



OFFICE OF
INSPECTOR GENERAL
U.S. DEPARTMENT OF THE INTERIOR

U.S. DEPARTMENT OF THE INTERIOR'S HEALTH AND SAFETY AND WORKERS' COMPENSATION PROGRAMS



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Memorandum

To: Kristen Sarri
Principal Deputy Assistant Secretary, Office of Policy, Management and Budget

From: Mary L. Kendall *Mary L. Kendall*
Deputy Inspector General

Subject: Final Report – Inspection of the U.S. Department of the Interior’s Occupational Safety and Health and Workers’ Compensation Programs
Report No. 2015-CR-001

The Office of Inspector General has completed an inspection of the U.S. Department of the Interior’s (DOI) health and safety and workers’ compensation programs. During our inspection, we analyzed program data regarding safety incidents, lost productivity, and workers’ compensation costs. We also conducted a high level review of employee safety incident data and workers’ compensation costs for chargeback years 2011 to 2014 (July 1 to June 30 annually).

Although DOI’s health and safety programs have improved over the years, there is more to be done. We offer eight recommendations in this report to ensure that DOI will move toward improved data quality, refined accounting for workers’ compensation costs, and general program management. Our recommendations, if fully implemented, will enhance the safety and health of DOI employees and the workers’ compensation programs.

In its December 21, 2015 response to our draft report, DOI concurred with recommendations 1, 5, 6, and 8; partially concurred with recommendations 3, 4, 7; and did not concur with recommendation 2. DOI provided actions it plans to take to resolve the recommendations, as well as target dates and officials responsible for implementation. Based on DOI’s response, we consider recommendations 1, 3, 5, 6, and 8 resolved but not implemented. We will refer these recommendations to the Assistant Secretary for Policy, Management and Budget for implementation tracking. Furthermore, we consider recommendations 2, 4, and 7 unresolved because DOI’s response did not fully address the intent of the recommendations. We will refer these recommendations to the Assistant Secretary for Policy, Management and Budget for resolution, as well as implementation tracking.

The legislation creating the Office of Inspector General requires that we report to Congress semiannually on all audit, inspection, and evaluation reports issued; actions taken to implement our recommendations; and recommendations that have not been implemented.

If you have any questions regarding this report, please contact me at 202-208-5745.

Table of Contents

Results in Brief	1
Introduction.....	3
Objective	3
Background	3
State of Safety and Workers’ Compensation in DOI	4
Safety Incidents	4
POWER Initiative.....	5
Lost Productivity	6
Number of Compensation Claims	6
Duration of Claims	6
Workers’ Compensation Costs	6
Findings.....	9
Data Integrity.....	9
Policy Compliance	10
Managerial Roles and Responsibilities	13
Effectiveness of the DASHO Council and Related Forums.....	13
Review of Safety Documentation Could Be More Timely	15
Program May Not Have Authority or Visibility to Promote Safety.....	15
Some Offices are not Clearly Covered by a Safety Program	17
Conclusion and Recommendations.....	19
Conclusion.....	19
Recommendations Summary.....	19
Appendix 1: Scope, Methodology and Prior Audit Coverage	24
Scope	24
Methodology	24
Prior Audit Coverage	25
Appendix 2: Response to Draft Report.....	27
Appendix 3: Status of Recommendations.....	32

Results in Brief

The U.S. Department of the Interior (DOI) is responsible for maintaining a safe, healthy work environment for its employees. When the work environment is not safe, compensation becomes an issue. For example, in 2014, DOI spent \$59 million on workers' compensation costs due to injuries and illness.

Since our 2008 audit, DOI has improved its occupational safety and health and its workers' compensation programs overall. We found that evaluations of all bureau safety programs had been completed in 2014. We also found that more data analysis modules had been added to the Safety Management Information System (SMIS), DOI's database that tracks injuries and illnesses.

While reviewing the current condition of the occupational safety and health and workers compensation programs, however, we found deficiencies within DOI's programs that, if corrected, could further improve safety and provide a healthier working environment for all employees. While improvements to SMIS have been made, data integrity remains a problem. Most DOI bureaus also have not adopted a long standing policy intended to encourage accountability on health and safety issues. Likewise, safety and health councils at the highest levels are not fulfilling their intended purpose; reports are not timely; the program does not have sufficient authority and visibility; and no safety program exists to cover Office of the Secretary employees.

To better understand and address safety risks and high workers compensation costs, DOI needs to more completely collect and analyze health, safety, and workers' compensation information. We found that SMIS does not require claims to be fully detailed, leaving important information such as types and causes of injuries in question. Without this information, DOI cannot accurately determine what types of risks are associated with different job types (permanent, temporary, seasonal, or volunteer), work locations, or job series.

Fourteen percent of the workers' compensation cases, or approximately 35 percent of the costs associated with claims in SMIS, did not identify the precise cause of the injury, describing it either as "unclassified" or "null," language too general to categorize the injury. Late claims and DOI's inability to maintain an accurate count of volunteers also impact understanding of employee injury rates and associated costs. Requiring more detailed and accurate information in SMIS would allow DOI and its bureaus to formulate strategies to address safety issues more effectively by creating a better understanding of the causes and effects of such injuries.

We also found that most bureaus are not in compliance with a DOI policy to bring chargeback¹ costs down to the lowest organizational unit. Originally issued in 1992, the policy aimed to reduce workers' compensation costs and encourage accountability at the field level. The policy further intended to build awareness among field level managers of the benefits that could accrue by returning employees to work. As of 2014, we found that only two bureaus had implemented the required policy and that DOI had not achieved its goal in returning employees to work within two years of injury.

We also found that DOI's designated agency safety and health official has not been positioned at an appropriate level for decision making. As a result, the DOI health and safety programs do not have the visibility and authority to promote safety effectively. Furthermore, reviews of safety-related documentation and evaluations have not been completed in a timely manner. Finally, while the roles and responsibilities of the safety officers are clear, the day-to-day management of the safety program for agencies located under the Office of the Secretary are not. The bureaus need leadership at the appropriate level, as well as relevant, accurate, and timely information with which to make necessary improvements to protect DOI workers' health and safety.

We make eight recommendations that, if implemented, should improve DOI's occupational health and safety and workers' compensation programs.

¹ The term "chargeback" refers to the process by which the Office of Workers Compensation (OWCP) bills employing agencies for their compensation costs, calculated on the basis of payments made from its compensation fund. By August 15 of each year, OWCP informs each agency of the amount expended from the fund on behalf of its employees during the preceding fiscal year (from July to June for chargeback purposes). The agency then either reimburses the fund or budgets that amount for the upcoming fiscal year.

Introduction

Objective

We assessed the current condition of U.S. Department of the Interior (DOI) occupational safety and health and workers' compensation programs. To accomplish this, we analyzed program data, reported safety incidents, lost productivity, and workers' compensation costs. We also completed a general analysis of employee safety incident data and workers' compensation costs for chargeback² years (CBY) 2011 to 2014 (July 1 to June 30 annually). See Appendix 1 for our scope and methodology.

Background

Employees who are injured on the job or who suffer from work-related illnesses may be eligible for compensation. Despite efforts to fulfill its responsibility through better management of safety programs, however, DOI's workers' compensation costs reached \$59 million in CBY 2014.

