



DEFENSE LOGISTICS AGENCY
HEADQUARTERS
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FEB 4 2003

IN REPLY
REFER TO DSS-E

MEMORANDUM FOR DEPUTY UNDER SECRETARY OF DEFENSE
(INSTALLATION AND ENVIRONMENT)
ATTN: SAFETY AND OCCUPATIONAL HEALTH ASSISTANT

SUBJECT: Fiscal Year 2002 Occupational Safety and Health Administration (OSHA) Annual Report

This letter transmits Defense Logistics Agency's Annual Report for OSHA. This Annual Report includes the Agency safety statistics, highlights our achievements, and establishes goals for the upcoming year.

A handwritten signature in black ink, appearing to read "Richard J. Connelly".

RICHARD J. CONNELLY
Director
DLA Support Services

Attachment

cc: DUSD (L&MR)

AGENCY ANNUAL REPORT

OCCUPATIONAL SAFETY AND HEALTH PROGRAM

FISCAL YEAR (FY) 2002

DEFENSE LOGISTICS AGENCY (DLA)



A. General Information

1 Report Coverage.

Total number of full-time and part-time civilian employees: 23,677

2. Name of individual responsible for the occupational safety and health program:

Mr. Richard J. Connelly
Director
DLA Support Services (DSS)
Designated Agency Safety and Health Official (DASHO)

B. Data Analysis

Use Agency injury/illness data to display the annual statistics for fatalities and lost time disabilities for the report year and, if possible, compare these fatalities and disabilities with similar statistics for the previous 3-year period. Data based on Agency claims submitted to the Office of Workers' Compensation Programs (OWCP) is preferred but internal accident or incident reporting data is acceptable if OWCP data is not available.

FY 99 – FY 02 statistics are based on the Safety & Health Information Reporting System (SHIRS).

**TABLE 1
DLA INJURY AND ILLNESS CASES**

Year	FY 99*	FY 00	FY 01	FY 02**
Lost Workday Cases	849	597	429	371
Total Cases	1,226	1,374	943	827
Fatalities	1	0	0	1
Civilian Employees	39,278	26,758	23,960	23,677

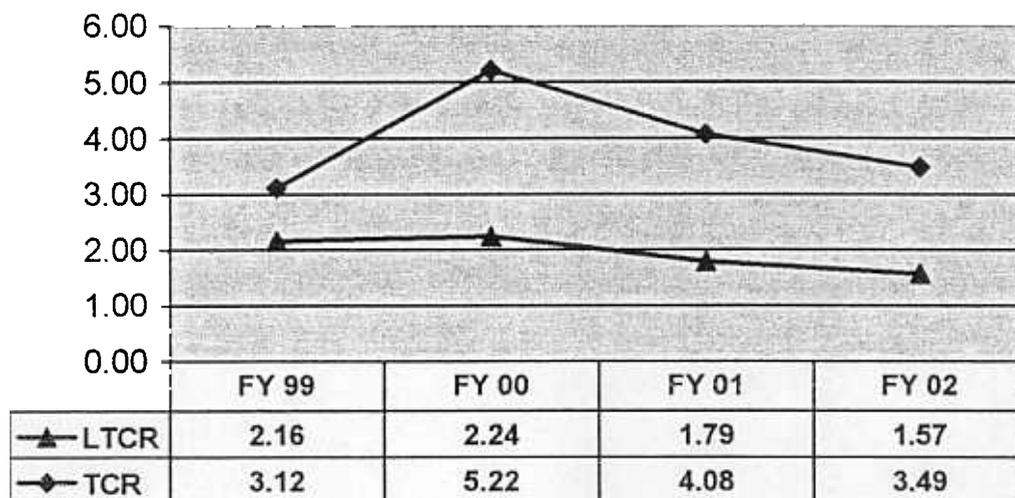
*Defense Contract Management Agency (DCMA) population included in figures

**FY 02 data closed out 12/17/02

Table 1 provides information on civilian employees: Lost workday cases are cases where work time is lost after the day or shift on which the mishap occurred. In FY 02, the downward trend in lost workday cases has continued.

