



**U.S. Chemical Safety and  
Hazard Investigation Board**

**Performance and  
Accountability Report  
Fiscal Year 2012**

## TABLE OF CONTENTS

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<b>Message from the Chairperson</b> .....	<b>1</b>
<b>Management’s Discussion and Analysis</b> .....	<b>4</b>
Overview.....	4
Mission and Organizational Structure .....	4
Performance Goals, Objectives, and Results .....	5
Analysis of Financial Statements.....	11
Systems, Controls, and Legal Compliance .....	12
Management Assurances .....	12
<b>Performance Report</b> .....	<b>14</b>
<b>Goal #1:</b> Conduct incident investigations and safety studies concerning releases of hazardous chemical substances .....	15
<b>Goal #2:</b> Improve safety and environmental protection by ensuring that CSB recommendations are implemented and by broadly disseminating CSB findings through advocacy and outreach.....	20
<b>Goal #3:</b> Preserve the public trust by maintaining and improving organizational excellence.....	23
<b>Financial Report</b> .....	<b>26</b>
A Message from the Chief Financial Officer.....	26
Independent Auditor Reports .....	27
Financial Statements .....	33
Financial Statement Footnotes.....	38
<b>Abbreviations and Acronyms</b> .....	<b>48</b>

*Additional copies of this document may be downloaded from the CSB’s website [www.csb.gov](http://www.csb.gov)*

## MESSAGE FROM THE CHAIRPERSON

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The mission of the Chemical Safety and Hazard Investigation Board (CSB) is to independently investigate significant chemical incidents and hazards and effectively advocate for the implementation of the resulting recommendations to protect workers, the public, and the environment. Our independent investigative reports and videos bolster efforts by government, industry, labor, and local communities to prevent chemical process accidents.

During fiscal year (FY) 2012, the CSB completed six safety products, including two case studies and four safety videos. CSB investigations included a total of 17 recommendations to improve chemical safety and reduce hazards. Following the investigation of the explosion and flash fire at the Hoeganaes plant in Tennessee, a CSB case study reiterated an earlier recommendation to the Occupational Safety and Health Administration (OSHA) to develop and publish a proposed combustible dust standard within one year and ensure that the new standard include coverage for combustible iron and steel powders. This builds on a recommendation from the CSB's 2006 combustible dust study to OSHA to issue a combustible dust standard for general industry. In response to the 2006 recommendation, OSHA has implemented a National Emphasis Program to target industries with combustible dust hazards for enhanced inspections and enforcement. OSHA also issued an advance notice of proposed rulemaking for a general industry combustible dust standard in 2009, but the final rule has not been issued and the rulemaking was last listed as a "long-term" goal in OSHA's regulatory agenda, without a specific timetable.

The CSB continued its investigation of the root causes of the blowout of the Macondo oil well that occurred on April 20, 2010, killing 11 workers on the Deepwater Horizon oil rig and leading to massive pollution of the Gulf of Mexico. As part of the ongoing investigation, the CSB held a two-day public hearing in Houston, Texas, in July 2012 to release new findings on the causes of the incident and on the use of process safety indicators in the oil and petrochemical industries. CSB staff presented the Board's evaluation of the American Petroleum Institute's (API) Recommended Practice (RP) for Process Safety Performance Indicators for the Refining and Petrochemical Industries (ANSI/API RP 754). API RP 754 was created in response to a CSB recommendation from the investigation of the 2005 BP Texas City refinery fire and explosion.

Testimony delivered by international offshore drilling regulators, industry representatives, and labor and environmental organizations identified gaps in existing legislation and industry guidance documents on the effective use of process safety indicators for major accident prevention. Testimony also revealed that safety performance indicators for major accident prevention are not being consistently used to drive safety improvements within industry. A webcast of the CSB's public hearing and a series of papers and presentations prepared by panelists have been released on the

agency's website as resources for future discussions on the importance of developing effective process safety indicators.

In FY 2012 the CSB closed 52 safety recommendations from prior years, bringing the cumulative total of successfully implemented recommendations to more than 70% of those issued. This demonstrates that CSB recommendations continue to be successfully implemented to make real impacts in the American workplaces and communities. For example, as a result of CSB recommendations, national codes, state law, and major industry guidance were changed to achieve the use of inherently safer methods for purging and other high-hazard operations involving natural gas. OSHA amended the hazard communication standard to include the potential explosion hazards of combustible dusts in material safety data sheets, and the state of Massachusetts initiated a novel program to improve the oversight of hazardous chemicals. There have also been important improvements in the training required of propane technicians at the national level. CSB recommendations have advanced the development and application of process safety indicators in the refinery and petrochemical industries, and numerous recommendations have improved safety in several refinery and chemical facilities operated by major US companies

In June 2012, the Board approved the *Most Wanted Chemical Safety Improvements Program*, which identifies the agency's most important chemical safety improvement goals. The implementation of this plan will enhance the CSB's advocacy of outstanding recommendations. This program was patterned on a similar and successful program at the National Transportation Safety Board (NTSB). It will focus the CSB's advocacy and outreach efforts to achieve important safety improvements. As issues are identified through new investigations and studies, they can be added to the CSB's Most Wanted List. Through the use of this outreach tool, the CSB will be able to bring attention to, and help reduce, some of the most serious chemical accident hazards facing the nation.

CSB Safety Videos continue to be a way to convey the findings, lessons, and recommendations from CSB investigations and studies in a manner that is popular and effective. One of the videos CSB released related entitled *Inherently Safer: The Future of Risk Reduction*, examines the concept of inherent safety and its application across industry. The video combines findings from a National Academies of Science report (commissioned by the CSB) and the CSB's own investigation of a 2009 explosion at Bayer CropScience to present the four main components of inherently safer design that can be used by other companies to increase the safety of their operations.

In FY 2012, the CSB also presented a webinar about a serious accident at Texas Tech University in Lubbock, Texas, that severely injured a graduate student. More than 400 participants from university science departments, university health and safety departments, and nationally-funded laboratories viewed the webinar, which examined insufficient safety management accountability and oversight in university laboratories and a failure to document, track, and communicate the lessons from previous incidents. The CSB identified the need for good practice guidance on hazard assessments and mitigation in academic research laboratories and explained the limitations of using OSHA's Laboratory Standard as guidance on physical hazards in laboratories.

Information presented in the CSB webinar has been used to support an increasing number of initiatives in laboratory settings to encourage the development of a strong safety culture.

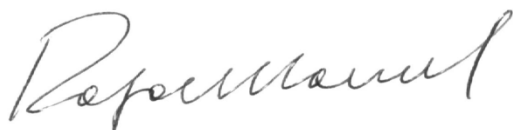
This Performance and Accountability Report was prepared under the guidance from the Office of Management and Budget (OMB), and contains a selection of performance information; the CSB's financial statements, as required by the Accountability of Tax Dollars Act of 2002; and a report on material weaknesses, as required by the Federal Managers' Financial Integrity Act (FMFIA).

The information provided serves as a mechanism for fiscal and programmatic accountability and serves as an accounting to the American people on our stewardship of the funds that have been entrusted to us for fulfillment of our mission in FY 2012. The results also summarize our success in achieving the performance goals the CSB established for FY 2012. The CSB continues to aggressively improve performance planning practices to ensure our goals are results driven and oriented toward achieving specific desired outcomes.

Brown & Company CPAs, PLLC, an Independent Public Accounting firm, has audited the CSB's FY 2012 consolidated financial statements included in this report and has issued an unqualified (clean) opinion indicating that our statements present fairly the CSB's financial position. This achievement demonstrates both our continued dedication to sound financial management and the reliability of the financial data upon which the CSB bases our critical decisions.

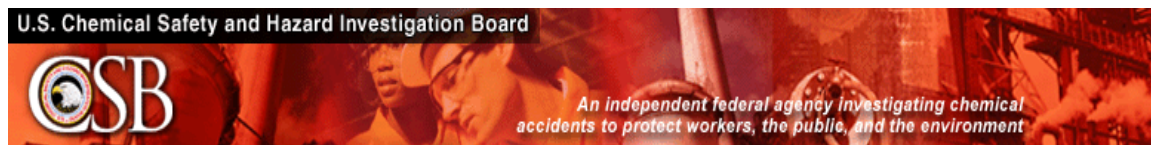
The FMFIA requires the CSB to annually evaluate its management controls and identify any material weaknesses. This requirement covers all of the CSB's programs and administrative functions. As the CSB works to serve the American people, we must administer our programs as efficiently, economically, and responsibly as possible. The CSB relies on our system of management controls to provide reasonable assurance that our financial activities comply with all applicable laws, and safeguard our resources as well as properly account for our operational expenditures.

Based on both internal and external evaluations, and knowledge gained from daily operations, I am able to certify with reasonable assurance that the CSB is in compliance with the provisions of the FMFIA.