DOI's Office of Occupational Safety and Health (OSH) has responsibility for policy development affecting the health, safety, and well-being of DOI employees and visitors. OSH supports and evaluates DOI's safety and health programs. It also oversees DOI's Safety Management Information System (SMIS), a database and application used to record, track, and report injuries, as required by the Occupational Safety and Health Administration. Finally, OSH maintains the website, SafetyNet, which provides access to general safety and health information. In addition, some bureaus provide job-specific safety and health information to their employees to raise awareness (e.g., safety tips and safety-themed events).

Each bureau designates a safety and health manager to advise and support the organization as it carries out its safety program responsibilities. These include participating in health and safety councils and work groups, conducting safety program evaluations, recommending actions to correct program deficiencies, and acting as the bureau's technical safety and health advisor.

Federal agencies whose workers do become injured reimburse these employees' compensation expenses through OWCP chargebacks. This process is guided by the Federal Employees' Compensation Act (FECA) and administered by the Department of Labor (DOL) Office of Workers' Compensation Programs (OWCP). Since DOI does not have authority to approve or deny workers' compensation claims, its workers' compensation program assists employees with timely claim submissions to OWCP, while also monitoring employees' medical recovery from job-related injuries or illnesses.

² See Footnote 1 for explanation of "chargeback."

DOI's occupational safety and health, as well as its workers' compensation programs are primarily established under—

- Occupational Safety and Health Act of 1970;
- 29 C.F.R. § 1960 (“Basic Program Elements for Federal Employee Occupational Safety and Health Programs”);
- Executive Order 12196 (1980); and
- DOI's Departmental Manual (DM).

In addition, the Government's Protecting Our Workers and Ensuring Reemployment (POWER) initiative, signed by the President on July 19, 2010, established performance goals to encourage data analysis of the causes and consequences of on-the-job injuries and job-related illnesses for Federal agencies.

State of Safety and Workers' Compensation in DOI

DOI's safety and health programs have improved overall as DOI has responded to recommendations from past audits and evaluations. For example, since our 2008 audit,³ OSH developed a process for annually evaluating bureaus, as well as created an evaluation toolkit to help bureaus conduct their own self-evaluations. This evaluative process combines documentation review and site visits to identify program strengths and weaknesses. Documenting and discussing evaluation results gives bureau safety managers a way to share program achievements, while increasing knowledge and collaboration among safety personnel. Program staff develop and learn from each other through safety council meetings involving OSH and the bureaus' safety managers. In addition, some bureau safety programs incorporate knowledge-sharing to build employee awareness (e.g., participation in safety days, periodic employee emails containing safety tips, and safety-focused announcements).

We reviewed DOI's worker compensation benefit information provided to employees who received either medical reimbursement, payroll reimbursement, or both forms of reimbursement during CBYs 2011 through 2014. The following overarching categories pertaining to DOI safety and workers' compensation developed from this data.

Safety Incidents

Slips, trips, falls, and strains due to lifting constituted the most frequently identified and reported safety incidents, as shown in Figure 1.

³ Department of the Interior Office of Inspector General Audit Report, “Health and Safety Concerns at Department of the Interior's Facilities,” C-IN-MOA-0011-2006, March 2008.

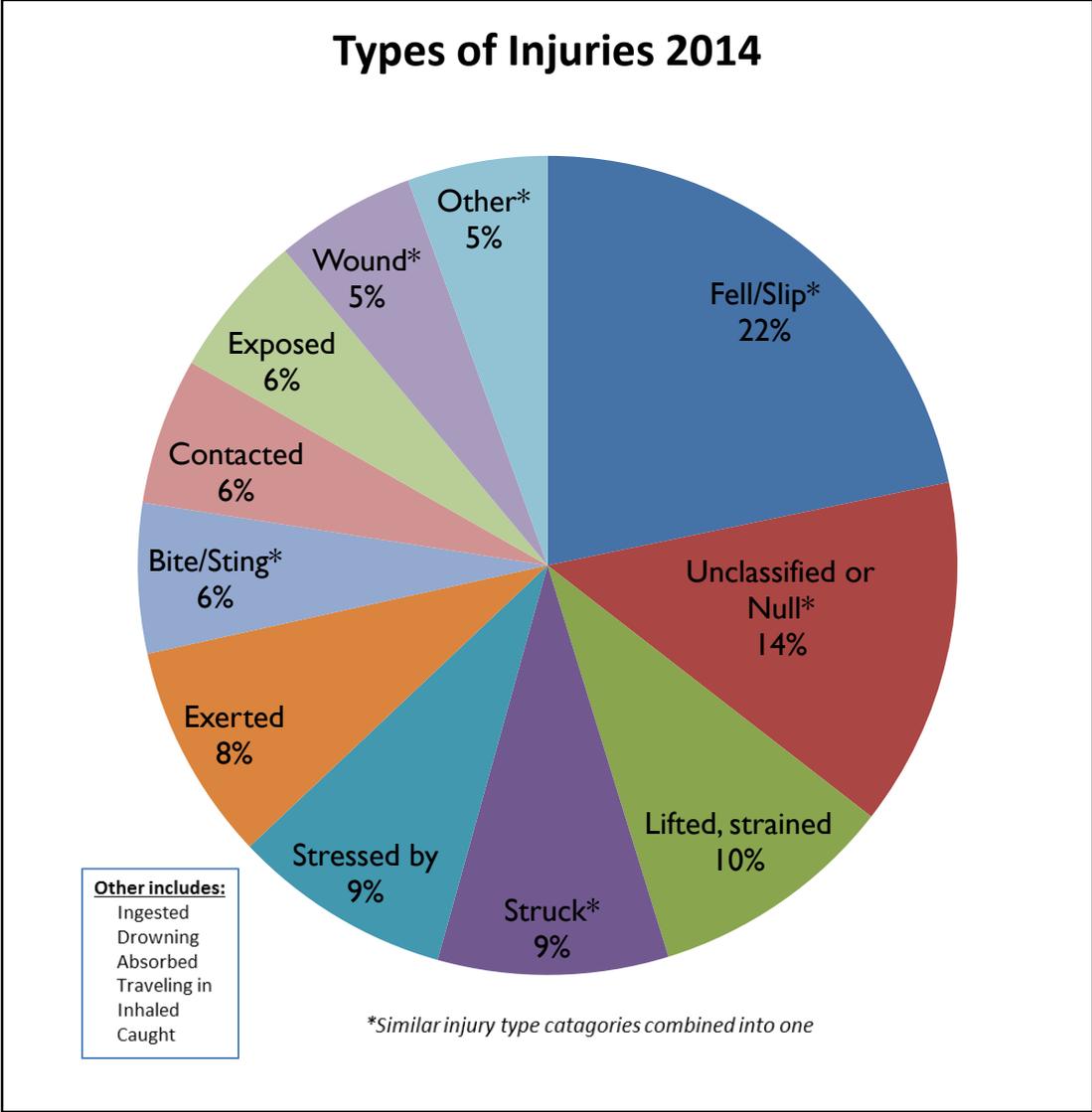


Figure 1. Among the types of injuries listed, “Unclassified/Null” is the next largest category after “Fell/Slip,” followed by “Lifted, strained.”