Total injury and illness cases are those injuries and illnesses reported to the OWCP, including first aid cases (excluding same day treatment with no follow up), medical expense cases, lost workday cases, and fatalities. DLA's FY 02 total average civilian employment was down approximately 1.18 percent, from 23,960 in FY 01 to 23,677 in FY 02. Over that same period, total cases declined by over 12 percent and lost time cases were down 14 percent. There was one employee fatality reported in FY 02.

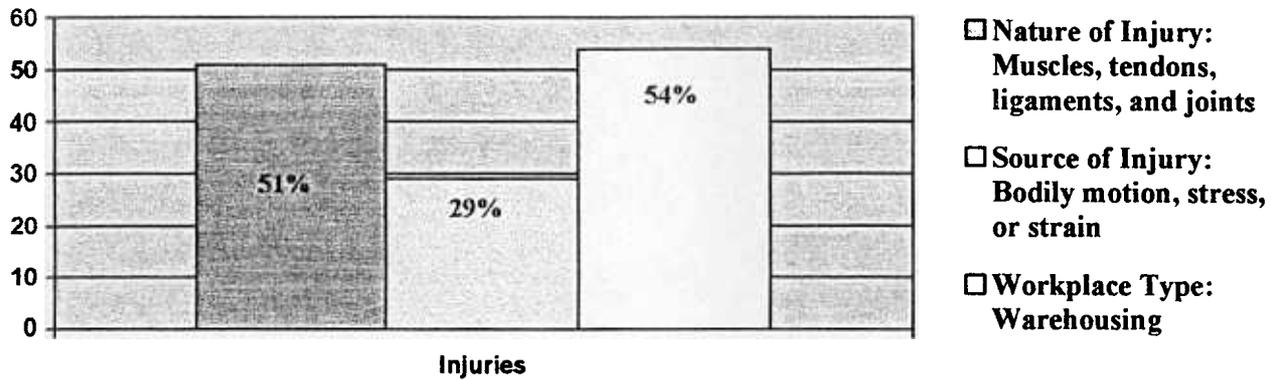
**FIGURE 1
LOST TIME CASE RATE (LTCR) & TOTAL CASE RATE (TCR)**



The TCR and LTCRs for DLA civilian employees are shown at Figure 1. These rates are expressions of the numbers of cases per year per 100 employees. In FY 02 the TCR continued to decline with a 14 percent decrease from FY 01 to FY 02. The FY 02 LTCR of 1.57 cases was 12 percent lower than the FY 01 rate.

The nature of injury or illness identifies the principal physical characteristic(s) of the injury or illness. In FY 02, 51 percent of all lost time cases were traumatic injuries to muscles, tendons, ligaments, and joints. Since half the lost time cases were from traumatic injuries, further data analysis was conducted to determine the source and workplace type of these injuries. The source of injury identifies the object or bodily motion which directly produced or inflicted the injury. The workplace type indicates where the injury took place. The data analysis indicates that 29 percent of all injuries were from bodily motion, stress, or strain. Also indicated from the data analysis was that 54 percent of all injuries occurred in a warehouse environment (workplace type). See Figure 2.

**FIGURE 2
FY 02 CHARACTERISTICS OF LOST TIME CASES**



2. Use Agency data to display the most recent OWCP chargeback and continuation of pay (COP) costs and, if possible, compare these costs with similar statistics for the previous three-year period.

The following information uses data from SHIRS.

