July 7, 2004

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MANAGER, CHICAGO DISTRICT

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SUBJECT: Audit Report – Efforts to Prevent Accidents, Injuries, and Illnesses in the Chicago and Greater Indiana Performance Clusters (Great Lakes Area) (Report Number HM-AR-04-009)

This report presents the results of our self-initiated audit of the Chicago and Greater Indiana Performance Clusters' (Great Lakes Area) efforts to prevent accidents, injuries, and illnesses (Project Number 03YG011LH003). Our overall objective was to determine whether the performance clusters were reducing the number of accidents, injuries, and illnesses through prevention methods. This report is the second in a series of seven reports we will issue on accident prevention initiatives in 6 areas and 12 performance clusters. The seventh report will address issues with nationwide impact and will provide the results of our best practice review of safety issues.

The Chicago and Greater Indiana Performance Clusters had implemented prevention initiatives that have the potential to become best practices in reducing accidents, injuries, and illnesses. However, we could not determine whether the prevention initiatives reduced the number of accidents, injuries, and illnesses, or whether the initiatives were implemented in a timely manner.

Although both performance clusters were accumulating and analyzing accident, injury, and illness data for prevention initiatives, the Human Resources Information Systems and the Risk Management Reporting System are antiquated and will be replaced. Finally, in all six facilities we visited in the Chicago and Greater Indiana Performance Clusters, the reporting processes facilitated accurate reporting of accidents, injuries, and illnesses.

We appreciate the cooperation and courtesies provided by your staff during the audit. If you have any questions or need additional information, please contact Chris Nicoloff, Director, Human Capital, at (214) 775-9114 or me at (703) 248-2300.

/s/ Mary W. Demory

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Attachment

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EXECUTIVE SUMMARY

Introduction

This report presents the results of our self-initiated audit to determine whether the Chicago and Greater Indiana Performance Clusters, located in the Great Lakes Area, were reducing the number of accidents, injuries, and illnesses through prevention initiatives.

Results in Brief

The Chicago and Greater Indiana Performance Clusters have implemented prevention initiatives that could become best practices in reducing accidents, injuries, and illnesses. However, we could not determine whether the prevention initiatives reduced the number of accidents, injuries, and illnesses, or whether the initiatives were implemented in a timely manner. This occurred because the measurement tools in place did not allow safety personnel to track and monitor the effectiveness of specific prevention initiatives.

Although both performance clusters were accumulating and analyzing accident, injury, and illness data for prevention initiatives in the Human Resources Information Systems and the Risk Management Reporting System, both systems are antiquated and will be replaced.

Postal Service Headquarters officials told us they were addressing these issues at the headquarters level. We will issue a summary report on the audit results for the six areas visited. In that report, we may make recommendations to the Senior Vice President, Human Resources, regarding the measurement tools and data systems.

Finally, in all six of the facilities we visited in the Chicago and Greater Indiana Performance Clusters, reporting processes used within the various functional areas facilitated the accurate reporting of accidents, injuries, and illnesses.

Summary of Management's Comments

Management comments were not required; however, management provided comments stating there were no disagreements with the audit report's findings.

Management also stated it would be useful if the report contained sufficient information for the audited offices to investigate and correct the deficiencies identified.

Management also stated they would like clarification of the findings so that future errors can be corrected. For example, they wanted to know what accidents were missing from the database. Management's comments, in their entirety, are included in Appendix E of this report.

Overall Evaluation of Management's Comments

We agree that additional clarification would allow the performance clusters to correct future errors. However, because the information includes Social Security numbers and employee names, we could not include it in our report. However, we will provide additional clarification to the Greater Indiana Performance Cluster under separate cover.

INTRODUCTION

Background

With responsibility for more than 38,000 facilities, major transportation networks, and universal delivery, the Postal Service faces significant challenges in the areas of health and safety. These include making the health and safety of Postal Service employees a priority, managing the associated costs and lost productivity in operations, and responding when accidents and injuries have an unfavorable impact on the workplace. In addition, the Postal Service must address citations and monetary penalties for noncompliance with Occupational Safety and Health Administration (OSHA) standards.

