




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

September 28, 2011

Memorandum

To: Eric Eisenstein  
Division Chief, Internal Control and Audit Follow-up, Office of Financial Management

From: Charles Hantman   
Regional Manager for Audits, Inspections, and Evaluations

Subject: Verification Review of Six Recommendations from Our March 2008 Audit Report No. C-IN-MOA-0011-2006 Titled "Health and Safety Concerns at Department of the Interior's Facilities"  
Report No. C-VS-DMO-0005-2011

The Office of Inspector General (OIG) has completed a verification review of six recommendations presented in the subject audit report. The objective of the review was to determine whether the recommendations to the U.S. Department of the Interior (DOI) were implemented as reported to the Office of Financial Management (PFM), Office of Policy, Management and Budget. On June 5, 2009, PFM notified OIG that the documentation submitted by DOI met the intent of Recommendations 2, 3, 5, and 7 and considered these recommendations implemented and closed. On March 19, 2010, PFM notified OIG that the documentation submitted by DOI met the intent of Recommendations 4 and 6 and considered these recommendations implemented and closed. There were no recommendations remaining open in this report, so the report was closed.

**Background**

Our March 2008 report, "Health and Safety Concerns at Department of the Interior's Facilities" (Report No. C-IN-MOA-0011-2006), made seven recommendations designed to assess DOI's processes for addressing health and safety issues related to facilities. Our efforts were focused on DOI and its bureaus to determine whether they have effectively identified, prioritized, and mitigated health and safety issues related to its constructed infrastructure that could adversely affect employees and the public.

The Deputy Secretary of the Interior responded on February 25, 2008, that the Secretary and the entire DOI leadership team take the responsibility of providing a healthy and safe environment for employees and visitors very seriously. DOI concurred with six of the seven recommendations and partially concurred with Recommendation 3. Based on the Deputy Secretary's response, OIG considered Recommendation 1 resolved and implemented and Recommendations 2, 3, 4, 5, 6, and 7 resolved but not fully implemented. As a result, all six

recommendations were referred to the Assistant Secretary for Policy, Management and Budget for implementation tracking on September 4, 2008.

## **Scope and Methodology**

The scope of this review was limited to determining whether DOI took action to implement recommendations 2, 3, 4, 5, 6, and 7 as reported to the Office of Financial Management, Office of Policy, Management and Budget. To accomplish our objective, we reviewed the supporting documentation DOI submitted to PFM relating to each of the six recommendations.

We did not perform any site visits or conduct any detailed fieldwork to determine whether the underlying deficiencies that were initially identified have actually been corrected. As a result, this review was not conducted in accordance with the “Government Auditing Standards” issued by the Comptroller General of the United States.

## **Results of Review**

Our current review found that DOI implemented Recommendations 3, 4, 5, 6, and 7. We concluded that Recommendation 2 is not fully implemented.

**Recommendation 2:** Establish a full-time position, called Chief of Health and Safety that serves as the Designated Agency Safety and Health Official’s (DASHO’s) advocate for health and safety. This advocate would work with the existing DASHO Council and Asset Management Team to ensure coordination and to ensure that identified issues are raised to the appropriate level for decision making.

**Action Taken:** In a June 1, 2009 memorandum, the Acting Deputy Assistant Secretary – Human Capital, Performance, and Partnerships stated that DOI chose not to create a separate Chief of Health and Safety position. Instead, DOI decided to establish regular, monthly forums between the DASHO, Deputy DASHO, and the Director of the Office of Occupational Safety and Health (OSH). These monthly forums were scheduled to identify issues raised to the DASHO for decision-making and awareness. Safety and health managers for each of the bureaus/offices are invited to attend all DASHO Council meetings along with their respective DASHO. The OSH Director was named as the permanent chair of the Safety and Occupation Health (SOH) Council to ensure alignment of the DOI’s priorities for safety and health with the efforts of the SOH Council. To help ensure that bureau perspectives are represented, a Bureau Safety and Health Manager serves as the vice chairperson on a rotating basis. To ensure greater coordination with the Asset Management Team, the Deputy DASHO and the OSH Director became members of the Asset Management Team. In addition, the Chairperson of the Asset Management Team, which includes DASHOs from other DOI agencies, was added to the DASHO Council.

