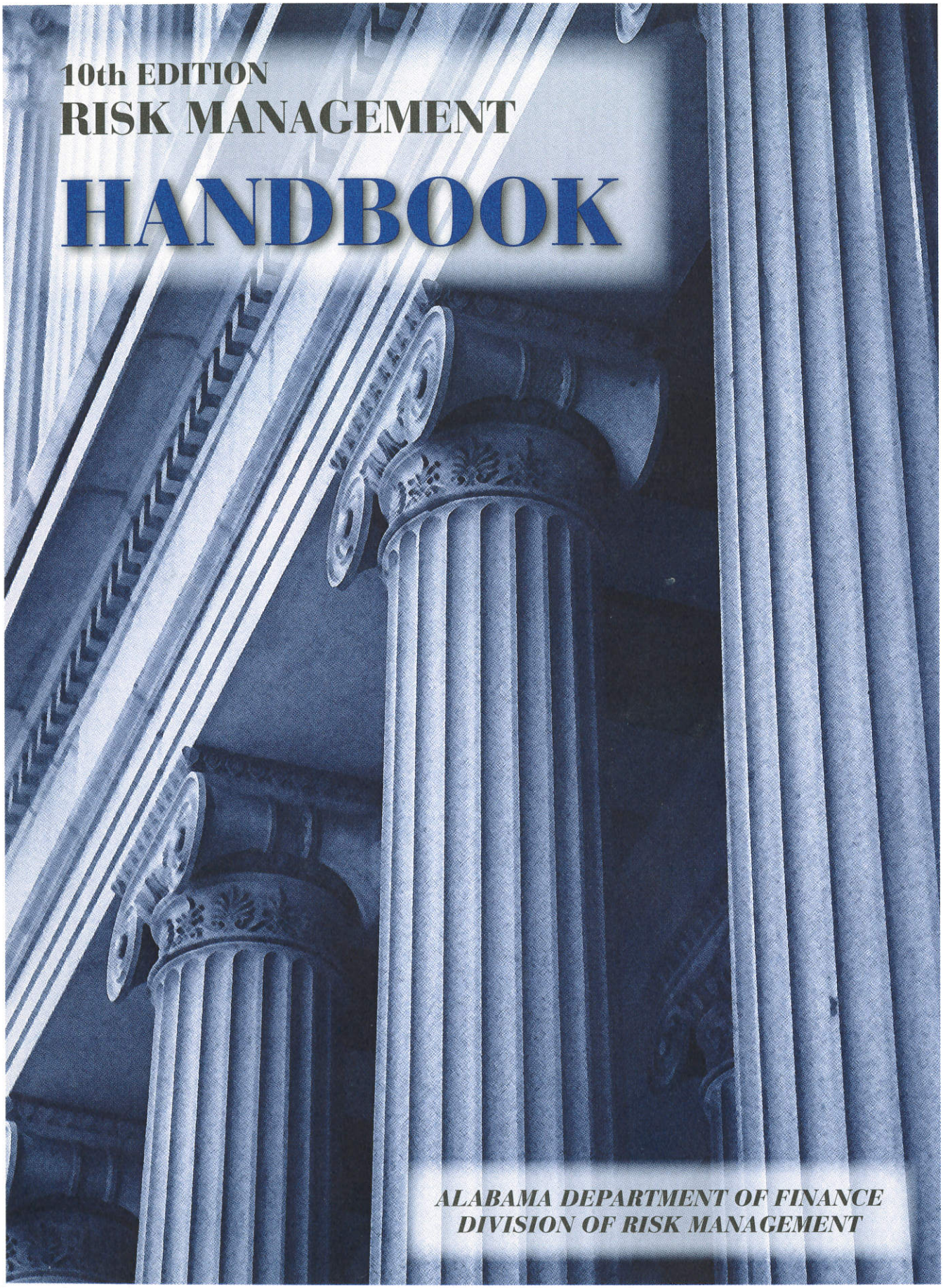
10th EDITION

RISK MANAGEMENT HANDBOOK



ALABAMA DEPARTMENT OF FINANCE
DIVISION OF RISK MANAGEMENT

PREFACE

The purpose of this handbook is to inform our clients of the services of the DORM (Division of Risk Management). Inside, you will find details of the various DORM programs and how to use them. Our intention is to make DORM services easily available.