POWER Initiative

In general, DOI met most of its POWER initiative goals, rating higher than the overall Federal average for most goals. For example, DOI met its 2014 POWER initiative targets for reducing total case rates, as well as reducing lost time case rates. DOI did not achieve its 2014 target for timely filing of injury and illness notices or for increasing the percentage of workers returning to work within 2 years. Not only did DOI fail to improve its percentage of employees returning to work, but DOI’s numbers actually fell below both its 2009 and 2011 baseline.

Lost Productivity

Lost production days due to injuries or illnesses equaled 42 lost days per 100 DOI employees, well below the Federal average of 73.

Number of Compensation Claims

From CBY 2011 to 2014, SMIS indicated a 16 percent decrease in new cases. For CBY 2011, 9,262 entries were filed, which included 5,103 new cases. In CBY 2014, the total cases decreased to 7,894—a 14.8 percent decrease from 2011. New cases decreased to 4,279—a 16 percent decrease from 2011.

Duration of Claims

One way to contain workers' compensation costs is to reduce the duration of compensation claims. We found that DOI has some longstanding claims. A 2011 chargeback had been made for a claim first opened in 1946—65 years as an active case. The oldest claim listed in CBY 2014 dated to 1953. We found that 70 percent of the cases recorded in SMIS during CBY 2014 had been opened in 2014 or 2013, while 19 percent had been entered more than 5 years before CBY 2014.

Workers' Compensation Costs

The National Park Service (NPS) had the largest share of workers' compensation costs, totaling \$25 million in CBY 2014, as shown in Figure 2. Bureau of Indian Affairs (BIA), Bureau of Land Management (BLM), U.S. Bureau of Reclamation (USBR), and the U.S. Fish and Wildlife Service (FWS) had the next highest totals, with amounts ranging from just under \$9 million to \$6 million, respectively. NPS' compensation costs reached 43 percent of all DOI workers' compensation costs, increasing by 6 percent from 2011 to 2014, compared to a 3 percent decrease for DOI overall. BIA workers' compensation costs totaled approximately 15 percent of the DOI total, while BIA employs only about 5 percent of DOI employees. The remaining bureaus—Office of the Secretary (OS), Office of the Solicitor (SOL), Office of Surface Mining Regulation and Enforcement (OSM), Bureau of Ocean Energy Management (BOEM) and Bureau of Safety and Environmental Enforcement (BSEE) average less than 2 percent of the DOI total per bureau.

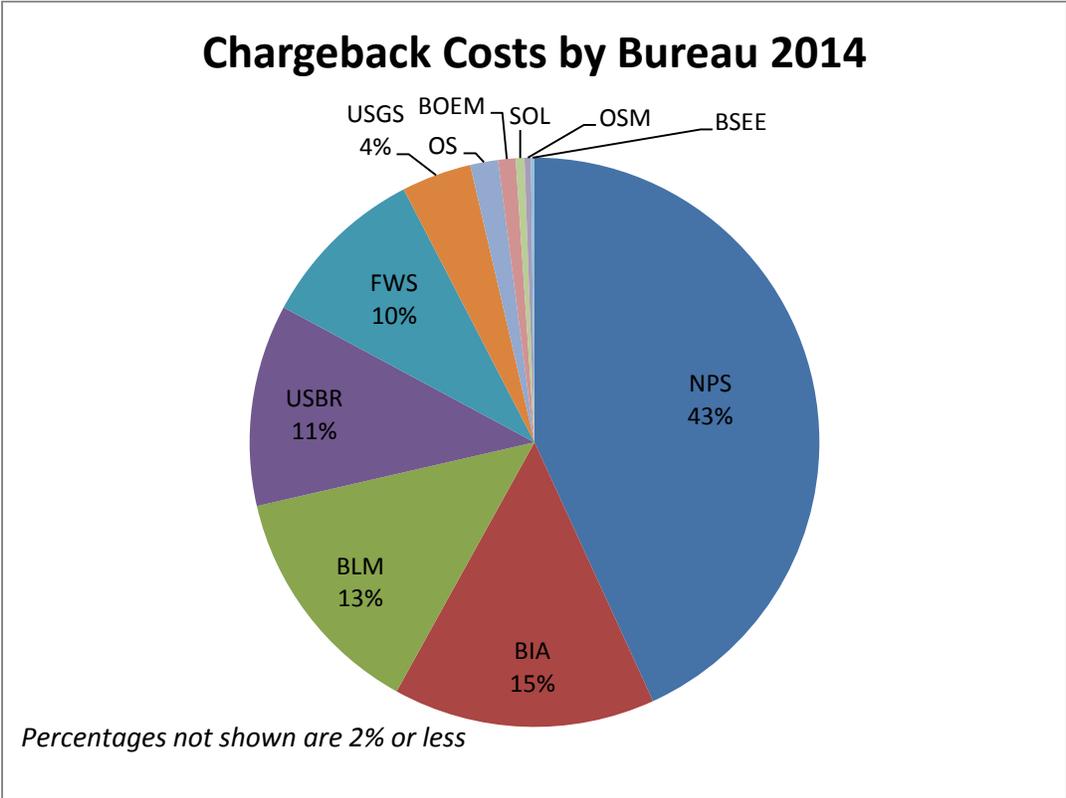


Figure 2. NPS had the highest percentage of chargeback costs, totaling 43 percent for CBY 2014.

In 2014, maintenance workers had the highest number of claims and the highest total costs, which equaled more than \$7 million dollars and 900 claims. Laborers, engineering equipment operators, park rangers, and police officers claimed the next 4 highest costs ranging from \$3.3 million to \$1.5 million. Parks rangers, volunteers, forestry technicians, and range technicians had the next highest number of claims, ranging from 695 to 345 in 2014.

DOI's top 10 individual chargebacks from 2011 to 2014 are illustrated in Figure 3. The chart takes into account both medical and compensation costs. The sum of chargeback costs paid for the top two individual claims between CBY 2011 and 2014 include \$1.69 million for NPS and \$929 thousand for USGS.

DOI Top 10 Chargebacks for Individual Cases 2011-2014		
Bureau	Total Paid	Injury Type
NPS	\$1,694,245	Fell, slip/trip
USGS	929,420	Unclassified
NPS	768,660	Struck
SOL	720,246	Stressed
USBR	711,904	Exposed
NPS	616,872	Contacted
BLM	461,120	Struck
FWS	441,675	Fell, slip/trip
NPS	432,301	Unclassified
USBR	416,009	Fell, slip/trip

Figure 3. Total compensation paid to top ten DOI claims from 2011-2014.

Findings

We found that DOI's safety data system is incomplete, that agencies are not complying with DOI policy, which also needs updating, and that roles and responsibilities are not clearly defined. DOI's safety and health and workers' compensation programs also could be improved by reviewing and correcting the deficiencies we observed during this inspection.

