



Contract Employees

OSHA VPP

March 2025

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This presentation outlines contract employee requirements for the purposes of the Occupational Safety and Health Administration (OSHA) Voluntary Protection Programs (VPP) implementation.

It also provides information on the background and importance of contract employees, required documentation, and the various levels of employee knowledge. The presentation concludes with an action checklist and supplemental details to help with OSHA VPP implementation and sustainment efforts.

Objectives

- In this presentation, you will learn to:
 - Summarize the background and importance of contract employees
 - List contract employee-related documentation
 - Describe the knowledge leadership/management, key personnel, and the workforce should have regarding contract employees
 - Identify contract employee-related actions to implement and sustain OSHA VPP

This presentation is beneficial to safety and health (S&H) professionals, VPP representatives, contracting officer representatives (CORs), or other personnel involved in the management of on-site contractors.

Background & Importance

- Included in the ML&EI criteria for VPP
- Covers oversight of all on-site contractors
- Considers selecting contractors based on their past S&H performance



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ML&EI = Management Leadership & Employee Involvement

Applicable contractor: A contractor whose employees work for your organization at least 1,000 hours in any calendar quarter within the last 12 months and are not directly supervised by your organization.

Contract employee: Individuals employed by a company providing services to your organization, under contract, usually at your worksite.

General contractor: A construction site owner or site manager who controls construction operations and is responsible for assuring safe and healthful working conditions at the worksite; these may also be applicable contractors at your organization.

Resident contractor: A company providing ongoing, on-site services to your organization, who occupies delineated work areas within your worksite; these may also be applicable contractors at your organization or contract employees supervised by your organization.

Contract employees or temporary employees supervised by your organization's management are governed by your safety and occupational health management system (SOHMS).

Contractor supervision exists when you supervise the products or services a contractor produces, as well as the methods and processes the contractor uses to accomplish their work. Apply this definition to your resident and general contractors to determine if you can classify them as applicable contractors or contract employees supervised by your organization.

The image shows contractors at a worksite. Effective contractor oversight ensures you control hazards created from contractor activities. Notice how many of the contractors have hard hats on, while one does not. Image retrieved from Microsoft Images.

Background & Importance

- Establishes a process to correct and control contractor-created S&H hazards
- Enforces S&H contract provisions
- Reviews contractor I&I data to determine potential improvements



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Images retrieved from Microsoft Images



I&I = injury and illness

Monitor your contractor I&I rates to ensure contract employees are not sustaining I&Is. OSHA expects Star-quality sites to help contractors with high I&I rates identify causes and create plans to reduce their rates.

OSHA does not require contractors to achieve VPP recognition if your organization is pursuing or has obtained VPP recognition. **However, you are required to inform contractors that you are pursuing or have obtained VPP recognition.** Resident contractors may apply for VPP recognition, but only if your worksite has already achieved VPP Star status. General contractors may pursue VPP recognition while working at your worksite regardless of whether you are a Star site. They must be at your worksite for a minimum of 12 months to do so.

The images show contractors at their worksites. Images retrieved from Microsoft Images.

Documentation

- Contractor oversight/management program
- Contractor selection criteria
- Sample contracts, stating S&H provisions
- S&H training records for contractors
- Contractor audits, inspections, and reviews
- Disciplinary actions for contractor S&H infractions
- Contractor I&I rates
- Contractor APP/RRP

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APP = accident prevention plan

RRP = rate reduction plan

An OSHA VPP assessment of your contractor management program includes a review of the documents listed on this slide; this list is not all-inclusive. Make sure you provide examples of completed forms and documents to your assessment team. Do not show them blank forms! They want to see the documents filled out to assess the execution of your contractor oversight processes.

Your contractor selection process should include contractor S&H performance evaluation criteria.