Please feel free to copy and distribute this handbook as needed or print from our web site at http://www.riskmgt.alabama.gov.

Our quarterly newsletter, Wise Words, is also accessible on our web page. If you are interested in receiving this publication via e-mail, please send your name and e-mail address to information.riskmanagement@finance.alabama.gov.

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MISSION

The mission of the Division of Risk Management is to fulfill its obligations efficiently and professionally so that the State of Alabama meets minimum financial harm from the conduct of governmental activity. Programs and practices will be developed and administered that assist every state agency in identifying, measuring, and controlling risk. The cost of programs will be equitably allocated. State agencies will be treated as customers in a cheerful, professionally competent manner, and the services of the division will be highly valued by its client agencies.

INTRODUCTION

Effective risk management by state government is essential. Rising inflation, erosion of governmental immunity, constant increases in medical care costs, escalating insurance premiums, and a claims-conscious public all demand effective programs to both reduce exposure to loss and to control the cost of loss.

It is the responsibility of directors, managers, or supervisors of state programs, personnel and property to:

- Protect the state's assets;
- Ensure a safe environment for state employees and for the people who come into contact with state employees or property as services are provided;
- Minimize the possible interruption of vital public services;
- Assure that all exposures to financial loss are discovered and handled appropriately;
- Reduce the costs and consequences of accidents, including insurance premiums, through effective safety management.

The Division of Risk Management was created to assist in this endeavor.

BACKGROUND

The Division of Risk Management was created by an act of the Legislature in 1990. The Division administers the State Insurance Fund, General Liability Trust Fund, Educators Liability Trust Fund, the State Employee Injury Compensation Trust Fund, the State Employee Assistance Program, and the Equipment Maintenance Program. DORM also manages insurance coverage of various departments of state government that require commercially provided insurance and provides risk management guidance on risk issues affecting the State of Alabama.

Managing insurance coverage includes assistance to agencies in securing, underwriting, pricing, billing, and claims handling. Coverage for various departments of state government may be authorized or required by statute, federal regulation or by lease agreements.

Within the context of the above, major functions of DORM are:

- Establishing adequate and secure coverage for exposure to loss at minimum cost.
- Administering equitable cost allocation for coverage for its clients.
- Assuring that claims are promptly and fairly paid.
- Promoting safe practices to protect life and property.

RISK MANAGEMENT FUNDAMENTALS

Risk Management vs. Insurance

Risk Management is the process of identifying, controlling and treating risks of all kinds- from accidents, fires, and thefts to equipment breakdowns and liability suits. Insurance is one tool of risk management, whereby exposure to loss is transferred to an insurer, reducing or eliminating the financial impact of loss for a fixed advance cost.

Types of Risks

State directors, managers, and supervisory personnel should be aware that loss can occur as a result of (1) damage to property, (2) loss of property, (3) loss of income or increased costs because of damage to or loss of property, (4) liability to others as a result of injury to persons or property, and (5) medical costs, lost time and disability or death from job-incurred injury to employees. These five main types of risks are not mutually exclusive; they are interrelated. Many accidents and claims involve losses in several risk areas.

(1) Damage to Property. Accidental loss or damage can occur to both real and personal property. Real property (property which cannot be moved) includes state-owned buildings, parks, swimming pools, boilers and heavy machinery. Personal property includes motorized equipment (not licensed for road use), supplies and movable capital items such as desks, chairs, typewriters and tools. Property damage may result from a number of perils, such as freeze, water damage, lightning, and fire. Human carelessness is often a contributing factor in the occurrence of losses that cause damage to property.