In its April 2002 Transformation Plan, the Postal Service stated that to meet its challenges and prepare for transformation, it would implement a number of strategies to "push business effectiveness and operational efficiency." One of the strategies outlined was to reduce its workers' compensation costs. According to the Office of Workers' Compensation Programs' (OWCP) chargeback[1] reports, the Postal Service workers' compensation costs have increased from $538 million to $822 million between chargeback years 1997 and 2003.[2]

The following table is a comparison of Postal Service-wide accidents[3] and OSHA injuries and illnesses[4] for fiscal years (FYs) 2002 and 2003, which shows decreases in four categories. In addition, total expenses in FY 2003 decreased significantly.

[1] The OWCP's chargeback system is the mechanism by which the Department of Labor annually bills the cost of compensation for work-related injuries and deaths to employing agencies.
[2] The OWCP's chargeback year is July 1 through June 30.
[3] The Postal Service considers accidents as all reportable and nonreportable incidents, including unadjudicated occupational illness cases that cover certain kinds of injuries, illnesses, or damages. OSHA defines an accident as any unplanned event that results in personal injury or property damage.
[4] OSHA defines an injury or illness as an abnormal condition or disorder. Injuries include, but are not limited to cuts, fractures, sprains, or amputations. Illnesses include both acute and chronic illnesses such as, but not limited to skin diseases, respiratory disorders, or poisoning.

Table 1. Comparison of Postal Service-wide Accidents and OSHA Injuries and Illnesses, FYs 2002 and 2003

Category	FY 2002	FY 2003
Motor Vehicle Accidents	23,404	23,100
Non-Motor Vehicle Accidents	99,195	93,251
OSHA Injuries	51,630	46,317
OSHA Illnesses	6,972	5,550
Total Accident, Injury, and Illness Expenses	$1,652,449,865	$1,620,024,027

Source: Postal Service Web-Enabled Enterprise Information System (WebEIS).

Postal Service Headquarters officials did not know specifically what was responsible for the reduction in accidents. They believed, however, it was the result of accident prevention initiatives.

To determine why the number of accidents, injuries, and illnesses declined, we conducted a survey of the accident prevention initiatives in the Postal Service's Western New York and Baltimore Performance Clusters, located in the Northeast and Capital Metro Areas, respectively. Our results showed that accident prevention initiatives in each performance cluster were different and yielded contrasting results. We conducted this audit to determine whether similar situations existed in the Chicago and Greater Indiana Performance Clusters. We did not audit the performance clusters' overall safety programs. Our focus was on accident prevention initiatives at the locations we visited.

Objectives, Scope, and Methodology

Our overall objective was to determine whether the Chicago and Greater Indiana Performance Clusters were reducing the number of accidents, injuries, and illnesses through prevention initiatives. Our four subobjectives were to determine whether:

- The number of accidents and injuries was declining as a result of corrections to unsafe working conditions and practices.[5]

[5] Corrections to unsafe working conditions and practices were considered both corrective actions and prevention initiatives. The purpose of this subobjective was to determine the effectiveness of prevention initiatives.

- Corrective actions and/or prevention initiatives were made in a timely manner.
- Data were being accumulated and analyzed for prevention initiatives.
- Processes facilitated accurate reporting.

We discuss our scope and methodology in Appendix B.

Prior Audit Coverage

In the Chicago and Greater Indiana Performance Clusters, we did not identify any prior audits or reviews related to the objectives of this audit.

AUDIT RESULTS

The Chicago and Greater Indiana Performance Clusters had implemented accident prevention initiatives. However, we could not determine whether the prevention initiatives were reducing the number of accidents, injuries, and illnesses, or whether the initiatives were implemented in a timely manner.

Although the performance clusters were accumulating and analyzing accident, injury, and illness data in two different automated systems, both systems are antiquated and will be replaced. Further, the reporting processes used within the various functional areas facilitated accurate reporting of accidents, injuries, and illnesses.

Accident Prevention Initiatives

The Chicago and Greater Indiana Performance Clusters' prevention initiatives have the potential to become best practices in reducing accidents, injuries, and illnesses. These initiatives could also help other performance clusters to enhance their safety programs. For example, the Chicago Performance Cluster:

- Conducted the Corrective Opportunity Patrol Supervisors Program to observe and reward drivers who were performing their duties in a safe manner.

- Implemented an Employee Involvement Program to allow employees who had accidents to assist in giving training and safety talks on proper safety procedures.