Rafael Moure-Eraso  
Chairperson

November 15, 2012



## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### Overview

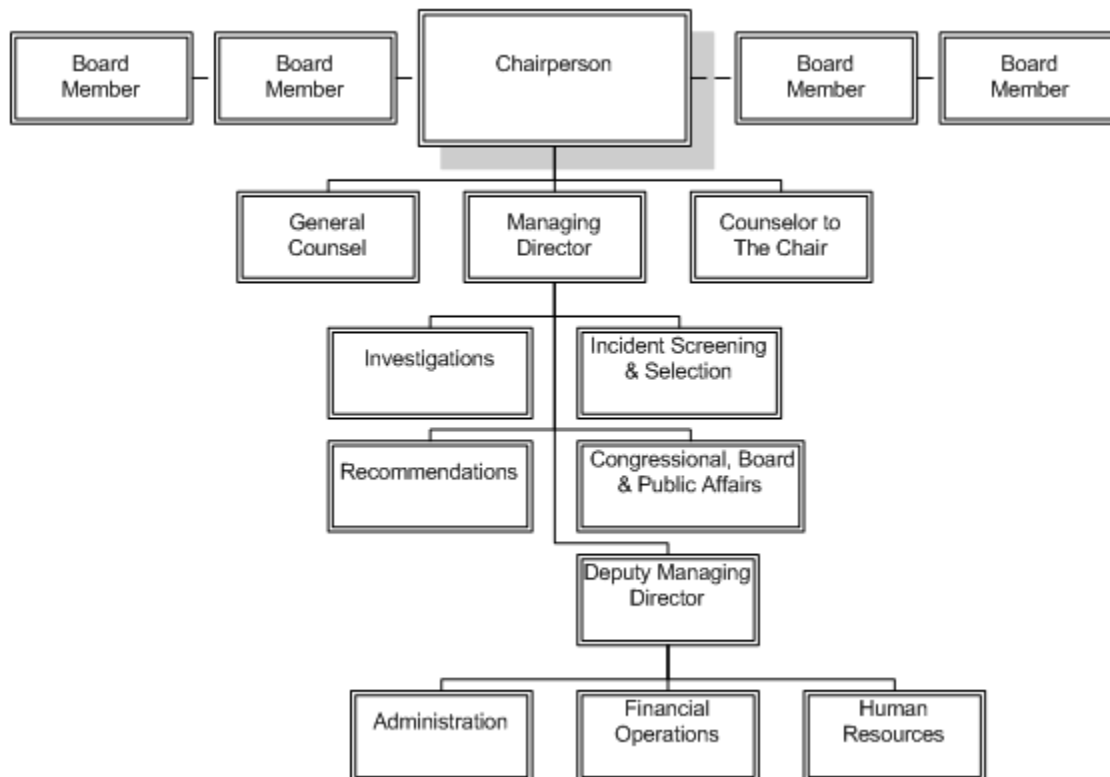
The U.S. Chemical Safety and Hazard Investigation Board (CSB) is an independent federal agency charged with investigating industrial chemical accidents and hazards. CSB investigations look into all aspects of chemical accidents, including the possible absence or inadequacy of regulations, especially those of the Occupational Safety and Health Administration (OSHA) and the Environmental Protection Agency (EPA), proximate causes such as equipment failures, and root causes such as inadequacies in safety management systems and safety culture. The Board makes safety recommendations to regulatory agencies, plants, industry organizations, and labor groups. This discussion and analysis provides a concise overview of the CSB. For detailed information visit our website at [www.csb.gov](http://www.csb.gov).

### Mission and Organizational Structure

The mission of the CSB is to independently investigate significant chemical incidents and hazards and effectively advocate the implementation of the resulting recommendations to protect workers, the public, and the environment. Our vision is to be a recognized leader in protecting people and the environment from hazardous chemicals by issuing quality reports, high-impact recommendations, videos, and other educational tools that promote safety.

The CSB began operations in fiscal year (FY) 1998. The CSB is headquartered in Washington, DC, and has a field office in Denver, Colorado. The CSB is governed by its Board, which consists of one presidentially appointed chairperson (who also serves as a board member) and four presidentially appointed board members. All nominations to the Board are subject to Senate confirmation; each member serves a five-year fixed term. As of September 30, 2012, there were two appointed Board members, including the chairperson, and a professional staff of 39.

The following is the organizational chart, which was in effect September 30, 2012.



## **Performance Goals, Objectives, and Results**

In continuing work towards our mission to independently investigate significant chemical incidents and hazards and effectively advocate the implementation of the resulting recommendations, the CSB developed an action plan for FY 2012. The specific goals of the action plan were to:

- **Goal #1:** Conduct incident investigations and safety studies concerning releases of hazardous chemical substances.
- **Goal #2:** Improve safety and environmental protection by ensuring that CSB recommendations are implemented and by broadly disseminating CSB findings through advocacy and outreach.
- **Goal #3:** Preserve the public trust by maintaining and improving organizational excellence.

***Goal #1 Accomplishments*** (Conduct incident investigations and safety studies concerning releases of hazardous chemical substances.)

Goal 1 drives the core mission of the agency by ensuring that we select and complete incident investigations that have the potential to generate thorough recommendations with high preventive impact. It also focuses the agency on developing and completing

safety studies with an emphasis on emerging safety issues. In FY 2012, the CSB continued to emphasize investigations and safety by issuing case studies on the incident investigations listed below.

- **Hoeganaes:** In January 2012, the CSB released its final report on three accidents that occurred in 2011 at the Hoeganaes powdered metals plant in Gallatin, Tennessee. Flash fires and an explosion killed a total of five workers and injured three others. The CSB investigation found that significant amounts of fine iron powder had accumulated over time at the Hoeganaes facility, but the company did not institute engineering controls and dust-cleaning procedures to reduce the hazard.

The CSB reiterated a safety recommendation to OSHA to develop and publish a proposed combustible dust standard within one year and ensure that the new standard include coverage for combustible iron and steel powders. This builds on a recommendation from the CSB's 2006 combustible dust study to OSHA to create a combustible dust standard for general industry. In response to the 2006 recommendation, a National Emphasis Program was developed in 2007 to target industries with combustible dust hazards for additional inspections and enforcement. However, a specific standard had not yet been proposed or completed.

The CSB also recommended that the International Code Council, which sets fire and building safety standards adopted by state and local governments, revise those standards to require mandatory compliance and enforcement with the detailed requirements of the National Fire Protection Association combustible dust codes.

- **DuPont Buffalo:** In April 2012, the CSB released the final report into an explosion that killed one and injured another contract welder at the DuPont Buffalo facility on November 9, 2010. The explosion was caused by the ignition of flammable vinyl fluoride inside a large process tank when sparks or heat from welding activities (known as "hot work") ignited the vapor.

Weeks later, CSB investigators deployed to another hot work accident at Long Brothers Oil Company in El Dorado, Arkansas, where three workers were fatally injured while cutting into a metal tank used to hold crude oil when a spark ignited vapors inside the vessel.

These two incidents are part of an ongoing safety study on the hazards associated with hot work. In March 2010, the CSB issued a safety bulletin on the dangers of hot work that continually lead to workplace fatalities despite long-known procedures that can prevent these accidents; however, the agency continues to see an alarming number of these incidents in a variety of industries. The CSB's Incident Screening office has collected data and local incident investigation reports from approximately 75 accidents resulting from hot work activities over the period of 2010 to 2012, which will be incorporated into a more comprehensive safety study in 2013.



In FY 2012, the CSB continued work on many investigations that were initiated in prior fiscal years, including the Deepwater Horizon investigation initiated in FY 2010. As part of the ongoing investigation, the CSB held a two-day public hearing in Houston, Texas, in July 2012 to release new findings on the use of process safety indicators in the oil and petrochemical industries. CSB staff presented the Board's evaluation of the American Petroleum Institute's (API) Recommended Practice for Process Safety Performance Indicators for the Refining and Petrochemical Industries (ANSI/API RP 754). API RP 754 was created in response to a CSB recommendation from the investigation of the 2005 BP Texas City refinery fire and explosion.

Testimony delivered by international offshore drilling regulators, industry representatives, and labor and environmental organizations identified gaps in existing legislation and industry guidance documents on the effective use of process safety indicators for major accident prevention. Testimony also revealed that safety performance indicators for major accident prevention are not being used to drive safety improvements within industry.

A webcast of the CSB's public hearing and a series of papers and presentations prepared by panelists were posted on the agency's website as resources for future discussions on the importance of developing effective process safety indicators. The CSB is also completing work on its Deepwater Horizon investigation, including new safety recommendations on appropriate indicators for offshore hazards.

The CSB investigation received key support this fiscal year from the U.S. Department of Justice, which filed a petition on behalf of the agency in Houston federal court, seeking a ruling to uphold the CSB's investigative jurisdiction and compel document production from Transocean, the operator of the oil rig. A ruling from the court is still pending.

In FY 2012 the CSB deployed to the site of a series of three releases of hydrogen fluoride (HF) from the alkylation unit at the CITGO Corpus Christi Refinery. Two releases occurred in March and May of 2012. These events followed an incident on July 19, 2009, in which hydrocarbons and HF were suddenly released from the same unit. The hydrocarbons ignited, leading to a fire that burned for several days. The fire critically injured one employee and another was treated for possible HF exposure. HF is a highly corrosive and toxic chemical that can lead to fatal cardiac arrest when absorbed through the skin and damage to the linings of the lungs when inhaled.

As a result of the 2009 accident, CITGO reported to the Texas Commission on Environmental Quality that approximately twenty-one tons (42,000 pounds) of HF were released from alkylation unit piping and equipment, but the company asserted that the release was captured by the HF water mitigation system. The continued releases over these three years suggest that there may be significant weaknesses in the facility's process safety program.

In FY 2012 CSB investigators also deployed to a massive fire that occurred at the Chevron Richmond Refinery near San Francisco, California, on August 6, 2012. The fire resulted when an eight-inch pipe ruptured in the refinery's crude oil unit, releasing high-

temperature hydrocarbons that formed a huge vapor cloud hundreds of feet high. Witness testimony collected by CSB investigators indicates that at least 20 refinery workers were engulfed in the vapor cloud, which could have resulted in worker fatalities or severe injuries if they had not escaped before the hydrocarbons ignited.

This incident also had a significant impact on the surrounding community as area hospitals experienced more than 15,000 emergency room visits by community members for reported effects of the release and fire. Additionally, several thousand community members were forced to shelter-in-place immediately following the initial release and fire. Although no fatalities resulted from this incident, the overall impact of the incident ranks it as among the most serious U.S. refinery accidents in recent years. The severe damage to the large refinery's sole crude oil unit, and resulting loss of gasoline capacity, has contributed to significant increases in regional and national prices, according to analysts.