(2) Loss of Property. Losing property - especially money - is another risk. Dishonest acts of state employees or private citizens may result in burglary, robbery, or embezzlement. In addition to cash, other items that may be stolen include incoming checks, valuable papers, securities, furniture, office equipment, supplies and tools.

(3) Loss of Income or Increased Costs. This risk of loss is often overlooked. Many state agencies operate revenue-producing facilities. Stadiums, gymnasiums, and lodges are examples. If these facilities are destroyed or damaged there may be a significant loss of income. Increased costs might include costs such as training replacements, overtime, extra supervision, reports and clerical time.

(4) Liability to Others. The risk of liability claims resulting from injuries to persons and damage to their property is one of the most serious loss exposures faced by the state and, individually, by its employees. A private citizen or firm may claim a loss because of adverse action by the state. Claims may arise out of intentional or unintentional torts (wrongful acts) or from contractual liabilities.

A tort can result in a wide variety of ways. For example, injury or damage may occur because of negligent actions of state employees and elected officials (e.g., automobile accidents, false arrest, libel, and unintentional discrimination), because of the dangerous condition of state

property, or because of professional malpractice. Sometimes failure to act in certain situations can create a tort.

Potential liability also exists under a wide variety of transactions including purchase orders, bond agreements, easements, leases, construction contracts and service contracts.

(5) Job-incurred injury. A major risk to the state, largely controllable, is job-incurred injury. Human costs are not measurable. Financial costs arise from medical care, disability (short and long term), rehabilitation, and death. Additional costs which are difficult to measure arise from lowered morale and reduced productivity of employees.

Tools of Risk Management

Avoidance: Risk may be avoided by refusing to assume it or by following a course of action that eliminates risk. This is often unrealistic, so managers must use other risk treatment techniques. Obviously, it is not always possible to completely avoid risks, but the possibility should never be overlooked.

Retention: The decision may be to retain a risk even though other methods of handling the risk are available. For example, the state currently self-insures property (retains risk) even though commercial insurance is available because this method of handling the risk is more efficient and economical.

Transfer: If a risk cannot be avoided it can often be transferred to others. One common way to transfer risk of unpredictable loss is through the purchase of insurance, which creates a process by which funding needs can be anticipated and properly budgeted.

Governmental entities enter into numerous contracts for services that expose them to third-party claims for bodily injury or property damage. Examples of such contracts include construction, school busing, waste removal, professional services, leases, and delivered supplies.

Risk reduction, loss prevention and loss reduction: When the risk cannot be avoided, it often can be reduced and severity of losses minimized. For example, fire-resistant construction reduces the chances of a loss occurring and automatic sprinkler systems reduce the severity of fire losses.

Loss prevention and loss reduction are primary responsibilities of management. The managers of state resources and personnel must see that safety and security considerations are recognized and that loss control procedures are initiated and observed. These responsibilities cannot be delegated.

Safety will only have priority if the manager establishes that priority. The interest and participation of employees in safety, as in any program, will depend largely upon management's interest and commitment. When Managers act to control loss by word or action, others will follow their lead.

Security needs ever vigilant attention. Valuable equipment and material must be secured. Duplicate copies of valuable records should be made and stored separately. Areas open to the public should be under surveillance at all times if there is significant loss potential.

To assist State agencies in their loss prevention efforts, DORM Loss Control Specialists conduct periodic surveys of insured state facilities and produce written reports of their findings. These reports are reviewed by the Division of Risk Management and provided to the affected agencies. Agencies receiving these reports should review them carefully and work with the Division of Risk Management to alleviate any dangerous conditions cited.

In addition, you can request inspections by the State Fire Marshal and local community fire inspectors to help reduce fire hazards. Many large facilities have fire and safety supervisors or safety coordinators who can be of great assistance in protecting state assets. Use all of the resources that are available.

USING RISK MANAGEMENT SERVICES

Problems and Questions

When a problem arises in your agency and you are concerned about what risk management tool to use in what way, first contact the Division of Risk Management. The problem may have already been addressed elsewhere in the state. You may avoid duplication of effort and cost.

