

Worksheet #				
1a	1b	1c	2a	2b
3a	3b	4a	4b	

Allocate Resources

Take these steps to begin allocating resources:

1. Define the resources you need (Worksheet 3a).
2. Set a budget for managing health and safety as part of your organization's financial plans and operations (Worksheet 3b).

To-Do

- Examine your current budget for managing safety and health.
- Estimate costs, including resources needed to implement your program.
- Create a method for integrating safety into your company's ongoing budgeting process.

Set a budget for managing safety and health as part of your organization's financial plans and operations

Once you have decided what resources you need to initiate and run your safety and health program, you'll want to account for those resources in your company's overall budget, both initially and on an ongoing basis.

Examine your current budget for managing safety and health performance

Look at your company's current budget. How often do safety-related items appear? Does the budget reflect time for people to carry out their program responsibilities (investigating incidents, discussing safety and health issues, etc.)? If you had to rate your company's emphasis on safety based only on what is included in your budget, what rating would you give it: good, fair, poor, missing?

Remember: Your budget reflects your company's values and priorities. Make sure it includes safety and health.

Estimate costs

Looking back at the list of resources you identified in Worksheet 1a, calculate the cost of these resources. Include that amount in your company's budget. Remember you'll be able to adjust your estimates as you gain experience in implementing the safety and health program. For example, once you've assessed training needs in detail, you'll be better able to estimate the resources you need to implement training.

Don't forget to include the cost of starting up your program. Some one-time costs: time set aside for hazard inspections, signs to promote the program, or lunch expenses for an all-hands program meeting.

It might seem like you're spending a lot to develop your safety and health program, but remember the cost of workplace injuries or illnesses can be higher.

Create a method for integrating safety into your company's ongoing budgeting process

Once your safety and health program is up and running, you'll want to keep it funded every time you prepare a budget. You will need funds for:

- Ongoing investments to keep the program going (see examples in Worksheet 1a).
- New hazard assessments and controls as you need them.

Funding your program to keep it going

Make sure to account for your safety and health program every time you review your budget. It needs to be a normal part of managing your operations, not an afterthought. Put the same thought into estimating resource needs for the program as you do for facility maintenance or recruiting. Otherwise, you could end up short-changing the program if you have to make cuts. It's best to think of budgeting for your safety and health program as part of your overall business planning and forecasting, not an extra chore or task. Often, it's more cost-effective to include health and safety in the front end of your plans than to treat it as a retrofit.

Safety Pays

OSHA's Safety Pays Program helps employers understand the cost of workplace injuries and illnesses. The program includes an injury and illness cost estimator to help you determine how much a specific injury could affect your profitability. Check it out at <https://www.osha.gov/safetypays>.

Pro Tip

When you make changes to your business, consider how they might affect safety. A new adhesive might affect workers' skin or lungs; a change in work flow might make repetitive motion injuries more likely. (See "Planning for Safety" text box on page 5).

Funding hazard assessment/control activities

Once you begin your safety and health program, you'll be finding and fixing hazards to reduce health and safety risks, both in the short and long term. To see what this might look like for your budget, meet with your team of safety champions—and with your workers—and ask them about unmet safety needs.

You'll be looking for answers to specific questions like these:

- Do you have preventive maintenance to account for?

- Do you need to purchase new equipment? Does one manufacturer offer more safety features vs. a “bare bones” model with only basic safety features?
- Are workers getting the training they need? Do they have enough time to finish that training?
- Who will perform inspections? How often?
- Do any of your trainings or inspections happen in cycles—for example, every three years? Will any need to be accounted for or updated soon?
- Do you have all the personal protective equipment you need? Does any of it need replacing? Is everyone trained on proper fit, use, storage, and maintenance?
- Do you have other health and safety equipment and supplies, such as noise or air monitoring equipment or health and safety reference materials (manuals, manufacturer instructions, consensus standards, etc.)?
- Have you budgeted for outside resources you need, such as clinical support and other health and safety services?

The following table lists major safety and health cost categories. You can use it as a guide to help you figure out what you’ll need to budget for now and in the future. While the focus here is on financial resources, remember that resources also include staff time, trained workers, etc.

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Cost category	Examples	What will your company need?	Is this a one time or ongoing cost?
Worker training	<ul style="list-style-type: none"> • Training on the safety and health program • Hazard communication training for workers • Hazardous waste operations and emergency response training for workers • Licenses for an online defensive driving course 		
Inspections	<ul style="list-style-type: none"> • Independent inspection of the workplace by qualified contractors • Outside resources needed to identify complex hazards 		
Testing and maintenance	<ul style="list-style-type: none"> • Testing and maintenance on safety equipment such as chemical fume hoods and emergency eyewashes and showers 		
Equipment	<ul style="list-style-type: none"> • Safety equipment such as emergency eyewashes and showers, ergonomic workstations (chairs, keyboards, sit-stand desks), and fit test equipment • Tools with dust collection systems 		
Engineering controls	<ul style="list-style-type: none"> • Replacement of worn or damaged machine guards 		
Supplies	<ul style="list-style-type: none"> • Safety supplies such as first aid kits/supplies, spill response/cleanup supplies, fit test supplies 		
Emergency equipment	<ul style="list-style-type: none"> • Fire extinguishers • Vendor to supply, inspect, and maintain automated external defibrillators • CPR/AED certification training 		
Personal protective equipment program	<ul style="list-style-type: none"> • Equipment such as safety glasses, hearing protection, hard hats, respiratory protection • Worker health and industrial hygiene monitoring • Training on proper use, fit, maintenance, and storage 		
Chemical management	<ul style="list-style-type: none"> • License for chemical inventory and Safety Data Sheet software • Chemical labeling and storage 		

Cost category	Examples	What will your company need?	Is this a one time or ongoing cost?
Industrial hygiene/safety equipment calibration	<ul style="list-style-type: none"> Periodically sending industrial hygiene and safety equipment back to the manufacturer for calibration 		
Exposure monitoring	<ul style="list-style-type: none"> Exposure monitoring costs, such as laboratory fees, equipment rental, sampling media 		
Professional development for "safety champions"	<ul style="list-style-type: none"> Training for safety champions or other designated safety and health staff <ul style="list-style-type: none"> Qualification to find and fix hazards Example topics: confined spaces, electrical safety, laboratory safety, respiratory protection program management 		

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Planning for Safety: Two Examples

- The owner of a small metal fabrication shop saw a chance to grow the business by adding a metal plating line. He began looking into the costs of plating tanks, racks, and chemicals. He was close to signing purchase orders for some expensive equipment when he realized he'd face new safety and environmental costs:
 - Training for workers on the chemicals used to prepare, clean, and degrease surfaces before plating.
 - Protective clothing to safeguard against spills, splashes, and burns.
 - A ventilation system to control chemical exposures.
 - Potential medical and ambient air monitoring costs for workers exposed to metals used in plating (e.g., cadmium, hexavalent chromium).
 - Waste disposal and permitting fees.

He decided instead to partner with a local plating shop that had a good safety program already in place.

- A warehouse operator decided to take advantage of the high ceilings in the building and add a mezzanine floor for overflow storage. When budgeting for the renovation, he asked his safety manager for input. The safety manager told him that the mezzanine (an elevated work area) would need guardrails and toeboards to protect workers below from falling objects. The contractor told him it was good they mentioned this beforehand—adding these protections after the fact would be more expensive.

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