***Goal #2 Accomplishments*** (Improve safety and environmental protection by ensuring that CSB recommendations are implemented and by broadly disseminating CSB findings through advocacy and outreach.)

Goal 2 focuses on implementing our recommendations and their associated advocacy and outreach. Safety recommendations are one of the CSB's primary tools for bringing about permanent improvements in chemical safety. Most investigations and studies issue multiple recommendations to different recipients, who are the parties best able to carry out the recommended action to improve safety. Once the CSB issues a recommendation, our Board members and staff advocate implementation, ensure the recommendations are effectively communicated to the recipient(s), together with any needed justification or explanation, and track the recommendations to completion. In FY 2012, the CSB issued a total of 17 recommendations, and closed 52 previously issued recommendations. In almost all cases, the recommended actions were successfully implemented by recipients. The following are examples of FY 2012 safety improvements resulting from CSB recommendations:

- **Hazardous Substance Storage and Labeling Initiatives:** CSB investigations and incident screening initiatives have continually identified hazards at facilities related to the unsafe storage or improper labeling of hazardous materials. In a November 2006 study on combustible dust, the CSB made a recommendation to OSHA to clarify that the Hazard Communication Standard (HCS) (29 CFR 1910.1200) address the hazards of combustible dusts. In January 2012, OSHA issued a rule that will align the HCS with the United Nations' Global Harmonized System for Classification and Labeling of Chemicals (UN GHS), and also included in the US standard a requirement that the explosion hazards be explicitly identified in material safety data sheets. OSHA also recommended that a similar measure be adopted in future revisions of the UN GHS.

Another important development in this field occurred this year when authorities in Massachusetts improved existing regulations of hazardous materials storage and processing that will complement the work of OSHA and the Environmental

Protection Agency (EPA) with regard to high-hazard chemical operations. This development followed a recommendation from the CSB's 2008 final report into an explosion at an ink and paint products manufacturing facility north of Boston, MA, that destroyed the facility as well as twenty-four nearby houses and six businesses.

- **Process Safety Indicators:** Following the investigation of the BP Texas City refinery disaster in 2005, the CSB recommended to the American Petroleum Institute and the United Steelworkers that they jointly lead the development and use of leading and lagging process safety indicators for the refinery and petrochemical industries. While the process did not achieve the collaboration between these two parties and others sought by the CSB, the resulting industry guidance has nonetheless substantially advanced the importance of indicators in this high risk industry, and set the stage for further needed research and development and a vigorous national debate concerning effective indicators.
- **Propane Training Improvements:** Following the investigation of a deadly propane explosion during a tank-to-tank transfer operation at a West Virginia convenience store, the CSB recommended changes in the training modules of the Certified Employee Training Program of the Propane Education and Research Council to enhance the safety of those transfers. The Council was created by Congress in 1996, and its training program is nationally recognized, required by eight states, and otherwise used widely among propane suppliers.

In June 2012, the Board approved the Most Wanted Chemical Safety Improvements Program, which identifies the agency's most important chemical safety improvement goals. The implementation of this plan will enhance the CSB's advocacy of outstanding recommendations. This program was patterned on a similar and successful program at the National Transportation Safety Board (NTSB) that will better focus the CSB's advocacy and outreach efforts to achieve lasting safety changes. As issues are identified through new investigations and studies, they can be added to the CSB's Most Wanted List. Through the use of this outreach tool, the CSB will be able to bring attention and help reduce, some of the most serious chemical hazards facing the nation.

Although the specific issues to be included in the program are still under consideration, they will undoubtedly include some of the most important safety issues identified throughout the agency's investigative history as significant gaps in regulation and industry guidance. These issues may include topics such as comprehensive OSHA standards on combustible dust and fuel gas safety, as well as a modernized OSHA process safety management (PSM) standard including coverage for reactive chemicals. Additional issues under consideration include: workforce safety protections for public employees; and fatigue prevention guidance for plant operators.

The CSB recognizes that a potent tool for achieving the agency's mission is more widespread awareness of the causes of chemical accidents and the measures that can prevent them. In October 2011, the CSB presented its first webinar, which was about a serious accident at Texas Tech University in Lubbock, Texas, that severely injured a

graduate student. More than 400 participants from university science departments, university health and safety departments, and nationally-funded laboratories viewed the webinar, which examined insufficient safety management accountability and oversight in university laboratories and a failure to document, track, and communicate the lessons from previous incidents. The CSB identified the need for good practice guidance on hazard assessments and mitigation in academic research laboratories and explained the limitations of using OSHA's Laboratory Standard as guidance for physical hazards in laboratories. Information presented in the CSB webinar has been used to support an increasing number of initiatives in laboratory settings to encourage the development of a strong safety culture.

The CSB continues to distribute computer-animated safety DVDs free of charge both domestically and internationally based on investigative findings. In FY 2012, the CSB released the following four new safety videos addressing several important safety issues:

- **Inherently Safer: The Future of Risk Reduction** discusses the four main components of inherently safer design – substitute, minimize, moderate, and simplify – for use by industry decision makers.
- **Hot Work: Hidden Hazards** details the events leading up to a hot work accident at the DuPont facility near Buffalo, New York, and discusses the preventive measures that should be taken to ensure worker safety prior to all hot work activities.
- **Iron in the Fire** was released following the CSB's investigation at Hoeganaes Corporation where a total of five workers were fatally injured in a series of three incidents resulting from the ignition of accumulated combustible metal dust.
- **Experimenting with Danger** presents an analysis of safety culture and the prevalent hazards in university laboratories. This video portrays three laboratory accidents at the University of California Los Angeles (UCLA), Texas Tech University (TTU), and Dartmouth College that led to the fatal or severe injuries of students and employees working in the labs in the absence of adequate safety guidance.

Finally, during FY 2012, the CSB issued 13 public statements related to its investigations and recommendations, including a statement on a National Academy of Sciences (NAS) Study on the feasibility of reducing or eliminating the inventory of methyl isocyanate stored at a Bayer CropScience plant the CSB investigated after an explosion that killed two in August 2008. In addition, the CSB held seven press conferences on investigations, and participated in local government meetings related to the Chevron investigation. Individual board members also gave 38 presentations on findings, lessons learned, and recommendations at business, labor, and public interest group meetings during FY 2012.

**Goal #3 Accomplishments** (Preserve the public trust by maintaining and improving organizational excellence.)

Goal 3, on serves to bind all agency processes using best practice project management. This includes the agency’s high-performing information technology and administrative functions. In FY 2012 the CSB conducted two investigator training sessions on investigation protocols and emerging safety issues. The CSB also enhanced its information technology infrastructure to improve communications between offices and remote locations. Finally, the CSB warranted two contracting officers in FY 2012 and brought the procurement function in-house to facilitate purchasing, especially for time-sensitive, investigation-related procurements.

### **Analysis of Financial Statements**

Our financial statements have been prepared to report the financial position and our operational results pursuant to the requirements of the Accountability of Tax Dollars Act of 2002. The principal financial statements include the Balance Sheet, Statement of Net Cost, Statement of Changes in Net Position, and Statement of Budgetary Resources. The following chart summarizes our budget and outlays since FY 2008.

**CSB’s Budget and Outlays  
(Dollars in Thousands)**

<b>Fiscal Year</b>	<b>Budget<sup>*</sup></b>	<b>Outlays</b>
2012	\$11,129	\$11,044
2011	\$10,799	\$11,170
2010	11,147	9,783
2009	10,199	9,313

We note the CSB’s first full financial audit was conducted for FY 2001. Our financial statements for this and subsequent fiscal years have all received unqualified opinions, meaning our statements were fairly presented and free from material misstatements.

### ***Limitations of the Financial Statements***

The principal financial statements have been prepared to report the financial position and results of operations of the entity, pursuant to the requirements of 31 U.S.C. 3515 (b). While the statements have been prepared from the books and records of the entity in accordance with generally accepted accounting principles (GAAP) for Federal entities and the formats prescribed by the Office of Management and Budget (OMB), the statements are in addition to the financial reports used to monitor and control budgetary resources, which are prepared from the same books and records.

<sup>\*</sup> Excludes a no-year Emergency Fund, which was provided to be a funding mechanism for investigation cost fluctuations. As of September 30, 2012 the Emergency Fund had not been used and had a balance of \$844,000.

The statements should be read with the realization that they are for a component of the U.S. Government, a sovereign entity.

## **Systems, Controls, and Legal Compliance**

The CSB is cognizant of the importance of establishing and maintaining adequate controls for the programs and administrative functions for which it is responsible. As mentioned, CSB is developing, implementing, evaluating, and modifying our controls to provide reasonable assurance that the CSB has adequate accountability of our resources. In addition, given the small size of our agency, the CSB determined it to be more cost effective to obtain accounting, travel support, and personnel services from outside federal agencies, which also provide additional levels of control.

Based on internal and external evaluations, and knowledge gained from daily operations, our controls provide reasonable assurance that our resources are safeguarded and properly managed. Our board members and managers continue to emphasize the importance of internal controls, and evaluate and further enhance them as necessary.

## **Management Assurances**

### ***Federal Managers' Financial Integrity Act***

In accordance with the Federal Managers' Financial Integrity Act (FMFIA), the CSB has an internal management control system, which helps provide assurance that obligations and costs comply with applicable law, assets are safeguarded against waste, loss, unauthorized use or misappropriation, and revenues and expenditures are properly accounted for and recorded. The FMFIA also requires assurance that funds are being used in accordance with the agency's mission and that they are achieving their intended results; that resources are protected from waste, fraud and mismanagement, and that appropriate laws and regulations are followed. The FMFIA encompasses program, operational and administrative areas, as well as accounting and financial management.