- Conducted One-on-One Safety Reviews between employees and their supervisors to help employees perform their jobs safely and discuss the relationship of job performance to safety expectations.

The Greater Indiana Performance Cluster conducted the following prevention initiatives:

- The Dog Bite Initiative to bring awareness to the community to help reduce dog bites. This initiative is a partnership between the performance cluster and local animal control.

- The Safety Enhancement Awareness Program, which is a three-hour course held by the safety staff, to train employees with two or more preventable accidents.

- A Driver Observations program for supervisors to perform two observations per year, per driver, and then discuss observations with the drivers.

Effectiveness and Timeliness of Prevention Initiatives

For FY 2002 through accounting period 8 in FY 2003, we could not determine whether the Chicago and Greater Indiana Performance Clusters were reducing the number of accidents, injuries, and illnesses through prevention initiatives, or whether the initiatives were implemented in a timely manner. We could not make this determination because the measurement tools in place did not allow safety managers to:

- Track and monitor specific prevention initiatives.
- Document when initiatives were implemented.

Some categories of accidents (slips, trips, falls, and lifts) had decreased in both performance clusters; however, the reasons for the decreases could not be determined. District safety personnel told us they did not think decreases in the numbers of accidents could be related to specific prevention initiatives. In addition, they had not documented the implementation dates.

Both performance clusters implemented several accident prevention initiatives, and experienced decreases in both OSHA injury and illness and motor vehicle accident numbers and frequency rates[6] from FY 2002 to 2003. The following table illustrates these decreases.

[6] OSHA injury and illness and motor vehicle accident frequency rates are the number of accidents per 100 employees for a specific period. These rates provide measurements that make accident data comparable between large and small facilities.

Table 2. OSHA Injury and Illness and Motor Vehicle Accident Numbers and Frequency Rates in the Chicago and Greater Indiana Performance Clusters for FYs 2002 and 2003

Performance Cluster	Numbers		Average Frequency Rates	
	FY 2002	FY 2003	FY 2002	FY 2003
Chicago				
OSHA Injury and Illness	732	611	6.56	5.73
Motor Vehicle	273	203	23.71	23.17
Greater Indiana				
OSHA Injury and Illness	1198	964	9.48	7.94
Motor Vehicle	557	522	11.71	10.29

Source: Postal Service WebEIS.

Postal Service policy[7] states that safety personnel are responsible for developing and monitoring a comprehensive safety and health program and analyzing accident, injury, and illness data so they can advise management on corrective actions. Policy[8] also requires installations to develop methods to identify program needs for accident prevention. In addition, policy[9] requires supervisors to implement written programs and action plans, monitor employees' safety performance, and prevent operational safety accidents. District safety personnel at the Chicago and Greater Indiana Performance Clusters confirmed that facility managers were responsible for documenting that prevention initiatives had been implemented.

Without implementation dates and adequate measurement tools, the Postal Service does not have reasonable assurance that prevention initiatives help the performance clusters reduce the number of accidents, injuries, and illnesses. To follow prudent business practices, Postal Service managers should evaluate whether prevention initiatives are accomplishing their goal and whether the resources expended are justified.

Headquarters officials told us the safety tool kit that safety managers use to assess their safety programs is being modified to include trend line charts to track prevention initiatives. The officials said the tool kit would also be modified to include a field for managers to enter the date initiatives are implemented.

[7] Employee and Labor Relations Manual 17.2, Section 813.31, February 2003.
[8] Employee and Labor Relations Manual 17.2, Section 821.32, February 2003.
[9] Supervisor's Safety Handbook, Handbook EL-801, Chapter 1, Section 1-1, May 2001.

Therefore, we will address the need for tracking and monitoring initiatives in a separate report.[10]

Accident Reporting Systems

Both the Chicago and Greater Indiana Performance Clusters were accumulating accident, injury, and illness data in the Human Resources Information Systems (HRIS) and Risk Management Reporting System (RMRS). However, headquarters personnel told us these systems are antiquated and will be replaced.

Safety personnel at both performance clusters told us they used reports generated by HRIS and RMRS to analyze accident, injury, and illness numbers and rates in specific categories (slips, trips, falls, lifts, and illnesses). These reports were used to determine whether the numbers and rates were above or below expected targets, and to develop safety programs and action plans to reduce the number of accidents, injuries, and illnesses.