**FIGURE 3
OWCP CHARGEBACK COSTS & OWCP CHARGEBACK CASES**

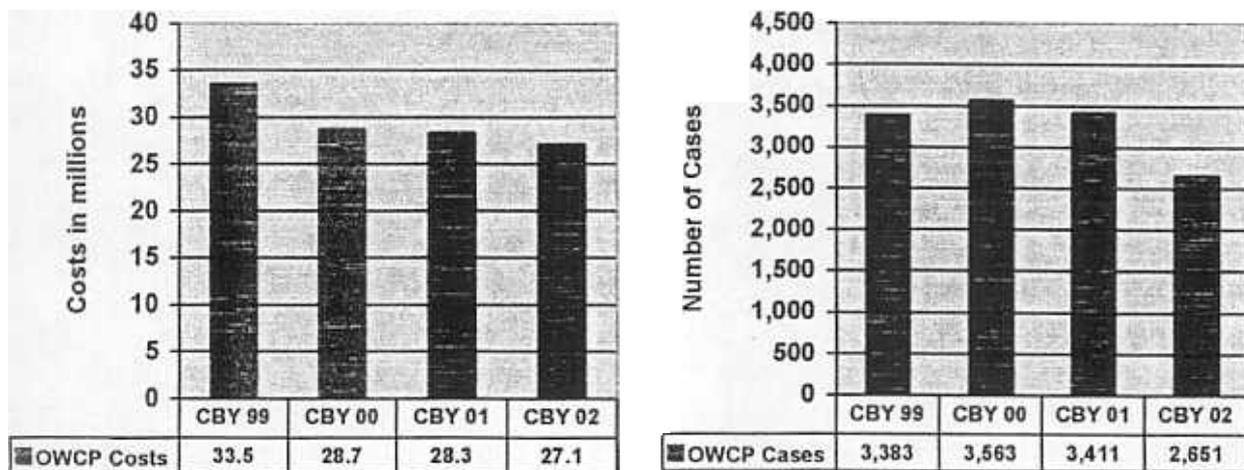


Figure 3: The total cost of workers' compensation cases for OWCP chargeback year (CBY) 2002 was \$27.1 million. The OWCP chargeback year runs from July 1 to June 30 of each year. Note that the total OWCP cost figure includes costs of cases occurring in CBY 02 and costs of active cases from previous years. Compensation costs are driven by the number of cases with costs and the average cost per case. The drop from FY 99 to FY 00 was due to the separation of DCMA from DLA.

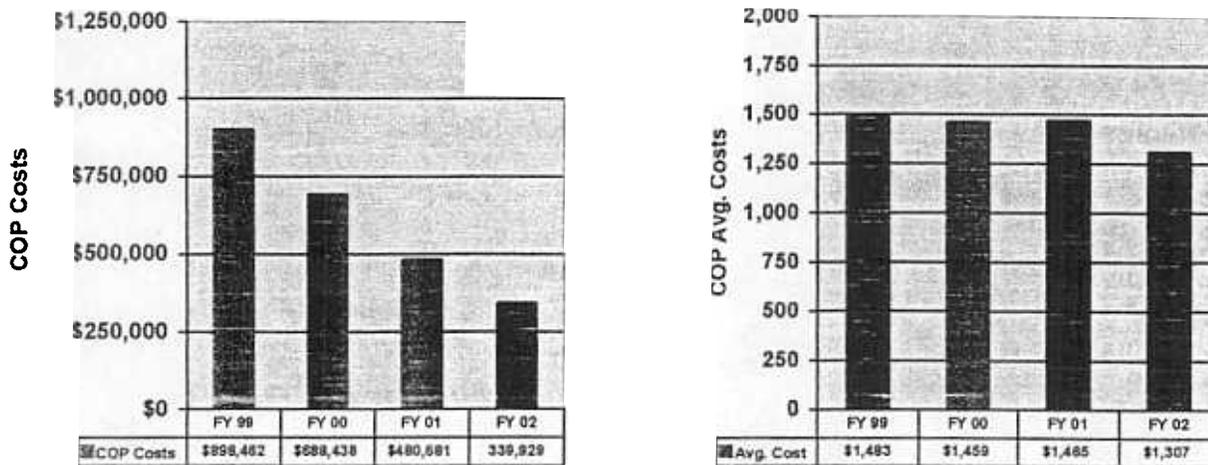
**TABLE 2
CONTINUATION OF PAY COSTS & DAYS OFF**