Provide evidence that you oversee contractors and ensure they follow S&H requirements outlined in their contracts. Show documentation capturing audits or inspections, contractor S&H briefings, and periodic reviews of contractor performance. Provide documentation to support how you exercise your contractor disciplinary process for S&H infractions, if applicable.

Collect I&I information including total case incident rate (TCIR) and days away, restricted, and transferred (DART) rate data from each applicable contractor. Maintain this information and any applicable APP/RRPs that help reduce the contractor's I&I rates. Contract employees supervised by your organization are included in your I&I rates.

Leadership/Management Knowledge

- Leaders and managers should be knowledgeable of:
 - Selection and screening of potential contractors
 - Disciplinary process for contractor S&H violations
 - Locations of on-site contractors
 - Who manages on-site contractors



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Image retrieved from Microsoft Images



Leadership and upper management need to have a general understanding of the contractor screening and selection process. They should be able to explain the disciplinary process and actions taken against contractors for not meeting contractual S&H requirements, if applicable.

They should also know the on-site locations of your contractor employees and who manages these on-site contractors – this is often a COR.

The image shows a site leader meeting contractors at a worksite. Image retrieved from Microsoft Images.

Key Personnel Knowledge

- Key personnel should be knowledgeable about:
 - S&H criteria used in the Contractor selection process
 - Contract S&H provisions
 - Contractor management roles and responsibilities
 - Controlling S&H hazards created by contractor activities
 - Contractor work area S&H audits, inspection processes, and results
 - Reporting, investigating, and documenting contractor I&Is
 - Disciplinary actions taken against contractors, if applicable

Key personnel include CORs, S&H professionals, or other personnel involved in managing on-site contractors.

Key personnel should be familiar with the specific S&H criteria used to evaluate a contractor's past S&H performance and fitness for work. They should know the specific S&H provisions contractors must meet. Most importantly, key personnel should periodically visit contractor areas to validate these provisions.

CORs are familiar with contract provisions and their role in managing contractor compliance requirements; however, they are not always knowledgeable of S&H regulatory requirements. Planned S&H audits and inspections by S&H professionals ensure contractors meet S&H-related contract provisions and maintain S&H compliance.

Workforce Knowledge

- Employees should be knowledgeable about:
 - Contractor activities in their work areas
 - S&H hazards generated by contractor work
 - Reporting contractor-created hazards and unsafe behaviors



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Image retrieved from Bing Images



Ensure employees are familiar with contractors working in, or adjacent to, their work areas. Your employees must be aware of additional S&H hazards or concerns that contract work creates. If employees observe unsafe conditions caused by contractors, or see contractors committing unsafe acts, employees must know how to report these S&H concerns.

The image shows worksite employees and contractors working together. Contract employees supervised by organizational management often work side-by-side organizational employees performing the same job duties - this makes it difficult to tell who is a contract employee and who is an organizational employee.

Image retrieved from Bing Images (free to use and share license) at:

https://upload.wikimedia.org/wikipedia/commons/8/8a/US_Navy_090310-D-5972N-002_Civilian_employees_work_with_Information_Systems_Technician_2nd_Class_James_Rago_to_troubleshoot_the_video_teleconference_system_of_a_video_information_exchange_system.jpg

Contractor Knowledge

- Contractors should be knowledgeable about:

- S&H hazards in their work area
- Hazard controls
- Site S&H rules and regulations
- Local emergency procedures
- Steps to report S&H hazards and workplace incidents
- S&H goals and objectives
- Rights under the OSH Act
- Basic VPP elements
- Site participation in VPP



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Image retrieved from Microsoft Images



OSH = occupational safety and health

The level of expected contractor knowledge depends on the type of contractors in your workplace. Applicable contractors must understand your on-site S&H rules and be aware that your site is participating in OSHA VPP. Their employer trains them on the hazards of their work, reporting procedures, and emergency procedures. Know that the VPP assessment team will likely ask contractors questions related to this information. Their answers may differ from your own procedures depending on contract language.

