

RECLAMATION

Managing Water in the West

Revised Report

Safety and Occupational Health (SOH) Action Plan

Team 7 – Funding Guidance



Mission Statements

The mission of the Department of the Interior is to protect and provide access to our Nation's natural and cultural heritage and honor our trust responsibilities to Indian Tribes and our commitments to island communities.

The mission of the Bureau of Reclamation is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

Safety and Occupational Health (SOH) Vision Statement

Reclamation embraces safety excellence by empowering employees and integrating safety into our mission, achieving a culture which results in a safe environment for our employees, contractors, visitors and the public.

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Executive Summary

In December 2013, the U.S. Department of the Interior's Office of Safety and Health conducted a review of the Bureau of Reclamation's Safety and Occupational Health (SOH) Program and identified numerous areas for safety improvements across the agency. The Department's report offered several conclusions organized by the below listed components:

- Component 1 - Leadership and Management
- Component 2 - Employee Involvement
- Component 3 - Hazard Recognition and Prevention
- Component 4 - Evaluation and Analysis
- Component 5 – Training and Awareness
- Component 6 – Program Implementation and Operation

In May 2014, Reclamation initiated an SOH Action Plan (Plan) Team to develop a strategy for addressing the Department's concerns and for establishing a vital, proactive, and collaborative safety culture. As part of the Plan, the team suggested the implementation of 21 interdependent safety action teams to address specific areas/concerns outlined in the Department's report and to provide recommendations to the Reclamation Leadership Team (RLT) regarding how to move forward expeditiously and effectively in addressing the concerns.

With respect to Component #1 – Leadership and Management, several conclusions were drawn and outlined in the Department's report, including Conclusion 1-3:

“Constraints resulting from sequestration and other budget limitations have had safety-related impacts. Reclamation leadership and management need to be aware of these impacts and determine compensatory measures where feasible.” – page 12 of the referenced report.

To address this conclusion, Reclamation's SOH Action Plan Team 7 (Team) was formed. This team was tasked with developing guidance for funding SOH activities throughout Reclamation and proposing consistent funding sources for the various activities within Reclamation's SOH Program.

The Team conducted an analysis on how each region/office currently funds safety activities and staff. The conclusion of this analysis confirmed there was not a consistent method for funding these activities among the regions/offices; thereby making it difficult to identify and track specific safety funding needs throughout Reclamation. This report outlines recommendations of the Team to address consistency in budgeting, tracking, and reporting on safety activities and staff throughout Reclamation.

Objectives

Dedication of designated resources for safety and health activities is necessary to accomplish Reclamation's mission. Reclamation lacks both a designated line item within its budget request for SOH activities and a standard approach for identifying and requesting funding for SOH activities. Currently, each region/office budgets for these activities within various programs and from various

funding sources. With specific technical guidance for the development of SOH budgets, Reclamation will ensure safety is a funding priority throughout the budgeting process, from budget formulation through budget execution.

The Team evaluated how each region/office currently budgets for SOH activities and what types of funding resources are utilized for such activities. The Team then compared the current methods used throughout Reclamation and outlined funding options and proposed a recommended approach to be implemented across Reclamation.

Deliverables

- **Defined SOH Activities**

The Team discussed the full spectrum of activities associated with safety and the need to identify a distinct set of these activities for consistency when applying the SOH technical and budgetary guidance. Such activities include administration, oversight, labor, facility reviews, mitigation of findings, and training. A few examples of items not included would be safety equipment, emergency management staff, and project specific maintenance items. Appendix B outlines a list of SOH activities for each region/office to use when identifying budgetary needs for SOH activities.

- **Funding Options**

The Team analyzed various funding options for SOH activities as contained in this report, including the Team's recommended option for consideration.

- **Recommended Option:**

Working Capital Fund (WCF): Budget Regional SOH activities, identified in Appendix B, within the WCF via the RIC rate for all regions, with the exception of the Security, Safety, and Law Enforcement (SSLE) Office. The SSLE Office will budget SOH activities within its respective P&A, WCF, and W&RR accounts.

Pros with this option include:

- Provides consistency amongst the regions for budgeting identified safety activities and provides a funding source for regional SOH activities.
- Addresses the finding as outlined in the Department's report (Component #1 – Leadership and Management, Conclusion 1-3).
- Projects would cover the cost of doing business via regional indirect rates.
- Flexibility for regions/offices to establish indirect rates.

Cons associated with this option include:

- Potential increase in RIC rates.
- Distribution of SOH costs through indirect rates could be perceived as being inequitable.
- Stakeholder/customer will require additional explanation on the new process.

○ Other Options

Bureau-wide SOH Program Budget Line Item: Establish a W&RR “Bureau-wide” SOH Program budget line item within Reclamation’s budget. This approach would allow each region/office to request, execute, and track annual SOH funding needs that are transparent, as well as provide an avenue for Reclamation to demonstrate the priority to fund the SOH activities.

Pros with this option include:

- Consistent with the intent of the SOH initiative.
- Provides a standardized and transparent method for requesting and prioritizing SOH budget activities throughout Reclamation.
- Allows for a consistent approach in how regions/offices throughout Reclamation develop budget requests for SOH activities.
- Provides a formal documented process for Reclamation to demonstrate the priority of funding SOH activities.