When Insurance is needed

Any department or agency with special risks that it feels should be insured should discuss the exposure with DORM. If insurance appears to be the best way of managing a risk, Risk Management will assist in preparing accurate bid specifications. The agency will be asked to provide an authority as a basis for purchasing the coverage.

Significant Activities

Keep in touch. The Division of Risk Management should be contacted regarding:

- Contracts which might have insurance or liability ramifications, including construction contracts, maintenance contracts, building leases, service contracts, equipment and auto leases.

- Any significant addition to, or reduction in, values of property. This would include additions or deletions to vehicle fleets, construction or demolition of physical property, revised valuations, etc. Don't wait for the annual certification. There could be a severe loss in the meantime without adequate coverage.

- Any new project which either involves fire loss potential or public liability potential.

- State property which you lease to someone. We will need the tenant's name and type of business being conducted in the leased area. Should the occupancy change during the year, please notify DORM immediately.

Losses & Emergencies

Any emergency loss should be promptly communicated to the Division of Risk Management, including:

- A fatality or multiple-injury situation involving the State of Alabama and relating to state operations, facilities, equipment or vehicles.
- A property loss including loss or damage to the building and/or contents.
- Events that may lead to a liability lawsuit or claim. ***Do not wait for the lawsuit to arrive.***

STATE INSURANCE FUND

The State Insurance Fund was established in 1923 to insure state owned properties, K-12 systems and state university properties. The Fund operates much like an insurance company - establishing premiums based on loss exposure, issuing coverage documents, and paying for losses.

Survey of Properties

All properties insured by the State Insurance Fund are surveyed to determine condition, correctable hazards and value. The appropriate official of the insured will be contacted to briefly outline the purpose and procedure for the survey. A DORM Loss Control Specialist will then physically inspect, measure, value, and photograph each building/structure. It is important that access be given to each building and any available blueprints. The specialist will provide the appropriate official a weekly summary of survey work until the work is complete. At completion of the survey, the specialist will make recommendations for corrective actions. The insured should provide a status on recommended actions within thirty days of close out.

The recommendations made by the Loss Control Specialists are placed in one of following action categories. Representative specific recommendations are listed.

1. <u>Mandatory</u>

- Fire suppression system in kitchen with automatic fuel cut off
- No egress blocked
- Paint, flammables, and combustibles stored properly
- No high voltage equipment exposed
- Fire alarm systems in place and operable
- Smoke detectors in sleeping areas
- No combustibles near gas heater or pilot light
- Electrical deficiencies
- Provide boiler inspection certificate
- Labs: Gas emergency cut off
- Provide adequate fire extinguishers and current inspection tags
- Make necessary and crucial repairs
- Maintain roof

2. <u>Needs Attention</u>

- Improve housekeeping
- Make necessary repairs
- Paint LP tanks
- Install dust collection system in wood shop

3. Advisory (Colleges and Universities Only – These are Mandatory Recommendations for K-12 Schools and State Agencies)

- Recommend sprinkler maintenance contract
- Install panic hardware on exit doors
- Repair/Replace panic hardware
- Remove chains or locks from exit doors
- Clear passage way to exit doors
- Repair/Replace or install exit signs on all exit doors
- Train boiler and machinery personnel
- Boiler and machinery self-inspection program and maintenance

Certification of Properties

Pursuant to §41-15-4(b), Code of Alabama 1975, "the officer or person having charge by law of insuring any public building shall annually certify to the Department of Finance the description and value of all buildings and equipment under his supervision or control on forms prescribed by the department for the purpose of showing the character of the risk and determining the rate of premium. No coverage shall be issued unless such certificate is on file in the office of the Department of Finance or the Director has waived, in writing, the filing of the same."

Property Certifications are mailed in May of each year. The Insured is requested to review the list of properties, make changes, deletions, or additions, and return the certification to DORM. The Certifications must be returned to DORM prior to June 30.

Significant value changes. Whenever the certification process uncovers the need for significantly larger amounts of insurance, the insured should request the SIF to increase the amount of insurance immediately. Do not wait for the October 1 renewal date.