In FY 2012, the Office of Inspector General (OIG) proposed two management challenges and one internal control weakness for the CSB based upon their prior audit and evaluation work. The issues proposed by the OIG pertain to CSB program operations rather than financial controls. The specific issues raised by the OIG related to clarifying the CSB's statutory mandate, promulgating a chemical incident reporting rule, and establishing internal controls related to program operations. As the CSB responded to the OIG, the issues raised by the OIG do not impair the CSB's ability to carry out its mission; rather they may help improve operations. It is important to note that the issues proposed by the OIG pertain to the efficiency and effectiveness of CSB program operations rather than internal financial controls.

The FMFIA requires the agency head to provide an assurance statement on the adequacy of management controls and conformance of financial systems with Government-wide standards. This assurance statement is contained in the Message from the Chairperson.

### ***Improper Payments Information Act***

The Improper Payments Information Act of 2002 requires agencies to review annually all programs and activities to identify those susceptible to significant improper payments, estimate the annual improper payments in the susceptible programs and activities, and report the results of their improper payment reduction plans and activities.

The CSB has not identified any significant risk with improper payments. However, we recognize the importance of maintaining adequate internal controls to ensure proper payments, and our commitment to the continuous improvement in the overall disbursement management process remains strong. In FY 2012, the CSB continued our agreement with the Bureau of the Public Debt (BPD) to process financial transactions, make administrative payments, and prepare various financial reports. This agreement promotes the accuracy of our financial records and payments.

Finally, in FY 2012 in accordance with OMB guidance, the CSB conducted an analysis to determine the cost effectiveness of performing recapture audits on all activities with annual outlays in excess of \$1,000,000. The CSB concluded that a recapture audit program would not be cost effective.

## PERFORMANCE REPORT

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In FY 2012 the CSB updated its multi-year strategic plan. This plan covers FY 2012 through FY 2016, and serves as a guide in setting priorities, allocating resources, and making decisions. The plan has three strategic goals for 2012–2016:

- **Goal #1:** Conduct incident investigations and safety studies concerning releases of hazardous chemical substances.
- **Goal #2:** Improve safety and environmental protection by ensuring that CSB recommendations are implemented and by broadly disseminating CSB findings through advocacy and outreach.
- **Goal #3:** Preserve the public trust by maintaining and improving organizational excellence.

Goal 1 drives the core mission of the agency by ensuring that we select and complete incident investigations that have the potential to generate thorough recommendations with high preventive impact. It also focuses the agency on developing and completing safety studies with an emphasis on emerging safety issues. Goal 2 focuses on implementing our recommendations and their associated advocacy and outreach. The highly successful CSB safety videos are an important component of the agency information dissemination efforts. Goal 3, on organizational excellence, serves to bind all agency processes using best practice project management. This includes the agency's high-performing information technology and administrative functions.

An annual action plan was developed based on the strategic plan, and the following are the status of specific initiatives identified in the FY 2012 action plan.



**Goal #1:** Conduct incident investigations and safety studies concerning releases of hazardous chemical substances.

Measure	FY 2012 Target	Status	Explanation
1.1a Development of formal screening and selection criteria.	Revise Board Order 036, Screening And Selection Process	Complete	An amended version of <a href="#">Board Order 026</a> was adopted by the Board on 2/6/2012
1.1b Development of scoping mechanism for investigations	Complete scoping process for all new deployments and significant current investigations	Complete	Scoping documents are prepared for all new deployments, and a scoping document was completed on 6/26/2012 for the CITGO investigation, which was considered the only major prior year case that was “unscoped.”

Measure	FY 2012 Target	Status	Explanation
1.2a Completed investigations	Complete 8 products: <ul style="list-style-type: none"> <li>• Hoeganaes Case Study</li> <li>• DuPont Buffalo Case Study</li> <li>• Macondo BOP buckling bulletin</li> <li>• Macondo safety indicators interim product</li> <li>• Macondo BOP interim product</li> <li>• Carbide Industries Case Study</li> <li>• Caribbean Petroleum Report</li> <li>• Donaldson Enterprises Report</li> </ul>	Complete Complete On-Going On-Going On-Going On-Going On-Going On-Going	Adopted on 12/16/2011 Adopted on 4/19/2012 The bulletin and the two interim products to be consolidated into the final report on Deepwater Horizon, which is planned for completion in FY 2013. Worked continued on these investigations in FY 2012, but they were not completed due to (1) the case backlog and commitment to Deepwater Horizon; (2) the major commitment of resources to Chevron in the last two months of the year; and (3) ongoing litigation-related delays in Deepwater.
1.2b Average time to complete an investigation	Establish Baseline	On-Going	Investigation data was collected in FY 2012 and will be analyzed in FY 2013, in conjunction with results from the OIG's audit of CSB's investigative process.

Measure	FY 2012 Target	Status	Explanation
1.2c Implementation of lessons learned process	Complete lessons learned meeting/template for all completed investigations	Complete	Lessons learned documents and meetings were completed for the Hoeganaes and DuPont Buffalo investigations.
1.2d Complete priority sections of investigation protocol	Complete the following: <ul style="list-style-type: none"> <li>• Causal Analysis</li> <li>• Employee Participation</li> <li>• Recommendations Development</li> <li>• Product Review</li> <li>• Family Assistance</li> <li>• Revisions to existing Board Order 40 chapters A-F</li> </ul>	Complete  Complete  On-Going  On-Going On-Going On-Going	<p><a href="#">Procedure G</a>, Causal Analysis was adopted on 12/7/2011</p> <p><a href="#">Procedure H</a>, Employee Participation in Investigations was adopted on 2/27/2012</p> <p>A draft Recommendations Development Procedure was circulated to a protocol task force, but it must be harmonized with other chapters that are not yet complete.</p> <p>Initiated work on these in FY 2012, but delayed due to other investigation priorities. The CSB expects to present Family Assistance Procedure to the Board Members for consideration and vote in early FY 2013, and the other sections will be worked on as resources permit.</p>

Measure	FY 2012 Target	Status	Explanation
1.2e Cost per project versus historical cost per report format	Establish Baseline	On-Going	Investigation data was collected in FY 2012 and will be analyzed in FY 2013, in conjunction with results from the OIG's audit of CSB's investigative process.
1.3 Percentage of high impact recommendations <sup>1</sup> issued	10% of total issued recommendations classified as High Impact	On-Going	Developed preliminary definitions for coding recommendations as high, medium and low impact. The preliminary definitions will be tested and implemented in FY 2013.
1.4 Complete safety study	Complete 2 products: <ul style="list-style-type: none"> <li>• NAS Study on Inherently Safer Technologies</li> <li>• Hot Work Study</li> </ul>	Completed  On-Going	5/11/2012  CSB collected extensive data on over 75 hot work incidents from 2010 to 2012 from OSHA and local emergency responders. The CSB expects to complete its analysis of the data and issue recommendations in FY 2013.

<sup>1</sup> High impact recommendations are those with widespread preventive impact, such as recommendations to federal agencies, major companies, and national organizations

Measure	FY 2012 Target	Status	Explanation
1.5 Impact or result from work in selected emerging issue	Conduct public meeting on Safety Indicators	Completed	A public meeting on safety indicators was held in July 2012, and the webcast, papers, and presentations are posted on CSB's website.

**Goal #2:** Improve safety and environmental protection by ensuring that CSB recommendations are implemented and by broadly disseminating CSB findings through advocacy and outreach.

<b>Measure</b>	<b>FY 2012 Target</b>	<b>Status</b>	<b>Explanation</b>
2.1a Aggregate adoption rates of recommendations, to include Closed-Exceeds Recommended Action and Closed – Acceptable Action	65%	Complete	The aggregate adoption rate at the end of FY 2012 was 70%
2.1b Aggregate adoption rates of high impact recommendations to include Closed-Exceeds Recommended Action (ERA) and Closed – Acceptable Action (AA)	Establish Baseline	On-Going	The definition of a “high impact” recommendation still under development and testing
2.1c Successfully secure the adoption of safety recommendations	50 Closed	Complete	The CSB closed 52 recommendations in FY 2012
2.2a Develop a Board Order on Most Wanted Safety Improvements	Adopted Board Order	Complete	<a href="#">Board Order 046</a> , Most Wanted Chemical Safety Improvements was adopted on 6/12/2012.

Measure	FY 2012 Target	Status	Explanation
2.2b Engage in advocacy of issues from Most Wanted List	Publish initial list	On-Going	Two potential “most wanted” issues were reviewed by the Board. Plan to present to the Board for formal adoption in early FY 2013 to coincide with anniversaries of several past tragic incidents and start advocacy campaigns tied to those anniversaries.
2.3a Number of videos produced	Produce and distribute 6 safety videos: <ul style="list-style-type: none"> <li>• Lab Safety</li> <li>• Hoeganaes</li> <li>• DuPont Buffalo</li> <li>• Inherently Safer Technology</li> <li>• BOP buckling bulletin</li> <li>• Caribbean</li> </ul>	Completed Completed Completed Completed Animations Completed Deferred	10/20/2011 1/5/2012 4/20/2012 7/13/2012 Videos for the BOP buckling bulletin and Caribbean investigation are deferred until the written products are adopted by the Board.
2.3b Survey or other impact measurement of videos	Establish baseline with evaluation program	Deferred	Deferred to FY 2013 due to higher priority projects.