Postal Service policy[11] requires the safety offices responsible for facilities where accidents occur to enter accident report information into HRIS. Postal Service policy[12] also states that the analysis of accidents and injuries is vital to effective accident prevention programs, and requires management to use reports and statistical analyses to identify and eliminate the principal causes of accidents and hazardous conditions. Postal Service policy[13] further requires each business area that manages source data to identify an individual or organization who is responsible for developing standards and usage rules to ensure the integrity of data on accidents. The policy also states that the standards and rules must ensure that data is accurate, available, usable, and consistent with the data location and other business considerations.

According to the headquarters Program Manager, Information Technology, Human Resources Portfolio, the Postal Service has developed the Injury Compensation Performance Analysis System and a component of it will replace HRIS and RMRS.

[10] We will issue a summary report on the audit results for the six areas visited.
[11] Employee and Labor Relations Manual 17.2, Section 821.123, February 2003.
[12] Employee and Labor Relations Manual 17.2, Section 821.31, February 2003.
[13] Management Instruction 860-2003-2, Administrative Support, March 6, 2003.

The manager also stated that the system is scheduled for implementation late in calendar year 2004. We will address this issue in a separate report.

Reporting Processes

In all six facilities we visited in the Chicago and Greater Indiana Performance Clusters, the reporting processes used within the various functional areas facilitated accurate reporting of accidents, injuries, and illnesses.

We used a statistical sample to review the accuracy of the Chicago data in HRIS, and the completeness of the accident report forms,[14] for FYs 2002 and 2003. Although the Chicago sample did not support a statistical projection, our tests indicated the data in HRIS was reasonably reliable, and the forms were complete (see Appendix C).

We also used a statistical sample to project the accuracy of the Greater Indiana data in HRIS, and the completeness of the accident report forms, for FYs 2002 and 2003. We projected that almost all of the information on the forms in Greater Indiana were contained in the system, and the forms were complete (see Appendix D).

Postal Service policy[15] requires supervisors to fully complete the accident report by including preventive action codes[16] and descriptions of accident prevention efforts. The policy also requires managers to review each accident report for accuracy and conduct a follow-up assessment to ensure that action was taken to prevent similar occurrences. In addition, supervisors and managers are required to sign the report as proof they have reviewed it. Policy[17] also requires the safety officer to enter the accident report information into HRIS.

We believe the accident reporting process was accurate because supervisors and managers had received the safety

[14] Postal Service Form 1769, Accident Report, was used to report accidents. The instructions on the form required it be completed for all accidents, regardless of the extent of injury or amount of damage. This included all first aid injury cases, both reportable and nonreportable.
[15] Employee and Labor Relations Manual 17.2, Section 821.13, February 2003.
[16] Preventive action codes described the action taken to eliminate or reduce the accident cause(s) and prevent similar accidents.
[17] Employee and Labor Relations Manual 17.2, Section 821.12, February 2003.

training required by the performance clusters and had communicated the accident reporting process to employees through safety talks and posters.

Management's Comments

Management comments were not required; however, management provided comments stating there were no disagreements with the audit report's findings.

Management stated it would be useful if the report contained sufficient information for the audited offices to investigate and correct the deficiencies identified.

Management also stated they would like clarification of the findings so that future errors can be corrected. For example, they wanted to know what accidents were missing from the database. Management's comments, in their entirety, are included in Appendix E of this report.

Evaluation of Management's Comments

We agree that additional clarification would allow the performance clusters to correct future errors. However, because the information includes Social Security numbers and employee names, we could not include it in our report, whose distribution is widespread. However, we will provide additional clarification to the Greater Indiana Performance Cluster under separate cover.

APPENDIX A. ABBREVIATIONS

e-FOIA	Electronic Freedom of Information Act
FOIA	Freedom of Information Act
FY	Fiscal Year
HRIS	Human Resources Information Systems
OSHA	Occupational Safety and Health Administration
OWCP	Office of Workers' Compensation Programs
RMRS	Risk Management Reporting System
WebEIS	Web-Enabled Enterprise Information System

APPENDIX B. SCOPE AND METHODOLOGY

Our performance cluster selections were based on the lowest and highest combined OSHA injury and illness and accident frequency rates from FY 2002[18] through accounting period[19] 7 in FY 2003.[20] The Chicago average total OSHA injury and illness rates and accident frequency rates were 6.15 percent and 10.51 percent, respectively. The Greater Indiana average total OSHA injury and illness rates and accident frequency rates were 8.71 percent and 21.12 percent, respectively. The average total accident frequency rate of 6.15 percent in the Chicago Performance Cluster meant that out of every 100 employees, an average of 6.1 had an accident for that period.