Contract employees supervised by your organization must know the same information that your own employees know. They should know your S&H rules and expectations, basic OSHA VPP fundamentals, and organizational S&H goals and objectives.

The image shows an emergency evacuation sign and diagram template. All contract employees should be familiar with your local emergency procedures. Image retrieved from Microsoft Images.

Action Checklist

- ☐ Create a contractor oversight program
- ☐ Train designated CORs
- ☐ Establish a contractor selection process
- ☐ Review contractor S&H program
- ☐ Hold pre-contract meetings
- ☐ Provide contractor S&H training
- ☐ Perform S&H audits and inspections of contractor work areas
- ☐ Collect and review contractor S&H data
- ☐ Assist with APPs/RRPs, as necessary
- ☐ Develop relationships with contractors

Follow this action checklist to implement and sustain VPP expectations for contract employees. Each of these action checklist items will be covered in more detail.

Contractor Oversight Program

- Determine contractor S&H screening requirements
- Instruct contractors to follow site S&H rules
- Describe processes to monitor contractor S&H performance
- Discuss hazard identification and correction in contractor work areas
- Explain contractor discipline for S&H infractions
- Encourage contractors to implement a SOHMS



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Image retrieved from Microsoft Images



This slide lists some examples of procedures you should include in your oversight program; this is not an all-inclusive list of contractor oversight procedures.

Write a contractor oversight program to manage your on-site contractors. Ensure the program holds contractors responsible for meeting S&H requirements, S&H standards, and contract provisions. It is acceptable to have one, all-encompassing contractor oversight program that covers all contractual requirements and all aspects of contractor management. Verify that it includes all applicable S&H oversights that apply to your contractors.

In the DoD, CORs often execute these management processes; however, consider any additional support personnel the COR may need and assign responsibilities, as necessary.

The image shows a contractor working at a computer. Image retrieved from Microsoft Images.

Contractor Oversight Program

Pre-Contract	Post-Award	During Contract	Post-Contract
Review I&I rates and OSHA citation history	Review contractor written S&H program	Monitor adherence to contract S&H provisions	Rate contractor performance
Examine contractor qualifications	Hold pre-contract S&H briefings	Perform S&H audits and inspections	Place great performers on a pre-approved list
Check EMRs	Work with contractors to develop an APP/RRP, if necessary	Take disciplinary actions, as necessary	Review and revise the contractor oversight program, as needed
Consult previous employers of contractor	Encourage SOHMS implementation	Monitor contractor I&I rates*	Report contractor information on annual VPP self-evaluation*

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EMR = experience modification rates

The table shows the phases of contract operations and recommendations for when to conduct each contractor oversight activity; you can incorporate this information into your written contractor oversight program.

*Note that you only need to collect annual self-evaluation information and I&I rates for applicable contractors in OSHA VPP.

COR Training

- Provide S&H training to CORs:
 - S&H oversight of contractors
 - Hazard identification and evaluation
 - VPP-specific needs or requirements



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Image retrieved from Microsoft Images



CORs generally receive Service- or Agency-specific training to become a COR; however, most CORs do not receive training or have any education specific to workplace S&H.

Train CORs to monitor how your contractors adhere to contract S&H requirements. Additional training on S&H expectations increases the effectiveness of your contractor S&H oversight.

Train CORs in hazard identification so they can conduct effective S&H inspections of contractor work areas. In addition, have S&H professionals periodically accompany CORs when they assess contractor S&H regulation and contract provision compliance.

Communicate any additional responsibilities you want your COR to know – especially those aimed at meeting VPP requirements. For example, you must document applicable contractor I&I incidence rates in your annual self-evaluation. You may want your COR(s) to request this information for you since they have an established relationship with the contractor.

The image represents CORs attending training related to their S&H responsibilities. Image retrieved from Microsoft Images.