In our current review, we found that only one forum between the DOI DASHO, Deputy DASHO, and the OSH Director has convened in the last 2 years. Therefore, we conclude

that actions to strengthen and increase coordination as outlined in the June 1, 2009 memorandum have not been implemented. Although an effective coordinating mechanism would meet the broad intent of our recommendation, a forum cannot fulfill this need if it does not convene on a regular basis. We request that PFM reinstate the Recommendation 2 and ensure full implementation by DOI.

**Recommendation 3:** Strengthen its Department-wide health and safety program that covers employees and the general public. This should be based on the elements of a well-designated health and safety program described in Appendix D and should reduce the reliance on collateral duty assignments by establishing a sufficient number of full-time health and safety personnel.

**Action Taken:** In a June 1, 2009 memorandum, the Acting Deputy Assistant Secretary – Human Capital, Performance, and Partnerships stated that DOI revisited and updated the Health and Safety Strategic Plan. The Plan ensures a more comprehensive approach with measurable goals to cover employees, volunteers, the general public, and others. In addition, the Plan incorporates the elements of a well-designed health and safety program. The Strategic Plan/Comprehensive Safety and Occupational Health Program Elements and Associated Standards have been transmitted to the Assistant Secretaries and Bureau and Office Directors for implementation.

In August 2008, the Associate Deputy Secretary notified the Assistant Secretaries that a task group had been established to review current safety and occupational health staffing levels across DOI, including full-time and collateral-duty safety officers. The task group also reviewed other safety and health statistics across DOI and the Government and found wide variations in how each bureau develops and utilizes its health and safety workforce. Public law 91-596 requires the head of each bureau/office to effectively implement an occupational health and safety (OHS) program that includes adequate staffing. The performance standard does not specify the measures for successful program performance or the staffing required. As a result of the differences in each bureau, the Associate Deputy Secretary, in an August 2008 memorandum, tasked each bureau director to develop a workforce strategy for its safety and health workforce. The bureaus provided their strategies to DOI.

Based on the updates made to DOI's Health and Safety Strategic Plan, and each bureau's strategy for its safety and health workforce, we concluded that Recommendation 3 is resolved and implemented.

**Recommendation 4:** Develop and implement a Department-wide action plan with milestones to eliminate significant health and safety deficiencies.

**Action Taken:** In February 2008, the Deputy Secretary submitted to OIG a copy of the "Action Plan to Enhance Occupational Health and Safety at the Department of the Interior." Under this plan, each bureau and equivalent office was expected to take the necessary steps to identify and abate their specific deficiencies from March 2008 through October 31, 2008. In support of the action plan and to further eliminate significant health and safety deficiencies, the Secretary signed and distributed an April 17, 2008 memo,

“Request for Report Identifying Health and Safety Existing Deficiencies Prioritized According to Associated Risks.” This memo required each bureau or office to identify and report deficiencies considered high-risk and provide a timeline for correction. A work group developed the DOI-wide Risk Assessment System (RAS) for assessing, categorizing, and prioritizing the correction of health and safety risks on a consistent basis. Each bureau or office was requested to provide a report for their respective bureau or office to the Associate Deputy Secretary that identified (1) deficiencies to be considered in the high risk category, (2) a timeline for correction, (3) funding sources, (4) steps underway or to be taken in the short-term, and (5) funds that will need to be reprogrammed from lower priorities in fiscal year (FY) 2008, and long-term actions that will require a realignment of funds within the budget requests for FYs 2009 and 2010.

As a follow-up to the Secretary’s memo, the Associate Deputy Secretary notified all Assistant Secretaries, the Special Trustee for American Indians, and heads of bureaus and offices, that a team was assigned to meet separately with each bureau or office to review reports and facilitate a more consistent approach to addressing health and safety issues across DOI. Based on the results of the team’s meetings with the bureaus and offices, DOI decided that each bureau or equivalent office director will be required to provide an annual safety and health assurance statement to the OHS Director beginning September 30, 2010. The occupational health and safety assurance statement will identify the policies and practices in place to mitigate or eliminate facilities and site-related deficiencies, as well as describe the bureau inspection practices and compliance monitoring consistent with DOI, Occupational Safety and Health Administration (OSHA), and bureau occupational health and safety policies and regulations.