Measure	FY 2012 Target	Status	Explanation
2.3c Conduct public meetings on CSB investigations and studies	Conduct 3 public meetings: <ul style="list-style-type: none"> <li>• Hoeganaes</li> <li>• DuPont Buffalo</li> <li>• Macondo / Safety Indicators<sup>2</sup></li> </ul>	Completed Completed Completed	Public meetings were held: 11/16/2011 4/19/2012 7/24/2012
2.3d Innovative communication techniques for outreach	Complete CSB website redesign and migration	On-Going	The CSB website was redesigned in FY 2012. A beta site is being testing and is expected to go live in early FY 2013.

<sup>2</sup> Also an emerging issue listed under Goal 1



**Goal #3:** Preserve the public trust by maintaining and improving organizational excellence.

Measure	FY 2012 Target	Status	Explanation
3.1 Publish 2012-2016 CSB Strategic Plan and related management control plan	Complete the following: <ul style="list-style-type: none"> <li>• 2012 to 2016 CSB Strategic Plan</li> <li>• Management Control Plan</li> </ul>	Complete  On-Going	The <a href="#">Strategic Plan for 2012 – 2016</a> was adopted on 7/9/2012  A draft Management Control Plan was developed in FY 2012 and it is under internal review.
3.2a Develop enhanced FY 2012 action plan	Complete FY 2012 Action Plan		7/9/2012
3.2b Develop Congressional response on incident rule and information request letter	Complete response	On-Going	CSB discussed possible authorization changes that would further facilitate the Board’s mission with members of Congress.  Information questionnaires were developed in FY 2012 to streamline incident data collected for high consequence incidents the CSB does not have resources to deploy to.
3.3a Updated Human Capital Plan	Approved plan	Complete	Human Capital Plan was adopted on 11/16/2011 (Notation Item 836)

Measure	FY 2012 Target	Status	Explanation
3.3b Hire well-qualified candidates to expand technical capabilities	Hire five incident investigators (subject to funds availability)	Complete	During FY 2012 - hired three investigators and two investigation temps based on available funds
3.3c Investigative competency and/or curriculum development	Institute regular six-month investigative training program for staff on protocol, emerging safety issues	Complete	Two training sessions for all investigative staff were held in FY 2012
3.3d Wellness program	Employee Satisfaction Scores (use OPM Data or Survey Monkey)	On-Going	Awaiting official results from the OPM Survey
3.4 Implement IT & Administrative Improvements	Implement: <ul style="list-style-type: none"> <li>• Homeland Security Presidential Directive-12</li> <li>• Upgraded video conferencing and mobile communications</li> <li>• WebTA</li> <li>• In-house procurement processing</li> <li>• Denver Office relocation</li> </ul>	Complete Complete Complete Complete On-Going	2/29/2012 3/31/2012 8/31/2012 5/31/2012 Identified space, but build-out estimates were excessive, so will continue search in FY 2013
3.5 Implement internal communications survey	Establish Baseline data (Use OPM data)	On-Going	Awaiting official results from the OPM Survey

### **Agency Plans and Schedules for Improving Performance**

The CSB constantly works to improve the efficiency and effectiveness of our programs and initiatives. Annual action plans are designed to include “stretch goals”, to include challenges to managers and staff in order to achieve maximum results. Our strategic planning committee, consisting of senior managers, meets throughout the year to monitor accomplishments and assess priorities.

### **Completeness and Reliability of Performance Data**

Reported performance data are free from any material inadequacies in the completeness and reliability of the data. As a small agency, the CSB can readily monitor and report on its actual performance in achieving its goals.

## FINANCIAL REPORT

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### A Message from the Chief Financial Officer

The CSB recognizes the significance of accountability and public disclosure. This report is a demonstration of our obligation to fulfill our fiduciary responsibilities to the American taxpayers.

I am pleased to present our financial statements for fiscal years 2012 and 2011. This year the independent public accounting firm, Brown & Company CPAs, PLLC, issued an unqualified (“clean”) opinion on our financial statements. A clean opinion is the best possible audit outcome, and is consistent with opinions issued since our first full financial audit was conducted in FY 2001.

These financial statements fairly present our financial position and were prepared in accordance with GAAP in the United States of America and formats prescribed by the OMB.



Elizabeth A. Robinson  
Chief Financial Officer

November 15, 2012



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

NOV 15 2012

THE INSPECTOR GENERAL

The Honorable Rafael Moure-Eraso, Ph.D.  
Chairperson and Chief Executive Officer  
U.S. Chemical Safety and Hazard Investigation Board  
2175 K Street NW, Suite 400  
Washington, DC 20037-1809

Dear Dr. Moure-Eraso:

This letter transmits the audit report on the U.S. Chemical Safety and Hazard Investigation Board's (CSB's) Fiscal Years 2012 and 2011 financial statements. The audit is required by Public Law 107-289, the Accountability of Tax Dollars Act of 2002.

The independent public accounting firm of Brown and Company, CPAs, PLLC, performed the audit of the CSB financial statements as of and for the fiscal years ended September 30, 2012 and 2011. The audit was required to be done in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States; Office of Management and Budget Bulletin 07-04, *Audit Requirements for Federal Financial Statements*; and the Financial Audit Manual of the Government Accountability Office/President's Council on Integrity and Efficiency.

Brown and Company, CPAs, PLLC, is responsible for the enclosed auditor's report dated November 13, 2012, the opinions, and the conclusions expressed in the report. We do not express any opinion or conclusions on CSB's financial statements, internal control, or compliance with laws and regulations.

Should you have any questions, please contact Melissa Heist at (202) 566-0899 or [heist.melissa@epa.gov](mailto:heist.melissa@epa.gov); or Bill Spinazzola, Project Officer, at (202) 566-2568 or [spinazzola.bill@epa.gov](mailto:spinazzola.bill@epa.gov).

Sincerely,

A handwritten signature in blue ink that reads "Charles J. Sheehan (for AE)".

Arthur A. Elkins, Jr.

Enclosures

cc: Daniel Horowitz, Ph. D., Managing Director, U.S. Chemical Safety and Hazard  
Investigation Board  
Elizabeth A. Robinson, Chief Financial Officer, U.S. Chemical Safety and Hazard  
Investigation Board  
Kimberly Penn, Audit Manager, Brown and Company, CPAs, PLLC  
Gail Jenifer, Managing Partner, Brown and Company, CPAs, PLLC



## **INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS**

Office of Inspector General  
Chairman and CEO  
U.S. Chemical Safety and Hazard Investigation Board  
Washington, D.C.

We have audited the accompanying balance sheet of the U.S. Chemical Safety and Hazard Investigation Board (CSB) as of September 30, 2012 and 2011, and the related statements of net cost, changes in net position, and budgetary resources, for the years then ended (collectively referred to as the financial statements). These financial statements are the responsibility of CSB's management. Our responsibility is to express an opinion on these financial statements based on our audits.


We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *U.S. Government Auditing Standards*, issued by the Comptroller General of the United States; and, Office of Management and Budget (OMB) Bulletin No. 07-04 as amended, *Audit Requirements for Federal Financial Statements*. Those standards and OMB Bulletin No. 07-04 as amended, require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the CSB as of September 30, 2012 and 2011 and its net costs, changes in net position, and budgetary resources for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *U.S. Government Auditing Standards* and OMB Bulletin No. 07-04 as amended, we have also issued reports dated November 13, 2012 on our consideration of the CSB internal control over financial reporting and its compliance with provisions of laws and regulations. Those reports are an integral part of an audit performed in accordance with *U.S. Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis (MD&A) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by OMB Circular A-136, *Financial Reporting Requirements*, as revised, that considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

This report is intended solely for the information and use of the Office of Inspector General, the management of the CSB, OMB and Congress, and is not intended to be and should not be used by anyone other than these specified parties.

  
Largo, Maryland  
November 13, 2012





**INDEPENDENT AUDITOR'S REPORT  
ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

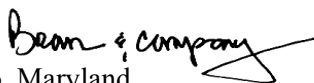
Office of Inspector General  
Chairman and CEO  
U.S. Chemical Safety and Hazard Investigation Board  
Washington, D.C.

We have audited the financial statements of the U.S. Chemical Safety and Hazard Investigation Board (CSB) as of and for the year ended September 30, 2012 and have issued our report thereon dated November 13, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *U.S. Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04 as amended, *Audit Requirements for Federal Financial Statements*.

In planning and performing our audit, we considered the CSB's internal control over financial reporting by obtaining an understanding of the CSB's internal control, determined whether internal controls had been placed in operation, assessed control risk, and performed tests of controls in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements. We limited our internal control testing to those controls necessary to achieve the objectives described in OMB Bulletin No. 07-04 as amended. The objective of our audit was not to provide an opinion on internal control and therefore, we do not express an opinion on internal control.

Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be a material weakness or significant deficiency. Under standards issued by the American Institute of Certified Public Accountants and OMB Bulletin No. 07-04 as amended, a material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency in internal control, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. Because of inherent limitations in internal controls, misstatements, losses, or non-compliance may nevertheless occur and not be detected. However, we noted no matters involving the internal control and its operation that we considered to be a material weaknesses as defined above.

This report is intended solely for the information and use of the Office of Inspector General, the management of the CSB, OMB and Congress, and is not intended to be and should not be used by anyone other than these specified parties.

  
Largo, Maryland  
November 13, 2012



**INDEPENDENT AUDITOR'S REPORT ON  
COMPLIANCE WITH LAWS AND REGULATIONS**

Office of Inspector General  
Chairman and CEO  
U.S. Chemical Safety and Hazard Investigation Board  
Washington, D.C.

We have audited the financial statements of the U.S. Chemical Safety and Hazard Investigation Board (CSB) as of and for the year ended September 30, 2012, and have issued our report thereon dated November 13, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *U.S. Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04 as amended, *Audit Requirements for Federal Financial Statements*.