Contractor Selection

- Consider these factors when selecting contractors:
 - I&I rates for the last three years
 - Reports of significant I&Is
 - EMR for the last three years
 - OSHA violations in the last three years
 - Previous employers' reviews and recommendations
 - S&H experience, qualifications, and certifications



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Image retrieved from Microsoft Images



EMR: A numerical multiplier calculated by insurance companies to represent a company's accident and injury record as compared to the industry average. An EMR of 1.0 means a company has an average safety record. An EMR below 1.0 means the company has a good safety record, while an EMR above 1.0 indicates a poor safety record.

Review contractor S&H performance history during the selection process. The slide includes a list of common items to review when selecting contractors; this list is not all-inclusive. Require potential contractors to demonstrate their S&H program capabilities and experience during contract solicitations, as prescribed by the Federal Acquisition Regulation (FAR), the Defense Federal Acquisition Regulation Supplement (DFARS), and other Agency FAR supplements.

Obtain a list of previous employers the contractor worked for and ask them about the contractor's S&H performance. In addition, review the S&H experience, qualifications, or certifications of employees or contractor S&H representatives, if applicable. For construction sites, for example, you may require the contractor have an on-site S&H professional to manage and monitor the worksite.

Use OSHA's establishment search website to find contractor companies and their citation history:
<https://www.osha.gov/pls/imis/establishment.html>

Image retrieved from Microsoft Images.

Contractor S&H Program

- Review the contractor's submitted S&H program:
 - Applicable hazard control programs
 - S&H training requirements and records
 - Hazard reporting, identification, and correction processes
 - Mishap reporting and investigation policies
 - Emergency number(s) and procedures



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Image retrieved from Microsoft Images



Contractors should submit their S&H program to your organization for review once you award a contract. This program outlines how your contractors comply with S&H requirements and regulations. It also describes how contractors and contract work activities impact your employees' S&H. The slide includes a list of sections you may find in contractor S&H programs; this list is not all-inclusive. Review each contractor's S&H program prior to the start of work.

Contractors are required to comply with installation and local S&H requirements at all DoD sites. Verify contractors include a statement about adhering to these requirements in their S&H program or in the contract. Requirements may include speed limits, cell phone use while operating vehicles, personal protective equipment (PPE) use, or even complying with specific S&H plans or hazard control programs. For example, you may incorporate contract provisions stating the contractor must follow your confined space entry program, rather than their own program. This ensures uniform application of a safety-critical process across your organization.

Do not accept a contractor's S&H program if it does not meet contract provisions and S&H regulatory requirements. Discuss any program elements or expectations they do not meet during the pre-contract meeting.

Image retrieved from Microsoft Images.

Pre-Contract Meetings

- Involve all stakeholders
- Review S&H contract provisions and on-site S&H rules
- Discuss work changes impacting S&H, if needed
- Follow-up on contractor S&H documentation
- Conduct a worksite walkthrough
- Encourage implementation of a SOHMS



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Image retrieved from Microsoft Images



Hold pre-contract meetings with contractors before contract work begins. Involve all applicable stakeholders in these meetings. These meetings allow you to discuss areas of concern and review applicable S&H requirements with a contractor before the work begins.

Include acquisition and contracts personnel, project managers, S&H professionals, and key stakeholders (e.g., fire department, emergency services, and security) in the pre-contract meeting. Consider including project superintendents, supervisors, quality control representatives, subcontractors, and the COR's quality assurance representatives.

Pre-contract meetings are an opportune time to assess contractor-operated work areas and identify potential S&H hazards. Your S&H professionals should participate in a walkthrough with the COR – they can assist with hazard identification and gain knowledge of the hazards created by the contractor.

Contractors submit S&H programs, S&H training, or other evidence of S&H compliance post-award. Review these documents, ask questions, and follow-up on any changes you recommended during these meetings.

The image shows a pre-contract meeting between contractor management and safety representatives.
Image retrieved from Microsoft Images.