In a February 16, 2010 memorandum, the Assistant Secretary for Policy, Management and Budget announced the updating and publishing of 485 Departmental Manual (DM) Chapter 6, “Inspections and Abatement.” This updated chapter specifies the minimum SOH program requirements for conducting occupational health and safety inspections of DOI establishments and timely abatement of hazards recognized during the inspection process. Each bureau and office is required to conduct and document inspections of all establishments under its control for safety and health compliance. More frequent inspections are to be conducted when there is increased risk of accidents or incidents. Persons conducting safety and health inspections for each bureau are required to conduct closing conferences with the appropriate level(s) of management and the employee representative(s) to disclose the findings of the inspection and to recommend abatement measures and actions to prevent recurrence. The updated chapter is effective as of December 22, 2009. Effective June 22, 2011, 485 DM Chapter 5, “Program Evaluations,” has also been updated. Updated 485 DM Chapter 5 specifies the minimum requirements for conducting safety and occupational health program evaluations by DOI’s bureaus and offices. OSH will coordinate, with assistance from the bureaus and offices, program evaluations of the bureau and office safety and health programs. Finally, an annual report must be submitted to the Assistant Secretary of Labor for Occupational Safety and Health Administration describing the overall effectiveness of DOI’s program.

Based on DOI's action plan to identify, assess, abate, inspect, and report on the effectiveness of its safety and occupational health program, we concluded that Recommendation 4 is resolved and implemented.

**Recommendation 5:** Develop a Department-wide funding strategy to ensure that health and safety issues are timely and effectively addressed.

**Action Taken:** A guidance addendum prepared by the inter-bureau Budget Work Group was issued to bureau budget officers to address specific tasks of the action plan related to the OIG report on health and safety. The guidance addendum requested that bureaus and offices clearly articulate, within their budget submission, plans to enhance occupational health and safety program activities and any increases in funding requests to (1) correct existing safety and health program deficiencies, (2) control existing facilities-related hazards in accordance with the DOI Risk Assessment System, (3) provide required training to managers, supervisors, and employees, (4) establish effective automated inspection and program assessment, and (5) improve the accident reporting, investigation, and record-keeping system to enhance accident prevention efforts at the bureau and field level. The Associate Deputy Secretary would examine and provide recommendations for the fiscal year 2010 budget decision-making process on the bureaus' and offices' budget requests for safety and health program improvements and deficiency mitigation.

OSH's budget submission to the Budget Office for fiscal year 2010 contained several requests in response to the OIG report. Additional funding was requested for DOI's annual Safety Week campaign, for training and development for the bureaus and offices, for a full-time Safety Management Information System (SMIS) programmer, for improvements to SMIS, and to initiate effective safety and health program evaluations across DOI. OSH will use an evaluation tool modeled after the Comprehensive Assessment – Safety, Health, and the Environment (CASHE) program at the Bureau of Land Management. The CASHE program was identified in the OIG report as representing best practices in inspections and evaluations.

OSH did not have documentation on which recommendations were made by the Associate Deputy Secretary for safety and health program improvements and deficiency mitigation for fiscal year 2010.

Based on the budget guidance addendum prepared by the workgroup and OSH's budget submission for fiscal year 2010 in response to the OIG report, we concluded that Recommendation 5 is resolved and implemented.

**Recommendation 6:** Develop a plan that ensures that all managers, employees, and health and safety staff receive appropriate training concerning health and safety.