Year	FY 99	FY 00	FY 01	FY 02
COP Costs	\$898,462	\$688,438	\$480,681	\$339,929
COP Days Off	6,381	4,923	2,911	2,244
Avg. Costs	\$1,483	\$1,459	\$1,465	\$1,307
Avg. Days	10.53	10.43	8.88	8.63
# of Cases	606	472	328	260

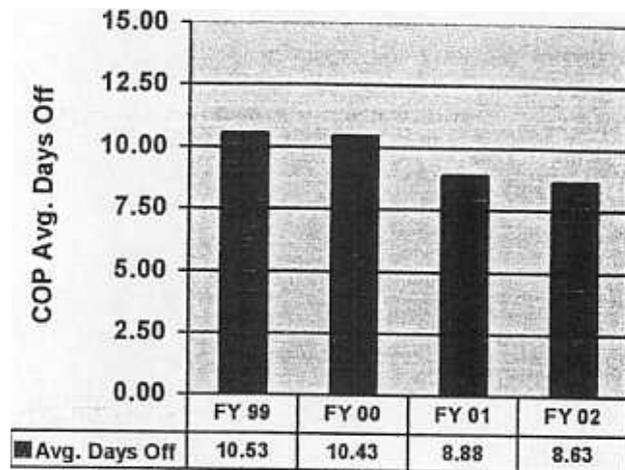
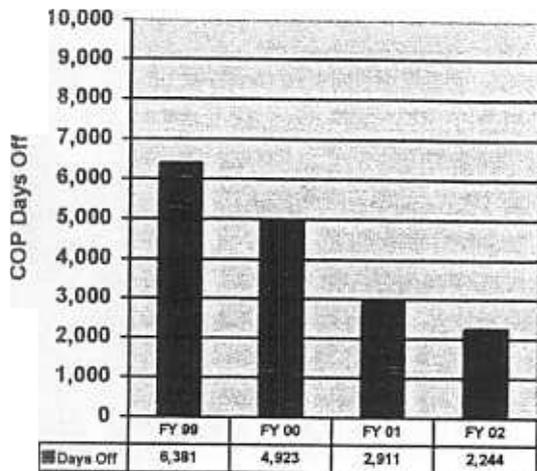
Table 2: This table provides COP data for the FY 99 to 02. The purpose of COP is to sustain an employee's regular pay following traumatic injury. COP can last up to 45 days during the period of wage loss due to disability and medical treatment. During FY 02, the total cost of COP to DLA was reduced from \$480,681 in FY 01 to \$339,929 in FY 02. This translates to a 29 percent reduction in costs. COP costs are driven by the total number of days away from work. The total number of COP days off decreased by 23 percent from FY 01 to FY 02; employees' average number of days off decreased by 2.8 percent.

The following figures graphically show COP total costs, average costs, total days off, and average days off.

**FIGURE 3
COP TOTAL COSTS & AVERAGE COSTS**



**FIGURE 4
COP TOTAL DAYS OFF & COP AVERAGE DAYS OFF**



Annual Report Fiscal Year 2002

Both the Safety and Environmental offices are located in the DLA Support Services (DSS). The DSS Director also serves as the DASHO. DLA now has 11 field activities. Our Headquarters (HQ) safety office has a dual mission. In addition to preparing policy and providing direction for the Agency's safety programs, the office includes the safety operations staff that is responsible for the safety program at the HQ buildings.

The HQ staff consists of the Director of Safety and three teams: Safety, Industrial Hygiene/Radiation, and Operations. The Operations Team includes a safety manager, a safety technician, and the occupational health nurse. The Safety Team has two safety managers, a management/program analyst and a management analyst contractor. The Industrial Hygiene Team includes one senior industrial hygienist, one health physicist and one chemical biological radiological nuclear high yield explosives (CBRNE) consequence management planner.

Throughout DLA, safety and health staffing numbers are as follows:

Position	Safety	Industrial Hygienists	Occupational Health Nurse	Radiation Protection Specialist	Other	Collateral Duty
	34	7	2	8	8	210

In addition, safety managers supplemented their professional and collateral duty staffs with contractors. In FY 02, the Agency spent \$2,082,000 on contracted services such as occupational health, training, wellness and health promotion, employee assistance programs, industrial hygiene, radiation clean up and disposal, and technical support.