Data Integrity

SMIS, the Department's safety data system, does not capture information that could help to prioritize program improvement efforts. For instance, we found that the data category for the type of injury was filled out as unclassified or left blank in 14 percent of all claims in each year from 2011 to 2014. DOI directs its employees to SMIS to file an injury or illness claim; however, no automated controls exist that require employees to complete the forms with all the pertinent information. This can result in basic information, such as the type of injury, being left blank (null) or listed as unclassified. Knowing what types of injuries make up the majority of agencies' claims is critical since it can help determine the best strategy for managing those injuries.

Requiring complete details for all SMIS claims would allow DOI to address safety issues more efficiently by increasing understanding of the causes and effects of such injuries. We found that 35 percent of total compensation costs (14 percent of cases in SMIS) used the words "null" or "unclassified" to identify the injury type. The combined information from these general categories accounted for nearly \$21 million in chargeback costs to DOI in 2014. Two of the top 10 chargebacks from 2011 to 2014 fell into the unclassified category, as shown in Figure 3.

A null field means that the SMIS "type of injury" field was left blank—neither the employee nor the supervisor filled in the injury type. Null is the SMIS default when another category is not selected. It differs from unclassified in that the employee or supervisor intentionally selects the unclassified option from the list of choices, indicating that the injury does not fit the other established descriptions. Thus, neither of the two categories describes the type of injury. Less than 1 percent of the injury type entries in the 2014 CBY data were left blank (null), while just over 13 percent selected the unclassified category (see Figure 1 where these numbers have been combined). This means that DOI cannot effectively understand the nature of all the injuries if null or unclassified are selected in the data entry process. Furthermore, the category terminology used in SMIS is complicated by the fact that the DOL, rather than DOI, created and controls these data entry terms.

We also found instances in which the case data may have been put into SMIS years after the date the injury occurred. One case created in 2010 had an injury

date of 1988. Overall, we found that 4.5 percent of the 2014 chargeback cases (355 claims) had been created a year or more after the injury. Further, if supervisors do not routinely update claims data to reflect the correct amounts of leave time taken by injured employees, less accurate statistics get reported. Incomplete, incorrect, or untimely data can skew overall statistics and hamper efforts to analyze safety data to help prioritize program improvement efforts.

DOI employs a large number of volunteers who could be entitled to workers' compensation benefits if injured while volunteering. Although we learned that a unified system to track volunteers Department-wide does not exist, some bureaus do track volunteers at the field office or regional level. Data from these organizational units, however, is not always reported up the chain of command or imported into SMIS. We learned that DOI is striving for a more accurate volunteer count, which would not only document the hours that volunteers contribute to DOI projects, but also help SMIS managers more accurately determine, analyze, and report safety incidents. SMIS does capture the number of volunteers that report safety incidents and the hours the volunteers worked; however, neither SMIS nor DOI maintains an accurate population of volunteers. Improved data validity could support efforts to develop a better understanding of the various risks that volunteers face in the work environment. Better understanding the overall population of DOI's volunteers would also affect the overall reporting of safety statistics since the total population of DOI is used to determine case rates.

Recommendations

We recommend that DOI:

1. Reduce or eliminate the number of null or unclassified entries in SMIS to allow for more complete and accurate numbers on each injury type reported by DOI employees; and
2. Standardize the method for counting and reporting the number of volunteers, as well as the amount of time they worked.

Policy Compliance

In May 1992, the Secretary of the Interior directed its agencies to manage workers' compensation costs by identifying them at the organizational level where the injury occurred. DOI issued this policy to increase field managers' awareness of the cost of accidents, as well as their responsibility for maintaining a viable safety program. We found that most Interior agencies have never complied with this policy.

Traditionally, workers' compensation costs have been charged to the central budget of each bureau rather than to the regional office, field office, or other

organizational level where the injuries occur. DOI issued the policy to ensure that field level managers are made aware of both the cost impact of accidents and of their managerial responsibility to maintain an effective safety program.

On July 12, 2012, the Office of Human Resources director also issued a policy requiring the assignment of chargeback costs to the units where the employee sustained the injury or illness. This policy, which aimed to assign ownership, increase cost awareness, and encourage future reductions of workers' compensation expenses, required implementation by October 1, 2012. In January and February 2013, DOI granted policy waivers to NPS, FWS, BSEE and BOEM because those bureaus receive specific appropriations for workers' compensation. BLM, BIA, OSM, and OS have not implemented the policy, nor do they have policy waivers.

From DOI's first issuance of the policy in 1992 until the current fiscal year—a span of 23 years—only two bureaus, USBR and USGS, have implemented the policy (see Figure 4), after which, both showed improvements. For instance in 2005, before the policy was implemented, USGS workers compensation costs were \$3,011,511. In 2006, the first true year acting on the implementation the USGS costs decreased to \$2,857,852. In 2014 the USGS costs were down to \$2,334,258, well below the 2005 costs. Without implementing the policy or alternative strategies that achieve its intent, DOI has been unable to demonstrate progress in these areas.