Cons associated with this option include:

- Does not follow Reclamation’s Standard Process of Costing (SPOC) (i.e. projects would not be funding full cost of doing business).
- Requires funding to be covered via Federal appropriations which impacts Reclamation’s efforts to move funding needs off-budget.
- Reclamation may have to absorb safety related costs within current W&RR budget targets.

Hybrid Funding: The cost of administering the SOH program at a regional level would be funded via Policy and Administration (P&A). Area/field office SOH staff and SOH program would be funded via other sources as appropriate (i.e. project specific or WCF).

Pros with this option include:

- Provides visibility of SOH funding throughout Reclamation.
- Consistent with the intent of the SOH initiative.
- Safety activities are identified and funded as a priority within Reclamation.
- Improved reporting and tracking of SOH related funds.
- Funding process is already established.
- Provides a process for reporting by safety activities (via established WBS).
- Enables Reclamation to minimize P&A carryover each year.

Cons associated with this option include:

- This approach would impact Reclamation’s P&A budget targets.
- Initial budget formulation would require additional time and effort to comply with proposed technical budgetary guidance, as this process is different than historical budget formulation processes.
- Projects would not bear the full costs of doing business (i.e. SPOC concept).

P&A Funding: Fund all activities identified as “inclusive safety related activities” via additional P&A (including all safety staff – regional/area offices).

Pros with this option include:

- Provides consistency regarding how SOH activities and staff are funded throughout Reclamation.
- Safety activities are identified and funded as a priority within Reclamation.
- Improve reporting and tracking of SOH related funds.
- Funding process is already established.
- Provides an avenue to minimize the high P&A carryover each year.

Cons associated with this option include:

- Funding needs may exceed available resources within Reclamation’s P&A fund.
- Projects would not bear full costs of doing business (i.e. SPOC concept).

Status Quo – No Change: The manner in which SOH activities and functions are funded in Reclamation would continue. This option does not address the concern outlined in the Department’s safety report.

Pros with this option include:

- No process change or impact to the agency.
- Process follows SPOC concept.

Cons associated with this option include:

- Fails to meet the objective of the SOH initiative.
- Fails to provide budgetary visibility.
- Fails to explicitly demonstrate Reclamation’s commitment in funding safety activities.
- Fails to provide consistency across Reclamation for budget reporting.
- Fails to provide an opportunity to seek additional funding (i.e. potential new safety budget line item).
- Fails to provide standardized cost reporting for Occupational Safety and Health Administration (OSHA) related activities.

Technical Guidance and Other Considerations

The Team also recommends the following actions be considered, dependent upon the implementation of the proposed recommendation outlined in this report.

- Regions/offices to request funding for the defined SOH activities (Appendix B). These defined SOH activities may need to be revised dependent upon the actions and recommendations of the other SOH action plan teams.

- Provide specificity in the annual WCF budget formulation guidance (through the CFOC) for regions/offices on how regions should develop their SOH budget via the definitions, object codes, etc., beginning in FY 2017.

Impact of Other SOH Teams

The Team recognizes the potential impact of action items and recommendations from actions/results of the other SOH Teams. Technical guidance (Appendix B) may change dependent upon results of other SOH team recommendations.

Conclusion

The Department- and Reclamation-wide SOH Program evaluation efforts highlight inconsistent implementation of safety practices throughout Reclamation. To ensure safety is established as a top priority within Reclamation, funding must be identified and dedicated to ensure safety and health related activities and functions are integrated across all Reclamation functions. The recommendation contained in this report is intended to provide the most feasible option to identify budgetary needs.

Appendix A

Acronyms Used

CFOC	Chief Financial Officer's Council
FY	Fiscal Year
JHA	Job Hazard Analysis
OM&R	Operation, Maintenance, and Rehabilitation
OSHA	Occupational Safety and Health Administration
P&A	Policy and Administration
PPE	Personal Protection Equipment
RIC	Regional Indirect Costs
RLT	Reclamation Leadership Team
SOH	Safety & Occupational Health
SPOC	Standard Process of Costing
WBS	Work Breakdown Structure (i.e. formerly known as cost authority)
WCF	Working Capital Fund
W&RR	Water and Related Resources

Appendix B

Defined SOH Activities

Working Capital Fund:

The WCF is to be used as the source of funding to budget for the following positions assigned to the regional safety offices. Note - the Safety, Security, and Law Enforcement (SSLE) Office will budget SOH activities within its respective P&A, WCF, and W&RR accounts.

- Regional Safety Manager
- Regional Safety Support Staff that reports to the Regional Safety Manager (including salary, benefits, indirect costs, travel, training, conferences, etc.)
- Safety equipment, supplies, materials, safety awareness events, printing, and other administrative expenses associated with operations of the Regional Safety Offices.
- This funding is for regional safety type activities (i.e. non-project specific expenses). Project specific costs should be covered by the benefiting project/program.

Does not include:

- Safety personnel that report to the area offices.
- Project specific activities (i.e. maintenance, OM&R equipment, emergency management staff, mitigation of findings, life safety, wildfire management, PPE, and JHAs).