FY 02 Accomplishments

DLA Safety and Health Training Plan

The DLA Safety and Health Training Plan, which has been developed over the past 2 years with substantial input from field activities, incorporates as DLA policy a requirement for employees to complete safety and health training related to their job functions. It describes training required by Federal regulation, Department of Defense (DoD) policy, and DLA policy for employees based on their job functions. The plan provides supervisors the necessary information to ensure employee individual development plans accurately reflect the training required for tasks performed. Training coordinators will be able to use the document to ensure required training is scheduled. This same approach has been used successfully for the environmental training requirements and was instrumental in the preparation of safety training requirements for DLA employees. The plan, which has been coordinated with the union, is basically completed. The implementation letter will be processed for signature, and the plan will be placed on our web page to provide electronic access.

Work Safety Demonstration Program

The National Defense Authorization Act of FY 01, Public Law 106-398, Section 1112, directed the Military Services and two defense agencies to carry out a Work Safety Demonstration program. Congress has since extended the program for an additional fiscal year. The purpose of this program is to determine whether the use of the best private industry safety practices at selected DoD installations will improve the work safety record of DoD employees. The Office of the Secretary of Defense (OSD) Director of Force Protection has identified DLA as one of the defense agencies required to implement the test program. OSD is providing flexibility to the Military Services and defense agencies in choosing which private industry practices to implement at their test facilities, provided the Services and agencies meet certain minimum reporting requirements.

DLA has chosen to carry out the Work Safety Demonstration Program by implementing its Safety and Occupational Health (SOH) Action Plan. DLA's Environmental and Safety Policy Office (DSS-E) developed the SOH Action Plan in support of the DLA Strategic Plan. The DLA SOH Action Plan is a management system that establishes mission, vision, goals, objectives, and metrics for the purpose of minimizing accidents, injuries, and illnesses in DLA operations and workplaces. To comply with the Work Safety Demonstration Program, the HQ DLA Safety Director (DSS-EH) identified two DLA installations as test facilities: Defense Supply Center Columbus (DSCC) and Defense Supply Center Richmond (DSCR). Starting in FY 02, we have been monitoring their implementation of the SOH Action Plan. Safety performance information from these two installations has been reported to OSD for inclusion in the required interim DoD report to Congress. Additional information will be gathered at the end of FY 03 and will be used to substantiate any conclusions and recommendations in the final report to Congress, which is due at the end of the first quarter, FY 04.

DLA Telework Program

DLA has promulgated a new telework policy that allows employees to work from home or an alternate location. The Federal Employee's Compensation Act covers the employee if injured in the course of actually performing official duties at the alternate work site. Supervisors are required to investigate telework accidents.

We have taken several actions to assist in implementing this requirement.

First, the supervisory safety course, designed by the DLA Training Center (DTC), is currently under review. This office will ask DTC to include a section in supervisory training on accident investigation at telework sites.

Second, we have instituted a special emphasis program to track telework related accidents and determine if they are a significant problem.

Metropolitan Washington Federal Safety and Health Council

A member of the HQ DLA Safety Team was re-elected as Vice Chair of the Metropolitan Washington Federal Safety and Health Council. The Council received the 2002 U.S. Department of Labor Meritorious Achievement Award for significant contributions to Federal Safety and Health Programs. The Vice Chair was asked to receive the award for the Council at a ceremony held in conjunction with the National Safety Congress.

SOH Action Plan

This Action Plan has been developed to coordinate actions of all DLA organizations to maintain mission capability by minimizing injury, illness, property damage, and other losses resulting from unplanned events or exposure to hazards. This plan consolidates existing DLA safety and occupational health policy requirements with initiatives that have the potential for significant program improvements.

The plan is intended to focus DLA organizations on the SOH Program's direction and the most effective way to follow through. The Plan includes the requirements of DLA Directive 6055.1, Safety and Occupational Health Directive and DLA Instruction (DLAI) 6055.1, Safety and Occupational Health Program. It also includes potential program enhancements extracted from the best private industry programs and opportunities for improvement based on analysis of current DLA program performance.