We selected three facilities at each performance cluster based on size and type (for example, airport mail center, processing and distribution center, post office, and station). The Chicago facilities we visited were the Cardiss Collins Processing and Distribution Center, the O'Hare Airport Mail Center, and the Fort Dearborn Station. The Greater Indiana facilities we visited were the Indianapolis Processing and Distribution Center, the Indianapolis Airport Mail Center, and the Bacon Station.

To accomplish our objectives, we reviewed applicable federal laws and Postal Service and OSHA policies and procedures related to accident and injury prevention.

To verify whether the number of accidents and injuries was declining as a result of corrections to unsafe working conditions and practices, we obtained data by accident category and code (slips, trips and falls, lifting, dog bites, repetitive motion, striking against, struck by objects, and motor vehicles) for each performance cluster visited. In addition, we obtained accident numbers and accident frequency rate data from the Postal Service WebEIS for FYs 2002 and 2003. We also obtained from RMRS the accident frequency rates and OSHA injury and illness for FY 2002 and the first eight accounting periods in FY 2003.[21] We reviewed data from both WebEIS and RMRS to determine whether downward trends indicated a reduction in accidents, injuries, and illnesses.

To determine whether corrective actions and prevention initiatives were made in a timely manner to reduce the number of accidents, injuries, and illnesses, we reviewed Postal Service policy to learn whether a national or other standard policy existed that addressed how unsafe working conditions and practices should be corrected in a timely manner. We reviewed documentation for corrective actions and prevention initiatives implemented from FY 2002 through accounting period 8 in FY 2003.

To determine whether accident, injury, and illness data were accumulated and analyzed for prevention initiatives, we analyzed accidents, injuries, training documents, and workplace inspection data for sources and locations of accidents and jobs with high occurrences of accidents. We also analyzed accident and injury trends to determine whether a pattern of accidents with common causes could be identified in order to prevent future occurrences. We reviewed action plans and Program Evaluation Guide data that were accumulated and analyzed for prevention initiatives during FYs 2002 and 2003.

To determine whether processes used within the various functional areas facilitated accurate reporting of accidents, injuries and illnesses, we interviewed human resources, safety and health

[18] The FY 2002 period for the Postal Service began September 8, 2001, and ended September 6, 2002.
[19] An accounting period is defined as a four-week period that forms one-thirteenth of the Postal Service fiscal year.
[20] The first seven accounting periods for FY 2003 began September 7, 2002, and ended March 21, 2003. The FY 2003 period for the Postal Service began September 7, 2002, and ended September 5, 2003. However, the Postal Service transitioned its financial reporting system from accounting periods to monthly reporting periods on October 1, 2003. The transition period began September 6, 2003, and ended September 30, 2003.
[21] The first eight accounting periods for FY 2003, began September 7, 2002, and ended April 18, 2003.

program personnel, and management at the area, performance cluster, and facility levels. We obtained information related to accident prevention, such as resources, training, accident and hazard reporting, safety talks, and internal controls. In addition, we selected two statistical samples of accidents, injuries, and illnesses entered into HRIS for FYs 2002 and 2003. We reviewed a sample of accident report forms for accuracy and completeness, and reviewed a sample of accidents from HRIS to determine whether the information on the accident report was entered accurately. (See Appendices C and D for a discussion of the sampling and projection methodologies used.)

This review was conducted from May 2003 through July 2004 in accordance with generally accepted government auditing standards and included such tests of internal controls as were considered necessary under the circumstances. We discussed our conclusions and observations with appropriate management officials and included their comments, where appropriate. We believe the computer-generated data was sufficiently reliable to support the opinions and conclusions in this report.

APPENDIX C

STATISTICAL SAMPLING FOR REVIEW OF ACCIDENT REPORTING PROCESSES IN CHICAGO PERFORMANCE CLUSTER

Purpose of the Sampling

One of the objectives of this audit was to assess the accuracy and completeness of the accident data in HRIS. In support of this objective, the audit team employed a simple random sample of accidents listed in the database. Existence of the appropriate supporting forms was also tested using the sample.