DOI Chargeback Policy and OIG Actions

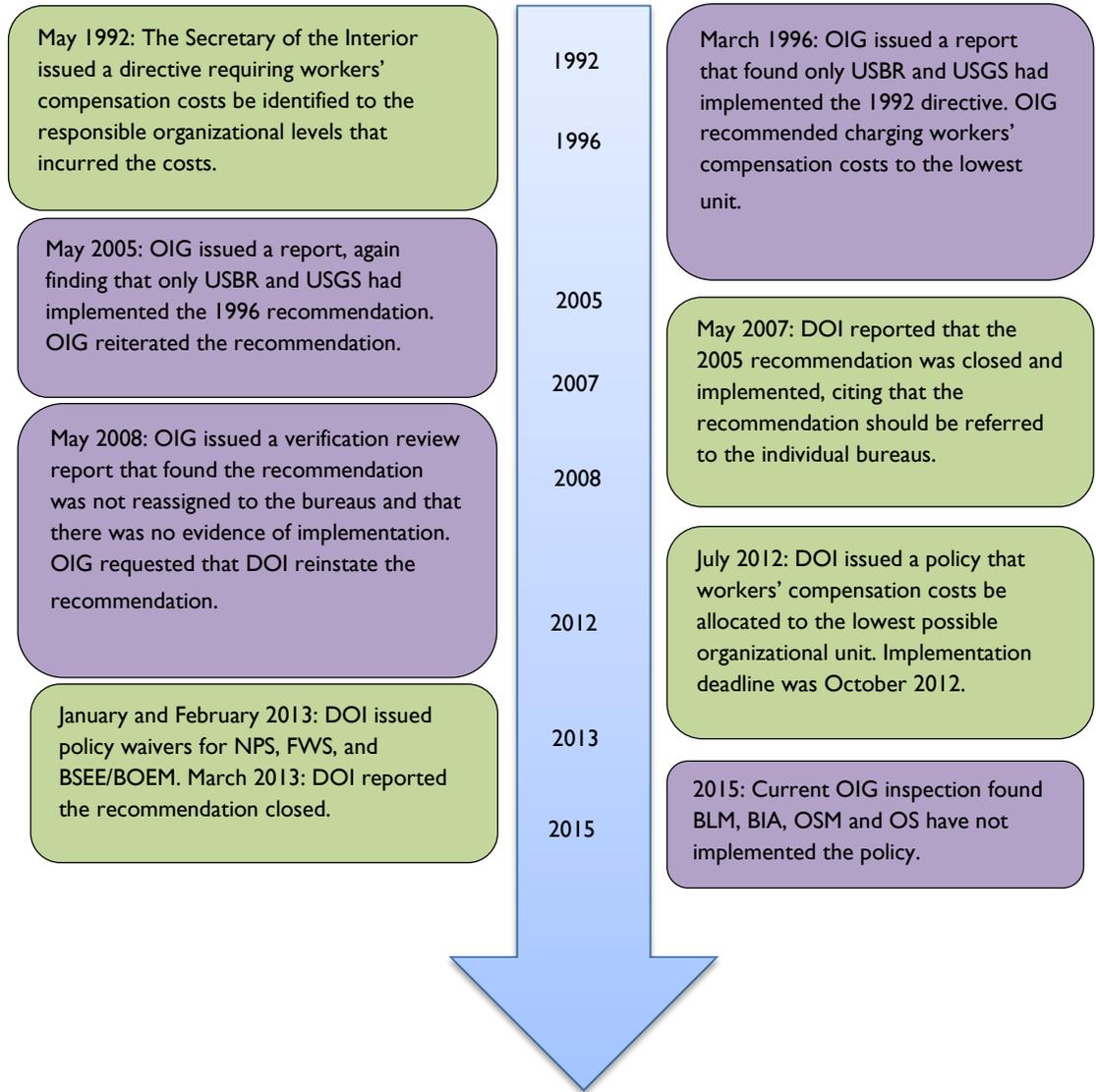


Figure 4: The chart shows a timeline of DOI and OIG actions made in reference to charging workers' compensation costs to the lowest organizational unit.

Recommendations

We recommend that DOI:

3. Actively work with the bureaus to require compliance to the policy to allocate workers' compensation costs to the lowest organizational units; and
4. Work with the bureaus and offices to develop alternative strategies to increase managerial awareness of the costs associated with safety incidents.

Managerial Roles and Responsibilities

We question the effectiveness of DOI's Designated Agency Safety and Health Official (DASHO) Council, which is responsible for driving safety policy and priorities throughout DOI. In addition, we found significant delays in issuing safety-related guidance and reports intended to increase the effectiveness of the Department's bureau safety and occupational health programs. We also found that the DASHO is not positioned at the appropriate level to comply with regulation, and we question if the safety program has the proper visibility and authority to promote safety. Finally, we could not determine whether the Interior Business Center (IBC), formerly the National Business Center, is responsible for the safety and health program across all OS units and locations or whether each unit is responsible for establishing its own program.

Effectiveness of the DASHO Council and Related Forums

The DASHO Council is ineffective because it neither provides direction to nor drives the priorities of the safety council. The former DASHO, who held the position 5 years, did not attend the DASHO Council meetings. Not attending these meetings contradicts the policy established by 485 DM 2, as shown in Figure 5.

Managerial Roles and Responsibilities	
Departmental DASHO	
	Exercises the authority of the Secretary for the management and administration of the Program.
	Directs program activities through a Departmental Deputy DASHO and ensures that adequate resources are provided to the office to develop and administer the program.
	Annually prepares a comprehensive Safety and Occupational Health Report for the Secretary.
	Promulgates policy, directives, and alternate or supplemental standards.
	Participates in DASHO Council meetings.
	Participates, upon request, in the Federal Advisory Council on Occupational Safety and Health.
	Appoints serious accident investigation teams or trained investigators for the immediate and primary investigation of serious accidents, when deemed appropriate.
	Encourages bureau safety and health managers to use DOI's Safety and Occupational Health Council as a forum for exchanging program information.

Figure 5: Responsibilities adapted from 485 DM 2.

The DASHO Council was created to provide executive level bureau and office involvement in formulating safety policy, as well as in DOI safety and health program management. In addition, the council is tasked with directing and approving actions by the DOI Safety and Occupational Health Council. While the council meetings do provide bureau safety managers with opportunities to share information, decisions needed to effectively manage safety and health programs may be delayed or not uniformly addressed if DOI's DASHO does not participate. Absence of the DASHO's attendance and participation reflects on the priority given to the council.

Recommendation

We recommend that DOI:

5. Revisit the purpose and operation of the DASHO Council to ensure safety concerns and initiatives receive due attention; roles, responsibilities and authorities are clarified; and decisions are made to effectively manage safety and health programs.

Review of Safety Documentation Could Be More Timely

We found significant delays associated with issuing safety-related guidance and reports. For instance, OSH issued a draft evaluation report of FWS' safety and health program in December 2013 but it was officially signed after being resent to the Deputy DASHO in October 2014, a few days after our interviews. Likewise, a USBR evaluation sent in December 2013 had not been signed by our November 2014 interview with USBR safety staff. Officials whom we interviewed expressed concern about delayed Departmental review and final issuance. Evaluations are intended to determine the effectiveness of bureau safety and occupational health programs and to identify strengths, weaknesses, and areas needing improvement. If the reports are not provided to the bureaus in a timely manner, the bureaus may not be able to take the necessary corrective actions to improve health and safety.

OSH has developed and updated safety DM chapters to guide DOI bureaus; however, some DM chapters have been, or are currently, stalled. For instance, Chapter 30 first entered the surnaming system on February 25, 2011; Chapters 1, 2, and 4 entered the surnaming system on April 27, 2011. We were told that the time lapse will cause Chapter 30 to go through the entire surnaming process a third time. Departmental manuals serve as the primary source of information on policy and general procedures in their respective departments. Therefore, without updated guidance, DOI bureaus may not be receiving relevant, accurate, or timely information.

Recommendation

We recommend that DOI:

6. Ensure that key safety documents, including policy updates and evaluation reports, are reviewed and disseminated in a timely manner.

Program May Not Have Authority or Visibility to Promote Safety

Prior to our 2008 report, the DASHO was the Deputy Chief Human Capital Officer, a position two levels below the assistant secretary level. We therefore, recommended that the Secretary of the Interior appoint the Assistant Secretary for

Policy, Management and Budget (PMB) as the DASHO to comply with 29 C.F.R. § 1960.6.

Federal regulation 29 C.F.R. §1960.6, published in 1980, requires that the DASHO be located at the assistant secretary or equivalent position, and have sufficient authority and responsibility to effectively represent the Secretary of Interior in managing DOI's occupational safety and health program. Further, the regulations state that DOI's headquarters staff should report directly, or have appropriate access, to the DASHO.

On January 9, 2008, the Secretary appointed the Acting Assistant Secretary for PMB as DOI's DASHO. The DASHO remained at the assistant secretary level until October 2014 when the Assistant Secretary left DOI. After this departure, the Deputy Assistant Secretary for Human Capital and Diversity was appointed as the DASHO and the Deputy DASHO position was eliminated. A DASHO positioned at the deputy assistant secretary level means that DOI no longer complies with 29 C.F.R. § 1960.6.

In our 2008 report, we recommended that DOI establish a full-time position that we referred to as the Chief of Health and Safety, a position that could advocate for safety-related issues and priorities. This person would work with existing councils to ensure coordination and verify that identified issues were raised to the appropriate decision making level. While DOI concurred in June 2009, it chose not to create the position, instead establishing monthly forums between the DASHO, Deputy DASHO, and OSH Director.