The management of the CSB is responsible for complying with laws and regulations applicable to the CSB. As part of obtaining reasonable assurance about whether the CSB's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts, and certain other laws and regulations specified in OMB Bulletin No. 07-04 as amended. We limited our tests of compliance to these provisions and we did not test compliance with all laws and regulations applicable to the CSB.

The results of our tests of compliance disclosed no material noncompliance with laws and regulations discussed in the preceding paragraph that are required to be reported under *U.S. Government Auditing Standards* or OMB Bulletin No. 07-04 as amended.

Providing an opinion on compliance with certain provisions of laws and regulations was not an objective of our audit, and, accordingly, we do not express such an opinion. However, we noted no noncompliance with laws and regulations, which could have a direct and material effect on the determination of financial statement amounts.

This report is intended solely for the information and use of the Office of Inspector General, the management of the CSB, OMB and Congress, and is not intended to be and should not be used by anyone other than these specified parties.

Largo, Maryland  
November 13, 2012.

# **CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD**

## **FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED  
SEPTEMBER 30, 2012 AND 2011**

### **TABLE OF CONTENTS**

<b>BALANCE SHEET.....</b>	<b>34</b>
<b>STATEMENT OF NET COST.....</b>	<b>35</b>
<b>STATEMENT OF CHANGES IN NET POSITION.....</b>	<b>36</b>
<b>STATEMENT OF BUDGETARY RESOURCES.....</b>	<b>37</b>
<b>NOTES TO THE FINANCIAL STATEMENTS.....</b>	<b>38</b>

**U.S. CHEMICAL SAFETY & HAZARD INVESTIGATION BOARD**  
**BALANCE SHEET**  
**AS OF SEPTEMBER 30, 2012 AND 2011**  
**(In Dollars)**

	2012	2011
<b>Assets:</b>		
Intragovernmental		
Fund Balance With Treasury (Note 2)	\$ 4,852,202	\$ 5,093,798
Other (Note 5)	-	100,353
Total Intragovernmental	4,852,202	5,194,151
Accounts Receivable, Net (Note 3)	59,387	-
Property, Equipment, and Software, Net (Note 4)	71,698	101,809
Other (Note 5)	-	59,000
<b>Total Assets</b>	<b>\$ 4,983,287</b>	<b>\$ 5,354,960</b>
<b>Liabilities:</b>		
Intragovernmental		
Accounts Payable	\$ 41,291	\$ 47,268
Other (Note 7)	28,335	40,482
Total Intragovernmental	69,626	87,750
Accounts Payable	158,743	262,856
Other (Note 7)	775,584	699,217
<b>Total Liabilities (Note 6)</b>	<b>\$ 1,003,953</b>	<b>\$ 1,049,823</b>
<b>Net Position:</b>		
Unexpended Appropriations - Other Funds	\$ 4,406,532	\$ 4,634,620
Cumulative Results of Operations - Other Funds	(427,198)	(329,483)
Total Net Position	\$ 3,979,334	\$ 4,305,137
<b>Total Liabilities and Net Position</b>	<b>\$ 4,983,287</b>	<b>\$ 5,354,960</b>

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF NET COST  
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2012 AND 2011  
(In Dollars)**

	2012	2011
<b>Program Costs:</b>		
Salaries and Expenses:		
Gross Costs (Note 9)	\$ 11,482,491	\$ 11,636,315
<b>Net Cost of Operations</b>	<b>\$ 11,482,491</b>	<b>\$ 11,636,315</b>

The accompanying notes are an integral part of these financial statements.

**U.S. CHEMICAL SAFETY & HAZARD INVESTIGATION BOARD**  
**STATEMENT OF CHANGES IN NET POSITION**  
**FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2012 AND 2011**  
(In Dollars)

	2012	2011
<b>Cumulative Results of Operations:</b>		
Beginning Balances	\$ (329,483)	\$ (143,858)
<b>Budgetary Financing Sources:</b>		
Appropriations Used	11,030,383	11,047,226
<b>Other Financing Sources (Non-Exchange):</b>		
Imputed Financing Sources	354,393	403,464
Total Financing Sources	11,384,776	11,450,690
Net Cost of Operations	(11,482,491)	(11,636,315)
Net Change	(97,715)	(185,625)
Cumulative Results of Operations	\$ (427,198)	\$ (329,483)
<b>Unexpended Appropriations:</b>		
Beginning Balances	\$ 4,634,620	\$ 5,379,678
<b>Budgetary Financing Sources:</b>		
Appropriations Received	11,147,000	10,799,000
Other Adjustments	(344,705)	(496,832)
Appropriations Used	(11,030,383)	(11,047,226)
Total Budgetary Financing Sources	(228,088)	(745,058)
Total Unexpended Appropriations	\$ 4,406,532	\$ 4,634,620
Net Position	\$ 3,979,334	\$ 4,305,137

The accompanying notes are an integral part of these financial statements.

**U.S. CHEMICAL SAFETY & HAZARD INVESTIGATION BOARD**  
**STATEMENT OF BUDGETARY RESOURCES**  
**FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2012 AND 2011**  
(In Dollars)

	2012	2011
<b>Budgetary Resources:</b>		
Unobligated Balance Brought Forward, October 1	\$2,963,115	\$3,326,612
Recoveries of Prior Year Unpaid Obligations	517,729	109,085
Other changes in unobligated balance	(326,870)	(475,234)
Unobligated Balance from Prior Year Budget Authority, Net	3,153,974	2,960,463
Appropriations	11,129,165	10,777,402
<b>Total Budgetary Resources</b>	<b>\$14,283,139</b>	<b>\$13,737,865</b>
<b>Status of Budgetary Resources:</b>		
Obligations Incurred (Note 11)	\$11,277,991	\$10,774,750
Unobligated Balance, End of Year:		
Apportioned	892,063	887,533
Unapportioned	2,113,085	2,075,582
Total Unobligated Balance, End of Year	3,005,148	2,963,115
<b>Total Status of Budgetary Resources</b>	<b>\$14,283,139</b>	<b>\$13,737,865</b>
<b>Change in Obligated Balance:</b>		
Unpaid Obligations, Brought Forward, October 1	\$2,130,683	\$2,635,277
Obligations Incurred (Note 11)	11,277,991	10,774,750
Outlays (gross)	(11,043,891)	(11,170,259)
Recoveries of Prior Year Unpaid	(517,729)	(109,085)
Obligated balance, end of year		
Unpaid obligations, end of year	1,847,053	2,130,683
Uncollected customer payments from Federal sources, end of year	-	-
<b>Obligated Balance, End of Year</b>	<b>\$1,847,053</b>	<b>\$2,130,683</b>
<b>Budget Authority and Outlays, Net:</b>		
Budget Authority, Gross	\$11,129,165	\$10,799,000
<b>Budget Authority, Net</b>	<b>\$11,129,165</b>	<b>\$10,799,000</b>
Outlays, Gross	\$11,043,891	\$11,170,259
<b>Agency Outlays, Net</b>	<b>\$11,043,891</b>	<b>\$11,170,259</b>

The accompanying notes are an integral part of these financial statements.



## CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

The United States Chemical Safety and Hazard Investigation Board (CSB) is an independent Federal agency with the mission of ensuring the safety of workers and the public by promoting chemical safety and accident prevention. CSB was established by the Clean Air Act Amendments of 1990, and is responsible for advising the President and Congress on key issues related to chemical safety and evaluating the effectiveness of other Government agencies on safety requirements. CSB receives all of its funding through appropriations. The CSB reporting entity is comprised of General Funds and General Miscellaneous Receipts.

General Funds are accounts used to record financial transactions arising under congressional appropriations or other authorizations to spend general revenues. CSB manages Operations and Facilities, Engineering and Development General Fund accounts.

General Fund Miscellaneous Receipts are accounts established for receipts of non-recurring activity, such as fines, penalties, fees and other miscellaneous receipts for services and benefits.

CSB has rights and ownership of all assets reported in these financial statements. CSB does not possess any non-entity assets.

#### B. Basis of Presentation

The financial statements have been prepared to report the financial position and results of operations of CSB. The Balance Sheet

presents the financial position of the agency. The Statement of Net Cost presents the agency's operating results; the Statement of Changes in Net Position displays the changes in the agency's equity accounts. The Statement of Budgetary Resources presents the sources, status, and uses of the agency's resources and follow the rules for the Budget of the United States Government.

The statements are a requirement of the Chief Financial Officers Act of 1990, the Government Management Reform Act of 1994 and the Accountability of Tax Dollars Act of 2002. They have been prepared from, and are fully supported by, the books and records of CSB in accordance with the hierarchy of accounting principles generally accepted in the United States of America, standards issued by the Federal Accounting Standards Advisory Board (FASAB), Office of Management and Budget (OMB) Circular A-136, *Financial Reporting Requirement*, as amended, and CSB accounting policies which are summarized in this note. These statements, with the exception of the Statement of Budgetary Resources, are different from financial management reports, which are also prepared pursuant to OMB directives that are used to monitor and control CSB's use of budgetary resources. The financial statements and associated notes are presented on a comparative basis. Unless specified otherwise, all amounts are presented in dollars.

#### C. Basis of Accounting

Transactions are recorded on both an accrual accounting basis and a budgetary basis. Under the accrual method, revenues are recognized when earned, and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash. Budgetary accounting facilitates compliance with legal requirements on the use of federal funds.



#### **D. Fund Balance with Treasury**

Fund Balance with Treasury is the aggregate amount of the CSB's appropriated funds with Treasury in expenditure, receipt, and deposit fund accounts. Appropriated funds recorded in expenditure accounts are available to pay current liabilities and finance authorized purchases.