Schedule of Properties

The Property Schedule is the official listing of all property insured for the fiscal year. Changes certified by the insured are included. The schedule is mailed to each insured just prior to October 1 of each year. The Property Schedule is an important document, and the insured should keep it with other insurance records. Any changes during the year should be reported to Risk Management in writing. An endorsement to the Schedule will be produced and mailed reflecting these changes. Each property is identified by agency, division, location, name of the building, item number, type of construction, year constructed, percent of insurance, building value, building insured value, contents insured value, and premium before and after discounts.

Remember, ***all*** new or increased values must be reported to the Division of Risk Management for proper coverage.

Requesting Coverage

Requests for coverage on property can be made by telephone. However, the telephone request must be confirmed in writing, by email or by fax, along with a properly completed Property Insurance Request (this form can be downloaded from our website). It is important that the name and occupancy of the building be listed on the "Building Name" line. For example, John Doe High School, Smith Hall, contains the gym, cafeteria and classrooms. The information provided is used to establish a tentative rate for premium until the property can be surveyed. A survey will be carried out as soon as a surveyor can be scheduled in your area.

See appendix for a checklist you can use to confirm coverage request.

Available Coverage

Valuation Methods

Valuation describes how the property is valued in the event of a loss. The SIF provides the following valuation methods:

Replacement Cost Value Coverage (RCV)

Replacement cost insurance may be provided to an agency for qualified buildings as established by DORM. Full replacement cost up to the insured limit will be provided to replace damaged or destroyed items in like-kind and quality. Coverage is capped at 115% of the replacement cost of the item. Property values will be recalculated each year prior to certification to reflect current replacement cost values.

Stated Amount Coverage (STA)

Stated Amount coverage provides coverage for a specified amount. This endorsement is typically used for an unusual or valuable piece of property that does not fit standard descriptions and, instead of declining, retains its value. Stated value coverage pays to repair or replace the insured item, whichever is less, at the time that a claim is filed.

Salvage Value Coverage (SAL)

Buildings that are vacant for more than 60 days or that are in overall poor condition, as determined by DORM, will typically be covered under salvage value. Covered losses under salvage value will be paid at 8% of the insured building value less any applicable deductibles.

Standard Coverages and Endorsements

Electronic Data Processing Coverage (EDP)

Computers and associated electronic equipment, interconnecting cables, media and data restoration costs can be insured on a "replacement value" basis by using our EDP endorsement. In the past, this equipment has been insured as contents and coverage was very limited. DORM encourages insureds with substantial EDP values to insure on this basis. The cost differential is minimal.

Extra Expense Coverage (EXP)

This coverage can be used to pay for extra expenses over and above normal operating expense incurred as a result of a covered loss under the State Insurance Fund. An example of this would be renting a temporary building after an insured building is damaged or destroyed by a covered peril. This coverage can be provided in any amount required when higher limits are specifically requested.

DORM encourages this coverage to avoid substantial uncovered losses by SIF insureds. We will be glad to discuss the need, values, and costs.

Equipment Breakdown Coverage (Boiler & Machinery)

DORM annually obtains a policy that provides equipment breakdown protection for SIF customers. Currently, Travelers Insurance Company provides inspection, loss control and claims services.

The covered perils include sudden and accidental breakdown of covered equipment as the result of electrical arcing, explosion, electrical burnout, collapse, bulging, cracking, splitting as well as other perils.

Covered equipment includes air conditioning and HVAC system, transformers, electrical switchgear and panels, motors, pumps, fans, refrigeration equipment, steam boilers and other pressure vessels, air tanks, and even office equipment such as copiers and facsimile machines.