Our verification review issued in September 2011 found that only one forum between the DASHO, Deputy DASHO, and OSH Director had been held since we issued the 2008 report. We requested that the Office of Financial Management (PFM) reinstate the recommendation. In November 2011, PFM stated that they would not do this because—

- a January 2010 reorganization of the Office of Policy Management and Budget (PMB) elevated the responsibilities of the Deputy DASHO;
- the Deputy DASHO position was filled by the Deputy Assistant Secretary, Human Capital and Development, who met regularly with the PMB Assistant Secretary who is the DASHO;
- the OSH Director has direct access to the Deputy DASHO; and
- monthly meetings of the Deputies Operating Group are chaired by the DASHO.

In our 2008 report, we also noted that other Federal agencies and private sector companies have a Chief Safety Officer at a higher organizational level. By establishing a Chief Safety Officer, these organizations are able to create visibility for their safety programs.

In addition, the communication between the DASHO and the OSH Director has not improved since our 2008 report. Prior to fall 2014 when the DASHO was at the assistant secretary level, OSH indicated that it did not have regular DASHO access, a situation that restricted the flow of information. In early 2015, we received notification that DOI eliminated the Deputy DASHO position entirely while moving the previous Deputy DASHO to the DASHO position. This move may reduce the visibility of the program by demoting the DASHO to the deputy assistant secretary level, contrary to regulation. Furthermore, as noted in the section above, reports and guidance are delayed.

The range of duties currently vested in the deputy assistant secretary do not satisfy our 2008 recommendation to create a full-time position to serve as an advocate for health and safety; and the councils and forums do not fulfill the need for safety officials to have direct access to an official with sufficient authority to direct safety and health priorities across the Department. Without the DASHO role being at the appropriate level and the duties delegated to a position where safety is the clear priority, we question whether DOI can ensure the health and safety programs have the authority and visibility to promote safety effectively.

Recommendation

We recommend that DOI:

7. Establish a full time position that serves as the DASHO's advocate for health and safety.

Some Offices are not Clearly Covered by a Safety Program

We found that OS does not have an effective safety program in place. The DM states that bureau safety managers are responsible for effectively developing and managing the safety program in their respective bureaus. The DM further defines a bureau as a major organization within DOI, and specifically includes OS. OS comprises a number of organizations and operating locations.

According to the Safety and Occupational Health Program Evaluation for fiscal year 2012 issued to the deputy assistant secretary for technology, information, and business services in 2013, OSH found varying perceptions of the role of the IBC in providing safety program support for OS. Indeed, IBC functions delineated at 112 DM 10 only refer to the “management [of] . . . health and wellness facilities at the Main Interior Complex.” In its evaluation, OSH found no other written document to define the mission, roles, responsibilities, and scope of the IBC program.

This has led to many OS units being left without adequate safety and occupational health support, as it is not clear whether IBC is responsible for the safety and health program across all OS units and locations or whether each unit is

responsible for establishing its own program (as some have). The 2012 evaluation further states that “the lack of professional safety and occupational health support is a causal factor, or possibly even a root cause, for many of the shortcomings of OS office safety programs and performance.”

Recommendation

We recommend that DOI:

8. Define roles and responsibilities to ensure that all of the units within OS have a safety and health program.

Conclusion and Recommendations

Conclusion

The occupational safety and health and workers' compensation programs are vital to DOI's mission of maintaining safe and healthy workplaces. In our report, we identify the need for improved data quality, improved accounting for workers' compensation costs, high-level representation and support for safety priorities, and timely review and coordination of safety related communications. Further, we call on DOI to ensure that all employees are covered by a safety and health program.

Our recommendations, if fully implemented, will strengthen DOI's ability to enhance its occupational safety and health and workers' compensation programs.

Recommendations Summary

We recommend that DOI:

1. Reduce or eliminate the number of null or unclassified entries in SMIS to allow for more complete and accurate numbers on each injury type reported by DOI employees.

DOI Response: Concur. PMB and the bureau and office workers' compensation coordinators will review the workers' compensation claim review procedures to identify the top issues driving the number of null or unclassified entries in SMIS. Based upon this root cause analysis, PMB will issue additional guidance or training requirements to reduce the number of null or unclassified entries.

OIG Comment: Based on the Department's response, we consider this recommendation resolved but not implemented.

2. Standardize the method for counting and reporting the number of volunteers, as well as the amount of time they worked.

DOI Response: Non-concur. All bureaus are required to track both the number of volunteers and hours associated with volunteers. There is no safety regulatory requirement for this to be tracked in SMIS. SMIS is used appropriately to track volunteer injuries and illnesses and associated hours but is not intended or equipped to be used as a volunteer tracking system for over 300,000 annual volunteers.

OIG Comment: Based on DOI's response, our recommendation remains as it is, and we consider it unresolved. While we understand SMIS may

not be the appropriate place to track volunteers, a standardized method for counting and tracking volunteers is needed. As stated in DOI's response, there are in excess of 300,000 annual volunteers. Without having an understanding of the overall population of volunteers, DOI is unable to gain a better understanding of the risks faced by volunteers, as well as their work environment. In addition, with numbers of volunteers exceeding four times the number of DOI employees, an inaccurate count of total volunteer numbers could skew percentages and safety statistics since the total population is used to calculate case rates.

3. Actively work with the bureaus to require compliance to the policy to allocate workers' compensation costs to the lowest organizational units.

DOI Response: Partially Concur. We agree that charging workers' compensation costs to the lowest organizational unit is an effective method of accountability and bolsters bureau ownership, along with workers' compensation cost awareness. DOI issued a policy in September 2012 requiring workers' compensation costs to be allocated to the lowest possible organizational level. Between September 2012 and December 2012, the cochairs of the ad hoc working group convened to help implement this policy met individually with bureaus to discuss implementation. Bureaus with separate workers' compensation appropriations (the National Park Service, the U.S. Fish and Wildlife Service, the Bureau of Safety and Environmental Enforcement, and the Bureau of Offshore Energy Management), were determined to have significant barriers to implementing the policy and were granted waivers. These bureaus committed to finding additional ways to reduce their workers compensation chargeback costs. All other bureaus accepted the policy including BLM, BIA, OSM and OS. We will require BLM, BIA, OSM and OS to document their compliance with the September 2012 policy.

OIG Comment: Based on the Department's response, we consider this recommendation resolved but not implemented.

4. Work with the bureaus and offices to develop alternative strategies to increase managerial awareness of the costs associated with safety incidents.

DOI Response: Partially Concur. We agree that charging workers' compensation costs to the lowest organizational unit is an effective method of accountability and bolsters bureau ownership along with workers' compensation cost awareness, DOI issued a policy in September

2012 requiring workers' compensation costs to be allocated to the lowest possible organizational level. Between September 2012 and December 2012, the co-chairs of the ad hoc working group convened to help implement this policy met individually with bureaus to discuss implementation. Bureaus with separate workers' compensation appropriations (the National Park Service, the U.S. Fish and Wildlife Service, the Bureau of Safety and Environmental Enforcement, and the Bureau of Offshore Energy Management), were determined to have significant barriers in implementing the policy and were granted waivers. These bureaus committed to finding additional ways to reduce their workers compensation chargeback costs. All other bureaus accepted the policy including BLM, BIA, OSM and OS. We will require BLM, BIA, OSM and OS to document their compliance with the September 2012 policy.