The CSB does not maintain bank accounts of its own, has no disbursing authority, and does not maintain cash held outside of Treasury. Treasury disburses funds for the agency on demand.

#### **E. Accounts Receivable**

Accounts receivable consists of amounts owed to CSB by other Federal agencies and the general public. Amounts due from Federal agencies are considered fully collectible. Accounts receivable from the public include reimbursements from employees. An allowance for uncollectible accounts receivable from the public is established when, based upon a review of outstanding accounts and the failure of all collection efforts, management determines that collection is unlikely to occur considering the debtor's ability to pay.

#### **F. Property, Equipment, and Software**

Property, equipment and software represent furniture, fixtures, equipment, and information technology hardware and software which are recorded at original acquisition cost and are depreciated or amortized using the straight-line method over their estimated useful lives. Major alterations and renovations are capitalized, while maintenance and repair costs are expensed as incurred. CSB's capitalization threshold is \$10,000 for individual purchases and \$50,000 for bulk purchases. Property, equipment, and software acquisitions that do not meet the capitalization criteria are expensed upon receipt. Applicable standard governmental guidelines regulate the disposal and convertibility of agency property, equipment, and software. The useful life

classifications for capitalized assets are as follows:

<u>Description</u>	<u>Useful Life (years)</u>
Leasehold Improvements	9
Office Furniture	7
Office Equipment	5
Computer Equipment	3
Software	3

#### **G. Advances and Prepaid Charges**

Advance payments are generally prohibited by law. There are some exceptions, such as reimbursable agreements, subscriptions and payments to contractors and employees. Payments made in advance of the receipt of goods and services are recorded as advances or prepaid charges at the time of prepayment and recognized as expenses when the related goods and services are received.

#### **H. Liabilities**

Liabilities represent the amount of funds likely to be paid by the CSB as a result of transactions or events that have already occurred.

CSB reports its liabilities under two categories, Intragovernmental and With the Public. Intragovernmental liabilities represent funds owed to another government agency. Liabilities With the Public represents funds owed to any entity or person that is not a federal agency, including private sector firms and federal employees. Each of these categories may include liabilities that are covered by budgetary resources and liabilities not covered by budgetary resources.

Liabilities covered by budgetary resources are liabilities funded by a current appropriation or other funding source. These consist of accounts payable and accrued payroll and benefits. Accounts payable represent amounts owed to another entity for goods ordered and received and for services rendered except for employees. Accrued payroll and benefits

represent payroll costs earned by employees during the fiscal year which are not paid until the next fiscal year.

Liabilities not covered by budgetary resources are liabilities that are not funded by any current appropriation or other funding source. These liabilities consist of accrued annual leave and the amounts due to Treasury for collection and accounts receivable of civil penalties and FOIA request fees.

### **I. Annual, Sick, and Other Leave**

Annual leave is accrued as it is earned, and the accrual is reduced as leave is taken. The balance in the accrued leave account is adjusted to reflect current pay rates. Liabilities associated with other types of vested leave, including compensatory, restored leave, and sick leave in certain circumstances, are accrued at year-end, based on latest pay rates and unused hours of leave. Funding will be obtained from future financing sources to the extent that current or prior year appropriations are not available to fund annual and other types of vested leave earned but not taken. Nonvested leave is expensed when used. Any liability for sick leave that is accrued but not taken by a Civil Service Retirement System (CSRS)-covered employee is transferred to the Office of Personnel Management (OPM) upon the retirement of that individual. Credit is given for sick leave balances in the computation of annuities upon the retirement of Federal Employees Retirement System (FERS)-covered employees effective at 50% beginning FY 2010 and 100% in 2014.

### **J. Accrued and Actuarial Workers' Compensation**

The Federal Employees' Compensation Act (FECA) administered by the U.S. Department of Labor (DOL) addresses all claims brought by the CSB employees for on-the-job injuries. The DOL bills each agency annually as its claims are paid, but payment of these bills is deferred for two years to allow for funding through the budget process. Similarly, employees that the CSB terminates without cause may receive employment compensation

benefits under the unemployment insurance program also administered by the DOL, which bills each agency quarterly for paid claims. Future appropriations will be used for the reimbursement to DOL. The liability consists of the unreimbursed cost paid by DOL for compensation to recipients under the FECA.

### **K. Retirement Plans**

CSB employees participate in either the CSRS or the FERS. The employees who participate in CSRS are beneficiaries of CSB matching contribution, equal to seven percent of pay, distributed to their annuity account in the Civil Service Retirement and Disability Fund.

Prior to December 31, 1983, all employees were covered under the CSRS program. From January 1, 1984 through December 31, 1986, employees had the option of remaining under CSRS or joining FERS and Social Security. Employees hired as of January 1, 1987 are automatically covered by the FERS program. Both CSRS and FERS employees may participate in the federal Thrift Savings Plan (TSP). FERS employees receive an automatic agency contribution equal to one percent of pay and CSB matches any employee contribution up to an additional four percent of pay. For FERS participants, CSB also contributes the employer's matching share of Social Security.

FERS employees and certain CSRS reinstatement employees are eligible to participate in the Social Security program after retirement. In these instances, CSB remits the employer's share of the required contribution.

CSB recognizes the imputed cost of pension and other retirement benefits during the employees' active years of service. OPM actuaries determine pension cost factors by calculating the value of pension benefits expected to be paid in the future and communicate these factors to CSB for current period expense reporting. OPM also provides information regarding the full cost of health and life insurance benefits. CSB recognized the offsetting revenue as imputed financing

sources to the extent these expenses will be paid by OPM.

CSB does not report on its financial statements information pertaining to the retirement plans covering its employees. Reporting amounts such as plan assets, accumulated plan benefits, and related unfunded liabilities, if any, is the responsibility of the OPM, as the administrator.

#### **L. Other Post-Employment Benefits**

CSB employees eligible to participate in the Federal Employees' Health Benefits Plan (FEHBP) and the Federal Employees' Group Life Insurance Program (FGLIP) may continue to participate in these programs after their retirement. The OPM has provided the CSB with certain cost factors that estimate the true cost of providing the post-retirement benefit to current employees. The CSB recognizes a current cost for these and Other Retirement Benefits (ORB) at the time the employee's services are rendered. The ORB expense is financed by OPM, and offset by the CSB through the recognition of an imputed financing source.

#### **M. Use of Estimates**

The preparation of the accompanying financial statements in accordance with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. Actual results could differ from those estimates.

#### **N. Imputed Costs/Financing Sources**

Federal Government entities often receive goods and services from other Federal Government entities without reimbursing the providing entity for all the related costs. In addition, Federal Government entities also incur costs that are paid in total or in part by other entities. An imputed financing source is recognized by the receiving entity for costs that are paid by other entities. CSB recognized

imputed costs and financing sources in fiscal years 2012 and 2011 to the extent directed by accounting standards.

#### **O. Reclassification**

Certain fiscal year 2011 balances have been reclassified, retitled, or combined with other financial statement line items for consistency with the current year presentation.

## NOTE 2. FUND BALANCE WITH TREASURY

Fund balance with Treasury account balances as of September 30, 2012 and 2011 were as follows:

	2012	2011
<b>Fund Balances:</b>		
Appropriated Funds	\$ 4, 852,202	\$ 5, 093,798
<b>Total</b>	<b>\$ 4, 852,202</b>	<b>\$ 5, 093,798</b>
<b>Status of Fund Balance with Treasury:</b>		
Unobligated Balance		
A vailable	\$ 892, 063	\$ 887, 533
U navailable	2, 113,086	2, 075,582
Obligated Balance Not Yet Disbursed	1, 847,053	2, 130,683
<b>Total</b>	<b>\$ 4, 852,202</b>	<b>\$ 5, 093,798</b>

No discrepancies exist between the Fund Balance reflected on the Balance Sheet and the balances in the Treasury accounts.

The available unobligated fund balances represent the current-period amount available for obligation or commitment. At the start of the next fiscal year, this amount will become part of the unavailable balance as described in the following paragraph.

The unavailable unobligated fund balances represent the amount of appropriations for which the period of availability for obligation has expired. These balances are available for upward adjustments of obligations incurred only during the period for which the appropriation was available for obligation or for paying claims attributable to the appropriations.

The obligated balance not yet disbursed includes accounts payable, accrued expenses, and undelivered orders that have reduced unexpended appropriations but have not yet decreased the fund balance on hand (see also Note #12).

## NOTE 3. ACCOUNTS RECEIVABLE

Accounts receivable balances as of September 30, 2012 and 2011, were as follows:

	2012	2011
With the Public		
Accounts Receivable	59,387	-
<b>Total Accounts Receivable</b>	<b>\$ 59,387</b>	<b>\$ -</b>

The accounts receivable is primarily made up of an advanced lease payment prior to 2003 which was reclassified to a receivable in June 2012.

Historical experience has indicated that the majority of the receivables are collectible. There are no material uncollectible accounts as of September 30, 2012 and 2011.