**Action Taken:** In a March 18, 2010 memorandum to PFM, the OHS Director stated that an Occupational Health and Safety Training Guide (Guide) has been developed for DOI. It identifies required and suggested training for all levels of employees, as well as the training necessary for those serving in a full-time or collateral-duty health and safety position. The Guide is also available via the Internet. In addition to general training

requirements, the Guide includes appendices that identify required training by (1) duties, (2) topics, (3) sources or providers, and (4) occupation. Finally, the Guide suggests that supervisors/team leaders conduct an annual discussion with each employee concerning individual and workplace safety and health. To accomplish DOI's minimum requirements for safety and health training, each bureau is required to develop and implement an annual safety plan that encompasses (1) orientation training, (2) specialized on-the-job training for high-hazard tasks, (3) training and certification record documentation, and (4) periodic evaluation of training programs by the Offices of Occupational Health and Safety and Strategic Employee Development staffs as applicable.

A Safety and Occupational Health Training Conference to build safety and health awareness was conducted in June 2010. Another conference is planned for June 2012. OHS staff has participated in, evaluated, and spoke at other training conferences. The OHS Director also informed OIG that program evaluations have been conducted at four bureaus or equivalent offices, with two additional evaluations upcoming.

Based on the Guide developed for DOI, OHS' participation in training conferences, and program evaluations having been conducted, we concluded that Recommendation 6 is resolved and implemented.

**Recommendation 7:** Improve the SMIS system by (1) simplifying the data entry system, (2) requiring input of both employee and visitor accidents, (3) establishing controls to ensure that incident reporting data is accurate and complete, and (4) enhancing security.

**Action Taken:** In a June 1, 2009 memorandum, the Acting Deputy Assistant Secretary – Human Capital, Performance, and Partnerships stated that a work group was formed to review the performance of SMIS, pursue remedy of issues with SMIS, and review alternative solutions to provide the most effective reporting and tracking program. The SMIS work group contracted for assistance in performing a technical assessment of SMIS and conducted an analysis of SMIS capabilities against the Safety and Worker's Compensation program requirements and needs.

As a result, five options for meeting these program requirements and needs by either investing in SMIS or implementing an approach were outlined in the work group's recommendations report. The report was submitted to DOI in October 2008 and proposed that DOI redesign and enhance SMIS or invest in a commercial off-the-shelf product.

NBC has been assigned responsibility for developing a business case to determine whether enhancing SMIS or replacing it with a commercial product is more cost effective and appropriate for long-term investment. Once funding has been identified and approved, NBC was contracted to develop a business case and other project management materials in FY2009.

When funding for purchasing a SMIS replacement product from commercially off-the-shelf sources was cut in January 2010, OSH decided to keep the existing application and add enhancements and upgrades to meet all customer needs. Additional programming was required to update vulnerabilities and address outdated technology and estimates

were based on support development contracts in place. OSH started to enhance SMIS in FY2011 within the current budget allocations. Completion of the current enhancements in SMIS will assist DOI safety managers through the review process of SMIS and make it more user-friendly. In addition, the SMIS helpdesk will increase OSH efforts in providing all DOI safety managers with the level of support they need to ensure the accurate recording of all DOI accidents and incidents.

Based on the OSH planned enhancements and progress for improving SMIS to address better recording and reporting of health and safety incidents, we concluded that Recommendation 7 is resolved and implemented.

## **Conclusion**

We communicated the results of this review to DOI officials on September 28, 2011. We consider Recommendations 3, 4, 5, 6, and 7 fully implemented and require no further action. We consider Recommendation 2 not fully implemented and request that PFM reinstate it and ensure implementation by DOI.

## **Responding to the Report**

We request that PFM provide a written response to this report by October 28, 2011 indicating whether it reinstated Recommendation 2. If applicable, the response should provide PFM's reasons for not reinstating the recommendation. If you have any questions concerning this memorandum, please contact me at 303-236-9243.

## **Attachment**

cc: Nancy Thomas, Audit Liaison, U.S. Department of the Interior  
Alexandra Lampros, Liaison Officer, Office of the Secretary

### Status of Prior Audit Report Recommendations

Recommendation	Status	Action Required
2	Resolved; Not Implemented	We are requesting that PFM reinstate the recommendation and ensure it is fully implemented by DOI
3	Implemented	No action Required
4	Implemented	No action Required
5	Implemented	No action Required
6	Implemented	No action Required
7	Implemented	No Action Required