Definition of the Audit Universe

The audit universe consisted of 2,255 accidents, according to the HRIS database, for all of FYs 2002 and 2003. The universe was obtained on-site by requesting printed HRIS data from the safety manager responsible for the accident and injury prevention program.

The accident report forms on file were stored in folders by accounting period and accident type. There were 156 folders (13 accounting periods x 2 years x 6 accident types).

Based on information provided by the safety manager, the Chicago Performance Cluster consisted of 56 installations.

Sample Design and Modifications

The team had no prior knowledge of an expected error rate. We believed it to be less than 50 percent in general but possibly near 50 percent for at least one attribute considered. Therefore, we chose an expected error rate of 40 percent for the sample size calculation. For projection of a two-sided interval with +/- 7 percent precision at the 95 percent confidence level, we wanted a sample size of approximately 170 accidents. To achieve the sample size, we used a two-stage sample design, with folders selected at the first stage and individual accident report forms selected at the second.

To select accidents for inclusion in the first stage of our sample, we used the “randbetween” function in Microsoft Excel[22] to assign a random start for the interval sampling of folders in the universe. To select accidents for inclusion in the second stage of our sample, we selected individual accident report forms on-site, using interval sampling as well.

Our interval sampling was defined as follows:

- Per folder:
  - If fewer than 10 accident report forms, check all forms.
  - If 10 to 20, check every other form starting with the first form.
  - If 20 to 49, check every third form starting with the second form.
  - If 50 to 99, check every fifth form starting with the fourth form.
  - If more than 99, start with the seventh form.

[22] Microsoft Excel is a spreadsheet program from the Microsoft Office suite of productivity tools for Windows and Macintosh.

- For 100 to 199, divide by 10 and use that number as the interval.
- For 200 to 29, divide by 20 and use that number as the interval.
- For 300 to 399, divide by 30 and use that number as the interval.

To test the completeness and accuracy of the database, we tested five attributes:

- Was the accident shown on the accident report form listed in the database?
- Did the accident control number in the database agree with that on the form?
- Did the accounting period date in the database agree with the accident date on the form?
- Did the listing of the involved person(s) in the database agree with that on the form?
- Did the accident description in the database agree with that on the form?

For the completeness of the accident report forms, we tested two additional attributes:

- Was the preventive action code on the form?
- Was the preventive action on the form?

Additional Analysis and Results

We noted that the forms reviewed were selected in accordance with the random sample design. Therefore, although we cannot make a formal statistical projection, we believe the low error rates observed in the records reviewed supported the audit team's opinion that there is little likelihood of a major problem with the data in the files or in the database.

APPENDIX D

STATISTICAL SAMPLING AND PROJECTIONS FOR REVIEW OF ACCIDENT REPORTING PROCESSES IN GREATER INDIANA PERFORMANCE CLUSTER

Purpose of the Sampling

One of the objectives of this audit was to assess the accuracy and completeness of the accident data in the HRIS. In support of this objective, the audit team employed a stratified two-stage random sample. The sample design allowed statistical projection of the number of discrepancies between the database and the accident report forms on file. Existence of the appropriate supporting forms was also tested using the sample.

Definition of the Audit Universe

The team defined the audit universe from 168 facilities consisting of the Greater Indiana Processing and Distribution Center, the Greater Indiana Mail Processing Annex, and customer service offices and post offices from the ZIP Code areas as follows: 460, 461, 462, 463, 464, 469, 472, and 473. The audit universe of accidents for these locations consisted of 3,247 accidents, according to the HRIS database for all of FY 2002 and 2003. The universe of accidents was obtained on-site by requesting printed HRIS data from the safety manager responsible for the accident and injury prevention program.

Sample Design and Modifications

Based on the physical location of the accident report forms, we stratified the population into two strata. Stratum one consisted of the 166 customer service offices and post offices, and stratum two consisted of the Greater Indiana Processing and Distribution Center and Mail Processing Annex.