#### NOTE 4. PROPERTY, EQUIPMENT, AND SOFTWARE

Schedule of Property, Equipment, and Software as of September 30, 2012

Major Class	Acquisition Cost	Accumulated Amortization/Depreciation	Net Book Value
Leasehold Improvements	\$ 711,505	\$ 711,505	\$ -
Furniture & Equipment	1,649,613	1,623,543	26,070
Software	106,454	60,826	45,628
<b>Total</b>	<b>\$ 2,467,572</b>	<b>\$ 2,395,874</b>	<b>\$ 71,698</b>

Schedule of Property, Equipment, and Software as of September 30, 2011

Major Class	Acquisition Cost	Accumulated Amortization/Depreciation	Net Book Value
Leasehold Improvements	\$ 711,505	\$ 711,505	\$ -
Furniture & Equipment	1,649,613	1,547,804	101,809
Software	41,800	41,800	-
<b>Total</b>	<b>\$ 2,402,918</b>	<b>\$ 2,301,109</b>	<b>\$ 101,809</b>

#### NOTE 5. OTHER ASSETS

Other assets account balances as of September 30, 2012 and 2011, were as follows:

	2012	2011
Intragovernmental		
Advances and Prepayments	\$ -	\$ 100,353
<b>Total Intragovernmental Other Assets</b>	<b>\$ -</b>	<b>\$ 100,353</b>
With the Public		
Advances and Prepayments	\$ -	\$ 59,000
<b>Total Public Other Assets</b>	<b>\$ -</b>	<b>\$ 59,000</b>

#### NOTE 6. LIABILITIES NOT COVERED BY BUDGETARY RESOURCES

The liabilities for CSB as of September 30, 2012 and 2011 include liabilities not covered by budgetary resources. Congressional action is needed before budgetary resources can be provided.

Although future appropriations to fund these liabilities are likely and anticipated, it is not certain that appropriations will be enacted to fund these liabilities.

	2012	2011
Unfunded Leave	\$ 499,281	\$ 431,290
Total Liabilities Not Covered by Budgetary Resources	\$ 499,281	\$ 431,290
Total Liabilities Covered by Budgetary Resources	504,672	618,533
<b>Total Liabilities</b>	<b>\$ 1,003,953</b>	<b>\$ 1,049,823</b>

Unfunded leave represents a liability for earned leave and is reduced when leave is taken. The balance in the accrued annual leave account is reviewed quarterly and adjusted as needed to accurately reflect the liability at current pay rates and leave balances. Accrued annual leave is paid from future funding sources and, accordingly, is reflected as a liability not covered by budgetary resources. Sick and other leave is expensed as taken.

#### **NOTE 7. OTHER LIABILITIES**

Other liabilities account balances as of September 30, 2012 were as follows:

	Current	Non Current	Total
<b>Intragovernmental</b>			
Payroll Taxes Payable	\$ 28,335	\$ -	\$ 28,335
<b>Total Intragovernmental Other Liabilities</b>	<b>\$ 28,335</b>	<b>\$ -</b>	<b>\$ 28,335</b>
<b>With the Public</b>			
Payroll Taxes Payable	\$ 66,792	\$ -	\$ 66,792
Accrued Funded Payroll and Leave	150,511	-	150,511
Unfunded Leave	499,281	-	499,281
Custodial Liability	-	59,000	59,000
<b>Total Public Other Liabilities</b>	<b>\$ 716,584</b>	<b>\$ 59,000</b>	<b>\$ 775,584</b>

Other liabilities account balances as of September 30, 2011 were as follows:

	Current	Non Current	Total
<b>Intragovernmental</b>			
Payroll Taxes Payable	\$ 40,482	\$ -	\$ 40,482
<b>Total Intragovernmental Other Liabilities</b>	<b>\$ 40,482</b>	<b>\$ -</b>	<b>\$ 40,482</b>
<b>With the Public</b>			
Payroll Taxes Payable	\$ 71,079	\$ -	\$ 71,079
Accrued Funded Payroll and Leave	196,848	-	196,848
Unfunded Leave	431,290	-	431,290
<b>Total Public Other Liabilities</b>	<b>\$ 699,217</b>	<b>\$ -</b>	<b>\$ 699,217</b>

## NOTE 8. LEASES

### Operating Leases

The CSB occupies offices in Washington, DC and Denver, CO under lease agreements. The total operating lease expense for the fiscal years ending September 30, 2012 and September 30, 2011 were \$1,010,970 and \$819,167, respectively.

The lease agreement for office space in Washington, DC is accounted for as an operating lease. The lease term began on October 1, 2000 and expired on September 30, 2010. In FY 2010, the CSB executed a supplemental lease agreement that amended the lease to renew it for a five-year term commencing on October 1, 2010 and ending on September 30, 2015. Below is a schedule of future payments for the term of the lease, including estimated real estate taxes and operating expenses which are subject to annual adjustments.

#### **Washington, DC (Lease expires 9/30/2015)**

Fiscal Year	Building	Totals
2013	\$ 1,033,800	\$ 1,033,800
2014	1,063,100	\$ 1,063,100
2015	1,092,700	\$ 1,092,700
<b>Total Future Payments</b>	<b>\$ 3,189,600</b>	<b>\$ 3,189,600</b>

The lease agreement for office space in Denver, CO is accounted for as an operating lease. The lease terms began on September 29, 2008 and expire on September 28, 2013. Lease payments are

increased annually based on the adjustments for operating cost. The CSB may relinquish space upon four (4) months' notice. Thus, at any future time, the CSB's financial obligation can be reduced to four (4) months of rent, plus the unamortized balance of any tenant improvements financed through PBS, plus any rent concessions not yet earned. Below is a schedule of future payments for the term of the lease.

**Denver, CO (Lease expires 9/28/2013)**

<b>Fiscal Year</b>	<b>Building</b>		<b>Totals</b>	
2013	\$	50,100	\$	50,100
<b>Total Future Payments</b>	<b>\$</b>	<b>50,100</b>	<b>\$</b>	<b>50,100</b>

**NOTE 9. INTRAGOVERNMENTAL COSTS AND EXCHANGE REVENUE**

Intragovernmental costs and revenue represent exchange transactions between CSB and other federal government entities and are in contrast to those with non-federal entities (the public). Such costs and revenue are summarized as follows:

	<b>2012</b>	<b>2011</b>
Intragovernmental Costs	\$ 2,374,871	\$ 2,542,351
Public Costs	9,107,620	9,093,964
<b>Net Program Costs</b>	<b>11,482,491</b>	<b>11,636,315</b>

**NOTE 10. BUDGETARY RESOURCE COMPARISONS TO THE BUDGET OF THE UNITED STATES GOVERNMENT**

The President's Budget that will include fiscal year 2012 actual budgetary execution information has not yet been published. The President's Budget is scheduled for publication in February 2013 and can be found at the OMB Web site: <http://www.whitehouse.gov/omb/>. The 2013 Budget of the United States Government, with the "Actual" column completed for 2011, has been reconciled to the Statement of Budgetary Resources and there were no material differences.

**NOTE 11. APPORTIONMENT CATEGORIES OF OBLIGATIONS INCURRED**

Obligations incurred and reported in the Statement of Budgetary Resources in 2012 and 2011 consisted of the following:

	<b>2012</b>	<b>2011</b>
Direct Obligations, Category B	\$ 11,277,991	\$ 10,774,750
<b>Total Obligations Incurred</b>	<b>\$ 11,277,991</b>	<b>\$ 10,774,750</b>

Category B apportionments typically distribute budgetary resources by activities, projects, objects or a combination of these categories.



**NOTE 12. . UNDELIVERED ORDERS AT THE END OF THE PERIOD**

For the fiscal years ended September 30, 2012 and 2011, budgetary resources obligated for undelivered orders amounted to \$1,354,936 and \$1,671,505, respectively.

**NOTE 13. RECONCILIATION OF NET COST OF OPERATIONS TO BUDGET**

CSB has reconciled its budgetary obligations and non-budgetary resources available to its net cost of operations.

	2012	2011
<b>Resources Used to Finance Activities:</b>		
Budgetary Resources Obligated		
Obligations Incurred	\$ 11,277,991	\$ 10,774,750
Spending Authority From Offsetting Collections and Recoveries	(517,729)	(109,085)
Offsetting Receipts	-	-
Net Obligations	10,760,262	10,665,665
Other Resources		
Imputed Financing From Costs Absorbed By Others	354,393	403,464
Other Resources	-	-
Net Other Resources Used to Finance Activities	354,393	403,464
Total Resources Used to Finance Activities	11,114,655	11,069,129
Resources Used to Finance Items Not Part of the Net Cost of Operations	205,467	340,216
Total Resources Used to Finance the Net Cost of Operations	11,320,122	11,409,345
Components of the Net Cost of Operations That Will Not Require or Generate Resources in the Current Period:	162,369	226,970
Net Cost of Operations	\$ 11,482,491	\$ 11,636,315

## ABBREVIATIONS AND ACRONYMS

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ANSI	American National Standards Institute
API	American Petroleum Institute
BPD	Bureau of the Public Debt (within the U.S. Department of the Treasury)
CFR	Code of Federal Regulations
CSB	Chemical Safety and Hazard Investigation Board
EPA	Environmental Protection Agency
FMFIA	Federal Manager's Financial Integrity Act
FY	Fiscal Year (October 1 to September 30)
GAAP	Generally Accepted Accounting Principles
GAO	Government Accountability Office
HCS	Hazard Communication Standard
NAS	National Academies of Science
NFPA	National Fire Protection Association
NTSB	National Transportation Safety Board
OIG	Office of Inspector General
OMB	Office Management and Budget
OSHA	Occupational Health and Safety Administration (within the U.S. Department of Labor)
PAR	Performance and Accountability Report
RP	Recommended Practice
UN GHS	United Nations' Global Harmonized System for Classification and Labeling of Chemicals

## **THE CSB WELCOMES YOUR COMMENTS!**

Thank you for your interest in the CSB's FY 2012 Performance and Accountability Report. The CSB welcome your comments on how we can make this report a more informative document for our readers. The CSB is particularly interested in your comments on the usefulness of this information and the manner in which it is presented. Please send your comments to [cfo@csb.gov](mailto:cfo@csb.gov) or write to:

**Chemical Safety and Hazard Investigation Board**  
Chief Financial Officer  
2175 K. St, NW Suite C-100  
Washington, DC 20038

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\* <http://www.csb.gov/service/legal.aspx>