This plan implements DLA 21 primary Goal 3: "Ensure our workforce is enabled to deliver and sustain world class performance," and uses Objective 3.3: "Foster a positive work environment" to provide direct requirements for an effective SOH program.

Continued reductions in DLA's workforce, the current HQ DLA reorganization, and a desire to improve the overall DLA SOH Program performance led DSS-EH to develop the plan. The White House issued the Federal Worker 2000 initiative to challenge Federal agencies to reduce

work-related injury and illness and timeliness of compensation reporting. Meanwhile, DLA Field Activities have reduced SOH professional staff in an effort to decrease overhead operating costs and to respond to White House efforts to reduce the size of the Federal workforce.

This plan provides the mission, vision, commitment, five actions for achieving an effective SOH program, and mission metrics that show the direct impact of the SOH Program on DLA mission performance. The five actions are based on the main program areas of the Occupational Safety and Health Administration's (OSHA) 1989 Management Guidelines.

We anticipate the Action Plan will be a dynamic plan that continues to consolidate current and future actions for improvement of the SOH Program.

Child Development Centers (CDC) Inspections

The DLA HQ safety staff and representatives from the United States Army Center for Health Promotion and Preventive Medicine participate in the annual inspection and certification process of our CDCs as a part of the HQ DLA CDC Inspection Team. This year, four inspections were conducted. There were no life threatening violations that resulted in the closure of any center; however, portions of some outside playgrounds were closed until corrections of hazards (i.e., head entrapments) were made. CDC program management support for safety, health, and sanitation was also provided to develop a Child Development Service guidance package for DLA contractor and in-house operated centers to follow.

Health Physics

DLAI 4145.8/NAVSUPINST 4000.3C/AFJI 23-504/MCO P4400.105D/AR 700-XX, Radioactive Commodities in the DoD Supply System is currently being staffed at the service level for approval. This Joint Service document provides guidance for the control of radioactive material in the DoD Supply System as required by DoD 4140.1-R, DoD Material Management Regulation. The instruction applies to the United States Army, the United States Navy, the United States Marine Corps, and DLA in the acquisition, accountability, identification, possession, handling, use, storage, shipment, transport, transfer, and disposal of radioactive commodities within the DoD Supply System.

Radiation Health and Protection Safety Training

The Radiation Safety personnel have conducted two Radiation Health and Protection Safety training sessions in accordance with the Nuclear Regulatory Commission license. They have trained a total of 72 personnel during FY 02.

Weapons of Mass Destruction

In FY 02, CBRNE Consequence Management provided awareness training on chemical and biological warfare agents and personal protection to the Headquarters Complex (HQC) police force. Existing plans for response to incidents involving unknown substances and suspicious mail at the HQC were reviewed.

Update to the DLA Safety and Health Information Reporting System (SHIRS).

SHIRS is both an accident reporting system and a management system. In addition to reporting accidents in SHIRS and collecting accident data, the system is used to track inspections, investigations, and hazard findings. The system also links accidents with hazards, so, if one hazard has caused several mishaps, it is possible to see that, as well as the cost of the accidents and the cost of fixing the hazard.

SHIRS enables supervisors or safety and health offices to input mishaps. This past year, one of our depots started an initiative to have supervisors input mishaps electronically. Our depots tend to have more accidents, especially in their operations areas. This initiative reduced the amount of paperwork since hard copy accident reports are no longer sent to the safety office for input into SHIRS. We are currently trying to identify other installations where this initiative can be implemented.

SHIRS records are updated with cost, personnel, and COP information from other systems – OWCP, Defense Civilian Pay System, and Defense Civilian Personnel Data System. These records are provided through an interface with the Injury Compensation/Unemployment Compensation System managed by the DoD Civilian Personnel Management Service. The interface procedure matches an accident record in SHIRS with both OWCP and COP records. If there is no accident record in SHIRS, one is created using the data provided by COP and OWCP. Then SHIRS flags that record for the specific safety office so follow-up can be done with the employee's supervisor.

