management recommendations from a 2015 Office of Personnel Management evaluation report and complete implementation of corrective actions. Also, CSB leaders should address the findings in the board's March 2017 organizational assessment.

### ***Prior Management Challenges and Internal Control Weakness Removed***

Due to corrective actions taken by CSB and additional justification CSB provided, we removed the following three management challenges cited in our fiscal year 2016 report:

- CSB should continue to address employee morale.
- CSB should increase its investigations and improve investigative management controls.
- CSB should establish a chemical reporting regulation.

We also removed an internal control weakness previously cited—dealing with the need for CSB to address issues regarding purchase cards and program operations—due to corrective actions taken.



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

THE INSPECTOR GENERAL

July 27, 2017

The Honorable Vanessa Allen Sutherland  
Chairperson and Board Member  
U.S. Chemical Safety and Hazard Investigation Board  
1750 Pennsylvania Avenue NW, Suite 910  
Washington, D.C. 20006

Dear Ms. Sutherland:

Enclosed is the Office of Inspector General's (OIG's) fiscal year 2017 management challenge for consideration as part of the U.S. Chemical Safety and Hazard Investigation Board's (CSB's) Federal Managers' Financial Integrity Act review. The Reports Consolidation Act of 2000 requires our office to report what we consider the most serious management and performance challenges facing CSB. We used audit, evaluation and investigative work; public hearings; CSB board meetings; and additional analysis of CSB operations to arrive at the issues presented.

We added the challenge that "CSB Should Continue to Address Human Resources Management" to this report. We removed the three management challenges and one internal control weakness cited in the fiscal year 2016 management challenges and internal control weakness report due to CSB's responsiveness in addressing and implementing recommendations associated with deficiencies.

You are not required to provide a written response to this final report. Should you choose to provide a final response, we will post your response on the OIG's public website. Your response should be provided as an Adobe PDF file that complies with the accessibility 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.epa.gov/oig](http://www.epa.gov/oig).

Sincerely,

A handwritten signature in black ink that reads "Arthur A. Elkins Jr." The signature is written in a cursive style.

Arthur A. Elkins Jr.

Enclosure

cc: Mr. Manuel H. Ehrlich Jr., Board Member, CSB  
Mr. Rick Engler, Board Member, CSB  
Dr. Kristen M. Kulinowski, Ph.D., Board Member, CSB  
Ms. Anna Brown, Director of Administration and Audit Liaison, CSB  
Ms. Kara Wenzel, Acting General Counsel, CSB

## **CHALLENGE: CSB Should Continue to Address Human Resources Management**

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### **CHALLENGE FOR CSB**

Budget and resource constraints hamper the U.S. Chemical Safety and Hazard Investigation Board's (CSB's) efforts to attract, hire, retain and train qualified staff. The CSB budget has not increased in about 15 years. Although the CSB has submitted justification requests over the years to increase its budget, Congress has not provided additional appropriations. Such budget constraints have a significant impact on the agency's human resources (also called human capital) management and hinder its ability to adequately respond to chemical incidents.

In March 2017, the President released his Budget Blueprint and proposed to eliminate funding for the CSB. The CSB's fiscal year 2018 Budget Justification states:

If the CSB's many safety lessons prevent at least one catastrophic incident, the money saved by avoiding damage to a facility and the surrounding community, the avoidance of legal settlements, and the saving of human lives far outweigh the agency's \$11 million annual budget. Safety and prosperity are compatible. Strong safety programs are critical for the economic success of the many industries that use hazardous chemicals. Through its independent investigations, the CSB plays a unique role in fostering collaboration with industry, regulators, standards setting bodies and other professional organizations, thus emphasizing the CSB's vital role in driving critical chemical safety change in the United States.

### **BACKGROUND**

The CSB Chair identified stagnant budgets and resources as a major challenge to:

- Attracting and keeping the right mix of technical staff.
- Procuring necessary equipment for investigations and maintaining key databases.
- Providing required and needed training to all staff, particularly technical staff such as engineers.

The Chair noted that physical science personnel are in demand and difficult to attract because such candidates can make much more money in the private sector. Many new scientists coming out of college are deciding to work in private industry. CSB' Board Order 008 established that the agency may pay a retention incentive to a current employee if the agency determines that the person has unique qualifications, or that the needs of the agency make it essential to retain the employee and the employee would likely leave the agency in the absence of an incentive. However, given budget constraints, the ability to provide such incentives is limited.

CSB continues to work on implementing a set of recommendations from the Office of Personnel Management (OPM) from 2015, issued before the current CSB Chair was confirmed. OPM conducted a review of the CSB's human resources systems to determine how effectively the resources are being managed. In March 2015, OPM issued 18 recommendations to the former

CSB Chair and former Human Resources Director. Included among OPM's 18 recommendations were that CSB create a workforce plan to identify and document competencies for mission-critical occupations, as well as strategies to close the gaps; establish a hiring plan to ensure investigative teams are established with the competencies and specializations needed to perform the work; and conduct an organizational-based competency assessment to identify gaps that must be addressed through training efforts.

## **CSB'S PROGRESS**

The current CSB leadership developed an action plan to address OPM's recommendations, and is still working toward completing those actions. According to the CSB Chair, the CSB had a legacy of not focusing on the human resources function to ensure the agency had the best and most talented workforce. The CSB recently hired a human resources specialist with experience in the federal government, and that person is currently developing succession plans for the agency and working to address a number of other challenges the agency faces.

In early 2016, the Chair requested that a contractor conduct an independent organizational assessment of the CSB to gather information for the OPM evaluation and gain insight into employee perceptions behind recent Federal Employee Viewpoint Survey findings. The organizational assessment was completed March 31, 2017, and contained 10 findings and a set of accomplishments. The findings were consistent with the OPM findings and recommendations, and offered additional detailed information. The CSB accomplishments noted were as follows:

As of March 31, 2017, the CSB has finalized its 2016-2020 Strategic Plan (including developing a new mission, vision, and objectives), developed its agency Action Plan, developed an agency-wide Succession Plan, started work on developing a Human Capital Implementation Plan, is developing an agency-wide Training and Development (Career Development) Plan, has revised its Performance Management System and all performance plans, is establishing an annual needs assessment methodology, has updated well over half of the agency's Board Orders, and is developing a week-long supervisory development course for supervisors or managers on a variety of topics, including merit system principles/prohibited personnel practices, hiring options, motivation, performance management, discipline, and strategies for supervising/managing a virtual workforce.

## **WHAT REMAINS TO BE DONE**

CSB leadership should continue to address and implement the 2015 OPM recommendations and the issues identified in the recent organizational assessment report for human resources management improvements. Effectively completing and implementing these improvements should increase human resources efficiency and help maximize the use of limited CSB funding.