Within stratum one, we used a two-stage sample design and randomly selected offices at the first stage using the “randbetween” function in Microsoft Excel to assign random numbers to installations on the universe listing. At the second stage, we selected individual accident report forms. The audit team selected individual accident report forms on-site, using interval sampling defined as follows:

- Per folder:
    - If fewer than 10 accident report forms, check all forms.
    - If 10 to 20, check every other form starting with the first form.
    - If 20 to 49, check every third form starting with the second form.
    - If 50 to 99, check every fifth form starting with the fourth form.
    - If more than 99, start with the seventh form.
        - For 100 to 199, divide by 10 and use that number as the interval.
        - For 200 to 299, divide by 20 and use that number as the interval.
        - For 300 to 399, divide by 30 and use that number as the interval.

The sample design within stratum one yielded a sample of 50 facilities (selected at the first stage) and 377 accident report forms (selected at the second stage).

Within stratum two, the audit team selected individual accident report forms on-site, using interval sampling with a random start of three and selecting every seventh accident report form. This yielded a sample size of 118 reports for stratum two.

To test completeness and accuracy of the database, we tested five attributes:

- Was the accident shown on the accident report form listed in the database?
- Did the accident control number in the database agree with that on the form?
- Did the accounting period date in the database agree with the accident date on the form?
- Did the listing of the involved person(s) in the database agree with that on the form?
- Did the accident description in the database agree with that on the form?

For the completeness of the accident report forms, we tested two additional attributes:

- Was the preventive action code on the form?
- Was the preventive action on the form?

Statistical Projections of the Sample Data

For the projection of the number of errors for each attribute, we observed that the sample items contained very low error rates. Because of extremely low occurrence rates observed at the second stage of sample selection, we were not able to use the normal approximation to the binomial to calculate occurrence limits. Instead, we analyzed the upper occurrence limit, using as a basis the cumulative binomial methodology modified for the two-stage sample design. We did this by combining an "implied" within upper bound for each stratum with an estimate (direct measure from the sample) of the between cluster bound for each stratum. We used a 5 percent risk of overreliance (beta-risk).

Results

All projections were made to the audit universe of 3,247 accidents, as described in the audit universe definition.

1. Was the accident shown on the accident report form listed in the database?
Based on projection of the sample results, we can state with 95 percent reliance that no more than 39 forms (1.20 percent) were missing from the HRIS database. The point estimate is that 14 (0.42 percent) forms were missing.

2. Did the accident control number in the database agree with that on the form?
Based on projection of the sample results, we can state with 95 percent reliance that no more than 47 accident control numbers (1.43 percent) disagreed. The point estimate is that 15 numbers disagreed (0.47 percent).

3. Did the accounting period date in the database agree with the accident date on the form?
Based on projection of the sample results, we can state with 95 percent reliance that no more than 59 accounting period dates in the database (1.82 percent) disagreed with the date shown on the form. The point estimate is that 21 accounting period dates (0.64 percent) disagreed with the date shown on the form.

4. Did the listing of the involved person(s) in the database agree with that on the form?
Based on projection of the sample results, we can state with 95 percent reliance that no more than 40 database listings of person(s) involved (1.24 percent) disagreed with the information on the form.

The point estimate is that 10 database listings of person(s) involved (0.32 percent) disagreed with the form.

5. Did the accident description in the database agree with that on the form?
Based on projection of the sample results, we can state with 95 percent reliance that no more than 40 accident descriptions in the database (1.24 percent) disagreed with the information on the form. The point estimate is that 10 accident descriptions in the database (0.32 percent) disagreed with the form.

6. Was the preventive action code on the form?
Based on projection of the sample results, we can state with 95 percent reliance that no more than 263 of the forms (8.11 percent) lacked the preventive action code. The point estimate is that 160 forms (4.92 percent) lacked the preventive action code.

7. Was the preventive action on the form?
Based on projection of the sample results, we can state with 95 percent reliance that no more than 245 of the forms (7.55 percent) lacked the preventive action. The point estimate is that 140 forms (4.3 percent) lacked the preventive action.

Summary of Results

(Universe Size = 3,247; Sample Size = 495)

Attribute (Number above corresponds to number below)	Number of Errors in Sample	Projected Number of Errors	95 Percent Confidence Interval*, Number of Errors
1	3	14	3 to 39
2	4	15	4 to 47
3	5	21	5 to 59
4	3	10	3 to 40
5	3	10	3 to 40
6	31	160	31 to 263
7	26	140	26 to 245

*For attributes with low error rates, this interval is the observed number of errors in the sample (logical lower bound) and the upper error limit, assuming a 5 percent risk of overreliance.