Contractor S&H Training

- Provide NEO to applicable contractor employees:
 - Specific S&H hazards of your site
 - S&H rules and expectations on site
 - Hazard reporting procedures
 - Organization's participation in OSHA VPP
 - Local emergency procedures and evacuation
 - Organization S&H goals and objectives



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Image retrieved from Microsoft Images



NEO = new employee orientation

There may be instances where you need to provide additional training to contract employees outside of the training they receive from their employer. Specifically, include applicable contractors in your NEO.

Including applicable contractors in your NEO communicates or reinforces S&H requirements specific to your organization. Coordinate with the contractor to ensure you do not duplicate information between trainings provided by them and by you. Also, review the contract provisions to differentiate which S&H trainings are a contractor responsibility and which are your organization's responsibility.

The image shows organizational employees and contract employees being trained by the host organization. Train contract employees supervised by your organization like your own employees, unless otherwise stated in the contract. Image retrieved from Microsoft Images.

Contractor S&H Training

- Integrate contract employees supervised by your organization into your S&H training program
- Invite contractors to participate in S&H activities, events, and S&H meetings
- Document the completion of training



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Images retrieved from Microsoft Images



Train contract employees supervised by your organization the same way you train your own employees. Provide NEO to these contract employees as if you hired new employees to work for you.

Additional training topics for contract employees supervised by your organization may include:

- S&H hazards and their associated controls
- Safe work procedures
- How to recognize hazardous conditions
- Signs and symptoms of workplace I&I
- Mishap reporting procedures
- OSHA VPP fundamentals

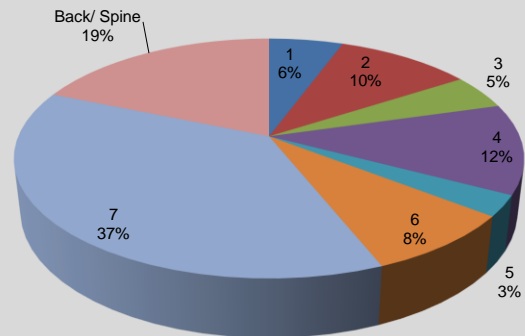
Invite contractors to participate in S&H activities, events, or meetings. Justify S&H-related meetings, at a minimum, when the content of the meeting potentially affects the S&H of the contract employees.

The left image shows Service members meeting with contractors to discuss contract work. The right image shows a daily safety meeting for contractors; ensure contractors are holding daily meetings and ask to see documentation of what was covered. Images retrieved from Microsoft Images.

Contractor S&H Data

- Gather contractor S&H data:
 - OSHA recordable contractor mishaps
 - Results of mishap investigations
 - I&I rate information for the calendar year
- Incorporate data into:
 - OSHA VPP application
 - Annual self-evaluation

Contractor data is for the mishaps experienced while working at your worksite; not at their corporate level



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Graphic created by the DoD SMCX



You must report contractor I&I information in your OSHA VPP application and annual self-evaluations. This information comprises the total number of applicable contractors, total number of contract employees supervised by your organization and intermingled with your own employees, and the I&I incidence rates for each applicable contractor. Contract employees supervised by your organization should immediately report any on-site I&Is that occur while working at your worksite.

I&I incidence rate information for applicable contractors must include:

- North American Industry Classification System (NAICS) code
- Total work hours
- Total number of injuries
- Total number of illnesses
- Sum of I&Is
- TCIR for I&Is
- Total number of injuries involving DART
- Total number of illnesses involving DART
- Sum of I&I cases involving DART
- DART rate

Require applicable contractors to submit their TCIR and DART data for your review. Include I&I information for contract employees supervised by your organization in your I&I data and rates. Review applicable contractor mishap data and investigations if they have I&I rates above their industry average to ensure proper and accurate recordkeeping. You can help the contractor develop APPs/RPPs to combat high I&I rates. Additionally, ask the contractor to submit any plans to lower their rates to you in writing.