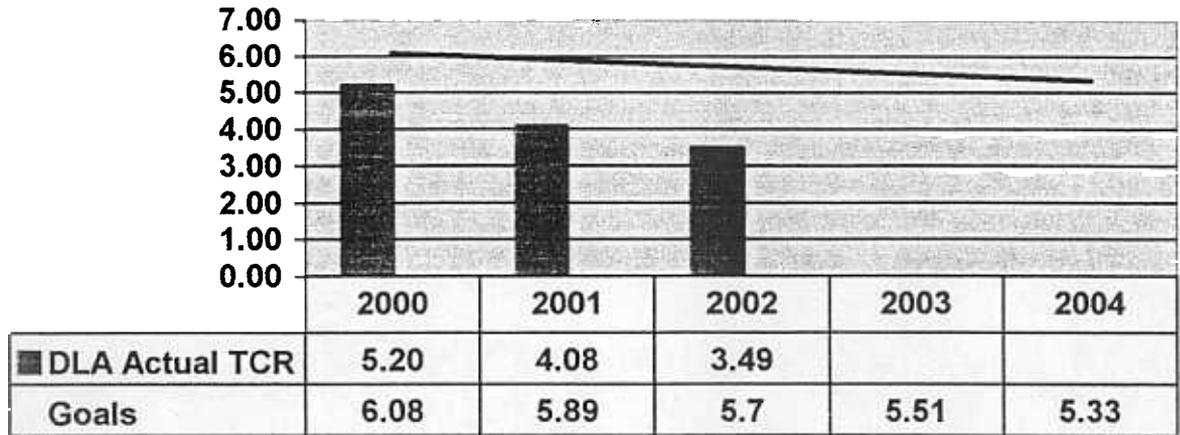
The SHIRS Configuration Control Board (CCB) meets annually to recommend changes. Software revisions are issued annually. This year SHIRS Version 4.1, incorporating many new features, was deployed. To keep users informed, we provided classroom training for both Discoverer and SHIRS. We supplement the training with an up-to-date web site that provides downloadable software for users, status reports on pending Systems Change Requests (the result of our CCB meetings), and training manuals.

The SHIRS Users' Manual is a training tool for formal classroom training in SHIRS and can be used as a reference document to answer questions after completion of training. In November of FY 02, a team consisting of HQ safety staff and field users updated the manual to improve its usefulness for users.

Federal Worker 2000 Goals and Accomplishments

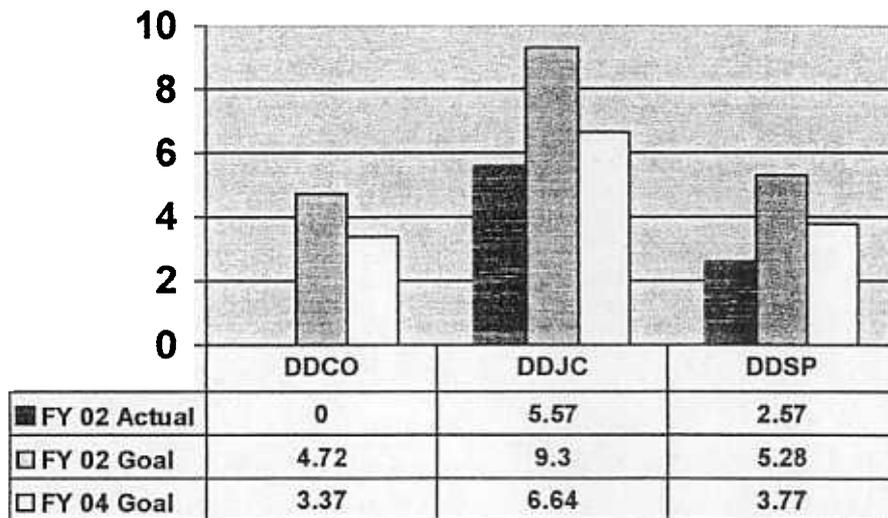
Goal 1: To reduce the DLA TCR by 3 percent per year (starting in FY 00 and ending in FY 04) from OSHA's designated baseline of 6.27. DLA's FY 02 TCR dropped by 14 percent as shown in Figure 5.