APPENDIX E. MANAGEMENT'S COMMENTS

JO ANN FEINDT
VICE PRESIDENT, GREAT LAKES AREA OPERATIONS

UNITED STATES POSTAL SERVICE™

May 28, 2004

Kim H. Stroud
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SUBJECT: Draft Report Number HM-AR-04-Draft

Attached for your perusal are responses from Greater Indiana and Chicago Districts, respectively, regarding the findings in the cited draft reports.

As noted in the Greater Indiana response, it would be very useful to the audited offices for any cited deficiencies to contain enough specific information to be further investigated and corrected as required. The generic descriptions contained in the draft report do not allow the specific discrepancies to be determined and/or researched for clarification or accuracy.

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UNITED STATES POSTAL SERVICE™

June 3, 2004

Kim H. Stroud
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Arlington, VA 22209-2020

SUBJECT: Efforts to Prevent Accidents, Injuries and Illnesses in the Chicago And Greater Indiana Performance Clusters (Great Lakes Area) Report Number HM-AR-04-Draft

The draft on the subject audit for the Chicago District was reviewed. There are no disagreements with the draft version of the audit report relative to the findings for the Chicago District.

Akinyinka O. Akinyele

DJB:cdwj:9441

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GREATER INDIANA DISTRICT SAFETY OFFICE

UNITED STATES POSTAL SERVICE

March 23, 2004

Kim H. Stroud
Director Audit Operations and Follow-Up
Office of the Inspector General

SUBJECT: Draft Audit Report Number HM-AR-04-Draft

After reviewing the Audit Draft Report, there are questions concerning your findings that we would like clarified in order to enable us to correct any errors that might occur in the future.

Question 1 concerning the accidents missing from the database: You show we had 3 missing accidents from the database. What accidents did you find that were missing from the database. We would like the installation ID and name and social security number of the employee involved, for the accidents that were missing. If accidents were missing from the database, were these not incidences that did not require input into the HRIS system?

Question 2 concerning the 4 accident reports with numbers that disagreed with the database: We are unsure what this means exactly. Numbers received after accident information input are recorded onto the accident report. We would like to know what accident reports were out of sync with the database.

Question 3 concerning the 5 accident reports that had accounting period dates that did not agree with the accident dates: Often times injury compensation claim forms will be submitted that refer the accident date back to the original injury, which may be months or even years ago. The accident is input accurately, reflecting the date of the injury comp claim. We would like to know, specifically, which accident reports were found in order to determine that these reports are more than likely reports from injury comp claims that are dated prior to the current reporting accounting period.

Question 4 concerning the discrepancy in the database accident information and the accident report information of the involved person(s): We want to know exactly what 3 accidents were found with mismatched involved person(s) information in order that we may review these reports.

Question 5 concerning the 3 accident reports where the accident description did not match the database information: We want to know what accidents in particular, with information in the accident description that did not coincide with the database.

Question 6 concerning 31 accident reports that did not have the preventive action code: Accident reports when input by the Safety Staff are marked in "red ink" to identify changes made by the staff at the time of input. Did the audit team count those as errors or were the preventive action codes actually missing? List the accident reports by installation ID and accident number that did not have the preventive action codes so they we may address this issue with the appropriate personnel.

Question 7 concerning the 26 accident reports that lacked the preventive action: If there was no preventive action to be taken, such as an elderly customer driving into a Post Office, or a carrier stopped at a light and being rear-ended, was this counted as lacking preventive action? Identify the accident reports found by the Audit Team, by Installation ID and accident number, for our review in order to allow us the opportunity to provide an explanation for lack of preventive action.

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We feel that by providing the accident report information to us, such as Installation ID and accident number, this will enable us to either support our reporting processes or to correct any reporting deficiencies within our department.

Please send the requested information to:

Lee Shelton
A/Safety Manager
3939 Vincennes Road
Indianapolis IN 46298-9441

Thank you for your consideration in this matter.

Dave Nichols,
A/District Security Specialist

Cc: *Ken Braun, Mgr. Customer Service & Sales*
Chuck Donnigan Sr. Plant Mgr.
Mary Hopkins, Mgr. HR