OIG Comment: Based on DOI's response, the recommendation remains as it is, and we consider it unresolved. While we are encouraged that the bureaus have committed to finding additional ways to reduce their workers' compensation chargeback costs, we have not seen any evidence of action taken or of proposed ways to actually reduce those costs or increase manager awareness. Please identify what strategies the Department and the bureaus intend to implement to increase managers' awareness of the costs associated with safety incidents.

5. Revisit the purpose and operation of the DASHO Council to ensure safety concerns and initiatives receive due attention; roles, responsibilities and authorities are clarified; and decisions are made to effectively manage safety and health programs.

DOI Response: Concur. While we recognize the importance of bureau and office collaboration on safety and health program matters, we also recognize that safety and health crosses multiple programmatic disciplines, and a stand-alone council may not be the most effective way to advance safety and health programs. We will work with bureaus and

offices to identify a more effective governance structure and update the Departmental Manual to reflect the new structure.

OIG Comment: Based on the Department's response, we consider this recommendation resolved but not implemented.

6. Ensure that key safety documents, including policy updates and evaluation reports, are reviewed and disseminated in a timely manner.

DOI Response: Concur. We agree that timely review of key safety documents is important, as is engagement and dialogue with bureau leadership on safety and health issues. We will develop a timeline for key safety documents, such as evaluation reports and Departmental Manual chapters, that provides both ample opportunity for bureau engagement, and a common understanding of the review process for each organization involved in the process.

OIG Comment: Based on the Department's response, we consider this recommendation resolved but not implemented.

7. Establish a full time position that serves as the DASHO's advocate for health and safety.

DOI Response: Partially Concur. We agree that senior level attention on safety and health is appropriate and warranted. However, we believe the Deputy Assistant Secretary for Human Capital and Diversity provides the appropriate senior level attention and a full-time position is not needed.

OIG Comment: Based on DOI's response, the recommendation remains as it is, and we consider this recommendation unresolved. Having the DASHO positioned at the Deputy Assistant Secretary level does not comply with regulations that require the DASHO to be at the Assistant Secretary level or equivalent. In addition, problems still persisted after our 2008 report even with the DASHO positioned at the Assistant Secretary level and the deputy DASHO at the Deputy Assistant Secretary level. Now, even less senior level attention on safety seems to have resulted from de-elevating the DASHO to the Deputy Assistant Secretary level and removing the Deputy DASHO position.

8. Define roles and responsibilities to ensure that all of the units within OS have a safety and health program.

DOI Response: Concur. The Office of Facilities and Administrative Services (OFAS) will be responsible for implementing and managing an OS-wide safety program.

OIG Comment: Based on the Department's response, we consider this recommendation resolved but not implemented.

Appendix I: Scope, Methodology and Prior Audit Coverage

Scope

Our inspection focused on the U.S. Department of the Interior's (DOI) occupational safety and health and its workers' compensation programs. As part of our review, we analyzed information provided to us from the Safety Management Information System (SMIS) database for chargeback years 2011 to 2014 (July 1, 2010 to June 30, 2014).

We conducted our inspection in accordance with the Quality Standards for Inspection and Evaluation as put forth by the Council of the Inspectors General on Integrity and Efficiency. We believe that the work performed provides a reasonable basis for our conclusions and recommendations.

We removed the Office of Inspector General (OIG) from the data prior to conducting our analysis.

Methodology

We used SMIS data provided to us by the Office of Occupational Safety and Health for chargeback years 2011 through 2014 to conduct our analyses. We did not attempt to eliminate duplicates or potential errors.

We gathered supplemental information from the U.S. Department of Labor's (DOL) website (for example, POWER goal statistics) and from annual safety reports and evaluations.

We interviewed DOI and bureau officials, and staff at the following locations—

- Office of Occupational Safety and Health in Washington, DC, and Lakewood, CO;
- U.S. Bureau of Reclamation, Lakewood, CO;
- U.S. Geological Survey in Reston, VA;
- Office of the Secretary in Washington, DC;
- U.S. Fish and Wildlife Service in Falls Church, VA;
- U.S. Office of Surface Mining Reclamation and Enforcement in Washington, DC;
- Bureau of Land Management in Washington, DC;
- National Park Service in Washington, DC;
- Bureau of Safety and Environmental Enforcement in Herndon, VA; and
- Bureau of Indian Affairs in Albuquerque, NM.

In addition, we reviewed—

- applicable laws, regulations, policies, and other criteria;
- prior OIG reports;
- information from DOI and DOL websites, publications, and reports; and SMIS safety and workers' compensation data.

Prior Audit Coverage

In September 2011, we issued our Verification Review of Six Recommendations from our Health and Safety Concerns at Department of Interior's Facilities Audit Report (C-VS-DMO-0005-2011). We conducted this review to determine whether the recommendations in the report were implemented as reported to the Office of Financial Management, Office of Policy, Management and Budget. We found recommendations 3, 4, 5, 6 and 7 had been implemented. Recommendation 1 was considered implemented at the time of the final report issuance, so it was not part of the scope of the verification review. We found recommendation 2 had not been fully implemented and requested that the recommendation be reopened.

In March 2008, we issued our audit report, Health and Safety Concerns at Department of Interior's Facilities (C-IN-MOA-0011-2006). We conducted the audit to determine whether DOI and its bureaus had effectively addressed health and safety issues related to facilities. We found that, although much progress had been made, serious weaknesses remained in the health and safety program, which could lead to inadequate protection of employees and the public. Specifically, deficiencies existed in the organization, coordination, staffing, and recordkeeping of the health and safety program; many facilities on DOI lands contained health and safety hazards; and some employees expressed concerns that serious deficiencies existed in their workplace.

In May 2005, we issued our report, Department of the Interior Workers' Compensation Program (E-IN-MOA-0008-2004). In that report, we evaluated the DOI workers' compensation program to determine whether DOI and its bureaus effectively managed the program in ways that could contain its costs and prevent fraud and abuse. We concluded that the program was inefficient and ineffective, lacking consistent and comprehensive policies and procedures, having no national program manager at the Department level to focus the program, and demonstrating minimal accountability for workers' compensation costs at the field level.

In March 1996, we issued our audit report, Safety and Health Program, Department of the Interior (96-I-609). We conducted the audit to determine whether Department bureaus provided a safe and healthful workplace for employees and volunteer workers, implemented reasonable corrective measures to reduce incidents of work related injuries and illnesses, and adequately accounted for and investigated work-related injuries and illnesses to enable necessary corrective actions to be made. Our review disclosed that the safety programs

managed by the National Park Service, the Bureau of Land Management, the Bureau of Indian Affairs, the Bureau of Reclamation, and the U.S. Fish and Wildlife Service were not effective in preventing work related accidents and illnesses.