The graph represents an I&I analysis for contractors while working on-site. Graphic created by the DoD SMCX.

S&H Audits and Inspections

- Review contractor S&H inspection findings
- Conduct S&H inspections of contractor work areas
- Assess contractor compliance with S&H provisions
- Assign “Stop Work” authority to CORs, as needed
- Review toolbox talks or contractor S&H meeting minutes
- Discuss areas of concern and solutions



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Image retrieved from Microsoft Images



Review the contractor's S&H inspections to make sure they are completed accurately and to see if deficiencies are being corrected. The COR typically conducts these inspections and other surveillance activities. In addition, conduct your own S&H inspections of contractor work areas. Consider conducted planned inspections, unplanned inspections and, spot checks. Identify and document hazards found during site walkthroughs and compare these findings to the contractor's inspections.

Review other documents that may relate to contract S&H provisions, such as S&H meetings or toolbox talks, submitted hazard reports, and mishap investigation results. Hold meetings to discuss deficiencies with the contractor.

CORs should:

- Visit the contractor worksite periodically to evaluate the quality of the contractor's work, adherence to schedule, and compliance with federal, state, and local regulations
- Observe contract employees working to ensure they follow applicable S&H rules, including wearing proper PPE
- Document identified hazards and non-compliances with contract provisions
- Address S&H non-compliances with the appropriate contract official(s)
- Exercise disciplinary procedures when contractors commit repeat non-compliance (in accordance with contract provisions), as needed

The image represents CORs, safety staff, and contractor conducting an inspection of a contractor work area. Image retrieved from Microsoft Images.

Accident Prevention/Rate Reduction Plans

- Help contractors develop a written APP/RRP for high I&I rates:



- Brainstorm potential solutions to combat I&I trends
- Develop implementation plans
- Establish goals and objectives for lowering I&I rates
- Assign responsibility for tracking and reporting progress

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Image retrieved from Microsoft Images



APP/RRP: A documented plan of action outlining the steps or corrective measures to reduce I&I incidence rates and prevent future mishaps.

The purpose of an APP/RRP is to reduce an applicable contractor's I&I rates so their activities pose less risk to your employees. Though not required, OSHA may expect a rate reduction plan when applicable contractor I&I rates exceed the industry average. Offer your assistance and help contractors with high I&I rates develop RRP.

Review mishap data and identify I&I trends with the applicable contractor. For each negative trend, list potential solutions that may reduce or eliminate the trend. The contractor should develop abatement plans and assign responsibility to ensure progress throughout the abatement process. It may not always be possible to reduce I&I rates to a level below the industry average – the contractor should establish achievable goals, objectives, and reductions. Have the contractor include this information in a written deliverable to show their efforts towards better S&H protection.

The image represents contractors reviewing their I&I rate information. Image retrieved from Microsoft Images.

COR & Contractor Relationships

- Encourage contractor participation on VPP/safety teams and committees
- Invite contractors to attend safety meetings
- Work with contractors to improve their I&I rates
- Provide suggestions to improve contractor S&H programs
- Field contractor suggestions to improve your S&H programs



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Image retrieved from Microsoft Images



Develop relationships with your contractor(s) to improve your SOHMS and add value to your VPP efforts.

Invite contractors to S&H meetings and other S&H activities, when possible. Include contractors as part of your VPP team or safety committee. Consider including contractors in safety days or safety celebrations. This builds trust between management, labor, and employees.

Work cooperatively with your CORs and contractors to encourage good performance – NOT by telling them how to do the job!

Image retrieved from Microsoft Images.

Conclusion

- In this presentation, you learned to:
 - Summarize the background and importance of contract employees
 - List contract employee-related documentation
 - Describe the knowledge leadership/management, key personnel, and the workforce should have regarding contract employees
 - Identify contract employee-related actions to implement and sustain OSHA VPP