**Figure 5
Total Case Rate**



Goal 2: To reduce the LTCR at 3 OSHA-designated DLA locations by 10 percent per year (starting in FY 00 and ending in FY 04) from OSHA's FY 96 baseline. In FY 02 each DLA location achieved their FY 02 goal as shown in figure 6 below:

**Figure 6
Lost Time Case Rate**



DLA expects to continue our accident reduction accomplishments and to meet or exceed the FY 04 goals.

Improve Communications with Field

In FY 02, we took several steps to insure a dependable flow of information between the field and HQ. We conducted monthly video teleconferences with the SOH professionals at our field activities. We held an Environmental and Safety Conference for HQ and field personnel in April

2002. These actions improved communications between field activities and HQ and promoted the sharing of information.

FY 03 Goals

Child Development Centers

Continued safety, health, and sanitation support to the HQ DLA CDC Inspection Team will be provided. Four inspections are scheduled (Defense Distribution Depot Susquehanna, Defense Supply Center Columbus, Defense Distribution Depot San Joaquin, and DSS Quality of Life Operations Division). This year, a member of the HQ safety staff has been asked to lead the team during one of the inspections. We also continue to provide program management support to the team in these areas.

DSS-E will provide support to Quality of Life (DSS-Q) in the performance of Child Development and Youth Center annual certification inspections and the review of new construction centers.

Customer Relationship Management (CRM) Team

A member of the HQ Safety Team is a representative on the DSS CRM Team. The purpose of the team is to develop and execute a formalized CRM Program which will result in improved DSS understanding of customer requirements and improved service. The CRM Team will produce and deliver a formal proposal which will be presented to the DSS Director for approval.

Environmental Management Systems

The Safety programs will comply with requirements to bring our program into compliance with International Standards Organization (ISO) 14001. DLA hired a contractor to conduct a gap analysis. The analysis identified gaps between DLA's safety and health program and ISO 14001, Environmental Management Systems. Over the next 2 years, we plan to bring the safety program into compliance with this international standard.

Weapons of Mass Destruction

In FY 03, CBRNE Consequence Management will review all Antiterrorism/Force Protection (AT/FP) plans to ensure proper CBRNE protection is included and participate in AT/FP evaluations for the Agency. DLA will include CBRNE in all operations and emergency operations plans and develop a CBRNE incident exercise scenario to be used for training at either HQC or one of the field activities.

DLA One Book

A DLA policy directed that our publications be converted from directives to process oriented electronic books containing all DLA processes. We are converting our safety and health directives to the One Book process oriented format.

Tracking Tool and Metrics

DLA plans to deploy our tracking tool to the field to track 130 metrics that have been identified in our Action Plan. This tool will help identify the relationship between actions taken to reduce accidents and the results.

Occupational Health Physician

DLA is pursuing the process of acquiring a military Occupational Health Physician (OHP) who will manage the medical aspects of the Agency. Anticipated time-frame to fill this position is the latter part of FY 04 at the earliest. The OHP will prepare and have oversight for the Agency's policy concerning the medical aspects of occupational health and will provide guidance and direction, as well as review clinical and technical materials dealing with occupational health and other medical issues for DLA worldwide.

Automated External Defibrillators

DLA will establish an Agency-wide policy for the use of Automated External Defibrillators.

SHIRS Configuration Control Board Meeting

We plan to hold our annual meeting to discuss the requirements for SHIRS to be converted from a client server system to a web based system, to add fields that will allow DLA to track leave without pay, and to produce the OSHA 300 log.

Training

DLA will implement the SOH Training Plan which will include training of DLA supervisors on how to use the plan.

DLA will update and offer a safety course for collateral duty officers.

DLA will update and offer the Supervisory Training Course for agency supervisors.