Appendix 2: Response to Draft Report

The Department of the Interior's response to our draft report follows on page 28.



United States Department of the Interior

OFFICE OF THE SECRETARY

Washington, DC 20240

DEC 21 2015

To: Kimberly Elmore
Assistant Inspector General for Audits, Inspections, and Evaluations

Through: Kristen Sarri *Kristen Sarri*
Principal Deputy Assistant Secretary for Policy, Management and Budget

From: Mary Pletcher *Mary Pletcher*
Deputy Assistant Secretary for Human Capital and Diversity

Subject: Draft Report – Inspection of the U.S. Department of the Interior’s Occupational Safety and Health and Workers’ Compensation Programs
Report No. 2015-CR-001

Thank you for the opportunity to respond to the Office of Inspector General (OIG) draft report on the Inspection of the U.S. Department of the Interior’s Occupational Safety and Health and Workers’ Compensation Programs, 2015-CR-001. As noted in the report, the Department of the Interior’s safety and health program has improved overall and Interior has met most of its POWER initiative goals, rating higher than the overall Federal average for most goals. However, the Department recognizes that there continue to be opportunities to improve the integration of and quality of our workers compensation and safety and health programs.

Attachment 1 provides the Department’s comments on the report and the planned corrective actions for the recommendations with which we concur. If you have any questions, please contact me at (202) 208-4505 or mary_pletcher@ios.doi.gov.

Attachment:

1. Statement of Actions to Address Office of Inspector General (OIG) Draft Inspection Report of the U.S. Department of the Interior’s Occupational Safety and Health and Workers’ Compensation Programs Reference – Report No. 2015-CR-001

Statement of Actions to Address Office of Inspector General (OIG) Draft Inspection Report of the U.S. Department of the Interior's Occupational Safety and Health and Workers' Compensation Programs Reference- Report No. 2015-CR-001

Recommendation 1: Reduce or eliminate the number of null or unclassified entries in SMIS to allow for more complete and accurate numbers in on each injury type reported by DOI employees.

Response: Concur. PMB and the bureau and office workers' compensation coordinators will review the workers compensation claim review procedures to identify the top issues driving the number of null or unclassified entries in SMIS. Based upon this root cause analysis, PMB will issue additional guidance or training requirements to reduce the number of null or unclassified entries.

Responsible Official & Title: Carmen Craddock, Workers' Compensation Program Manager
Target Completion Date: June 30, 2016

Recommendation 2: Standardize the method for counting and reporting the number of volunteers, as well as the amount of time they worked.

Response: Non-concur. All bureaus are required to track both the number of volunteers and hours associated with volunteers. There is no safety regulatory requirement for this to be tracked in SMIS. SMIS is used appropriately to track volunteer injuries and illnesses and associated hours but is not intended or equipped to be used as a volunteer tracking system for over 300,000 annual volunteers.

Responsible Official & Title: Mary Pletcher, Deputy Assistant Secretary for Human Capital and Diversity
Target Completion Date: N/A

Recommendations 3 and 4: Actively work with the bureaus to require compliance to the policy to allocate workers' compensation costs to the lowest organizational level. Work with Bureaus and Offices to develop alternative strategies to increase manager's awareness of the costs associated with safety incidents.

Response: Partially Concur. We agree that charging workers' compensation costs to the lowest organizational unit is an effective method of accountability and bolsters bureau ownership along with workers' compensation cost awareness. DOI issued a policy in September 2012 requiring workers' compensation costs to be allocated to the lowest possible organizational level. Between September 2012 and December 2012, the co-chairs of the ad hoc working group convened to help implement this policy met individually with bureaus to discuss implementation. Bureaus with separate workers' compensation appropriations (the National Park Service, the U.S. Fish and Wildlife Service, the Bureau of Safety and Environmental Enforcement, and the Bureau of Offshore Energy Management), were determined to have significant barriers in implementing the policy and were granted waivers. These bureaus committed to finding additional ways to reduce their workers compensation

chargeback costs. All other bureaus accepted the policy including BLM, BIA, OSM and OS. We will require BLM, BIA, OSM and OS to document their compliance with the September 2012 policy.

Responsible Official & Title: Carmen Craddock, Workers' Compensation Program Manager
Initial Lead Contact & Title: Carmen Craddock, Workers' Compensation Program Manager
Target Completion Date: March 31, 2016

Recommendation 5: Revisit the purpose and operation of the DASHO Council to ensure safety concerns and initiatives receive due attention; roles, responsibilities and authorities are clarified; and decisions are made to effectively manage safety and health programs.

Response: Concur. While we recognize the importance of bureau and office collaboration on safety and health program matters, we also recognize that safety and health crosses multiple programmatic disciplines and a stand-alone council may not be the most effective way to advance safety and health programs. We will work with bureaus and offices to identify a more effective governance structure and update the Departmental Manual to reflect the new structure.

Responsible Official & Title: Mary Pletcher, Deputy Assistant Secretary for Human Capital and Diversity
Target Completion Date: December 31, 2016

Recommendation 6: Ensure that key safety documents, including policy updates and evaluation reports, are reviewed and disseminated in a timely manner.

Response: Concur. We agree that timely review of key safety documents is important, as is engagement and dialogue with bureau leadership on safety and health issues. We will develop a timeline for key safety documents such as evaluation reports and Departmental Manual chapters that provides both ample opportunity for bureau engagement, and a common understanding of the review process for each organization involved in the process.

Responsible Official & Title: Mary Pletcher, Deputy Assistant Secretary for Human Capital and Diversity
Target Completion Date: June 30, 2016

Recommendation 7: Establish a full time position that serves as the DASHO's advocate for health and safety.

Clarification – The report indicates that the prior DASHO, the former Assistant Secretary, did not attend any DASHO Council meetings over a five year period. However, the current DASHO, the Deputy Assistant Secretary for Human Capital and Diversity, has attended all meetings since assuming the position in June 2013 (acting) and permanently (December 2013). In November 2014, the Deputy Assistant Secretary for Human Capital and Diversity was designated as the Department's Chief Human Capital Officer and DASHO to ensure more focused leadership attention was provided for these programs.

Response – Partially Concur. We agree that senior level attention on safety and health is appropriate and warranted. However, we believe the Deputy Assistant Secretary for Human Capital and Diversity provides the appropriate senior level attention and a full-time position is not needed.

Responsible Official & Title: Mary Pletcher, Deputy Assistant Secretary for Human Capital and Diversity

Target Completion Date: N/A

Recommendation 8: Define roles and responsibilities to ensure that all of the units within OS have a safety and health program.

Response: Concur. The Office of Facilities and Administrative Services (OFAS) will be responsible for implementing and managing an OS-wide safety program.

Responsible Official & Title: Joe Nassar, Director of the Office of Facilities and Administrative Services (OFAS)

Target Completion Date: September 30, 2016

Appendix 3: Status of Recommendations

Recommendations	Status	Action Required
1, 3, 5, 6, and 8	Resolved; not implemented.	We will refer these recommendations to the Assistant Secretary for Policy, Management and Budget to track their implementation.
2, 4, and 7	Unresolved	We will refer these recommendations to the Assistant Secretary for Policy, Management and Budget for resolution and implementation.