Your Responsibility Regarding Boilers & Pressure Vessels

The State of Alabama passed The Boiler and Pressure Vessel Safety Act (Alabama Code §25-12-1, et seq) in 2000 and the rules and regulations were implemented in February 2004. Basically the Act requires all boiler and pressure vessels (fired or unfired) to be inspected with some exceptions. The Travelers Insurance Company is making the required inspections as the Act

requires the insurance carrier to complete the inspections and submit reports to the Alabama Department of Labor before an operating certificate can be issued by the State. The following is a list of jurisdictional objects that requires inspections but is not limited to them:

- High Pressure Steam Boilers (over 15 PSI)
- Low Pressure Steam Boilers (15 PSI or less)
- Hot Water Heating Boilers
- Hot Water Supply Boilers
- Fired Storage Water heaters 200,000 BTU/HR and over or 120 gallons and over (gas or electric)
- Unfired Pressure Vessels 5 cubic feet or more (Air Tanks do not require an inspection until they exceed 16 cubic feet or 120 gallons). Examples are hot water tanks, heat exchangers, DA tanks, etc.

If you have a question regarding the jurisdictional inspections, you should contact DORM as the required operating certificate is your responsibility.

Miscellaneous Property Coverage

Miscellaneous Property is a scheduled line item with the total value of all such items shown as a stated amount. Coverage will apply according to the following terms:

- **Definition of miscellaneous property** consists of, but is not limited to owned real property such as fences, flagpoles, light and utility poles, signs, fuel tanks, storage sheds, playgrounds, dugouts, scoreboards and satellite antennae.

- Coverage will apply on a blanket basis and will be insured under Stated Amount Coverage (STA).

- The deductible for this policy will apply to **Miscellaneous Property** separately to each insured location and not on a per building/item basis.

Deductible Endorsement

The deductible specified below will be deducted per occurrence, per line item from each covered loss.

For all covered perils, a $1,000 deductible shall apply per occurrence per location except:

- For the peril of earthquake, a $10,000 deductible shall apply per building and/or contents therein.

However, if your agency has chosen a higher deductible, then that deductible will replace the standard $1,000 deductible.

Inclusion of Specified Items Endorsement

This endorsement allows certain types of property to be covered by the SIF that may otherwise be excluded, if the property is specifically scheduled.

Exterior Glass

In consideration of the premium charged, exterior glass is covered only for the perils of fire, lightning, windstorm, hail, aircraft, vehicles, burglary, discharge from fire protection or building service equipment, explosion, riot or civil commotion.

Major Equipment Coverage Endorsement

Any individual piece of machinery or equipment valued at $50,000 or greater shall be specifically listed on a separate schedule.

Protection and Preservation of Property Coverage Endorsement

In the event of actual or imminent physical loss or damage covered by the policy, the expenses incurred in taking reasonable and necessary actions for the temporary protection of property is automatically covered.

Ordinance or Law Coverage

In the event of insured loss to an insured building covered by Replacement Cost, this insurance will pay for the following:

- Loss to the undamaged portion of the building caused by enforcement of any ordinance or law in force at the time of loss that requires the demolition of parts of the same property not damaged by an insured peril, and/or regulates the construction or repair of buildings.
- The cost to demolish and clear the site of undamaged parts of the property caused by enforcement of buildings, zoning or land use ordinance or law.
- The increased cost to repair, rebuild or construct the property caused by enforcement of building, zoning or land use ordinance or law.
- Loss payable shall not exceed 10% of the loss otherwise payable under this policy before the application of this automatic ordinance or law coverage.

Vacancy Endorsement

This endorsement applies if the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage occurs. We consider your building to be vacant unless at least 31% of its total square footage is: (1) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or (2) Used by the building owner to conduct customary operations.

Optional Coverage Endorsements

Builders Risk Coverage (RSK)

On occasion, you may require insurance on buildings in the course of construction or major renovation. If so, there are two typical situations to consider when a new building is being constructed, renovated, or an addition is being added to an existing building:

- **Your agency/school is managing the construction on a project less than $5,000,000.** In this situation, a general contractor is not normally involved, although sub-contractors may be engaged for various elements of the project. The SIF will normally provide RSK to cover the building while under construction including on-site building materials. At the time of project completion, we will integrate the RSK into your permanent insurance program.

  The SIF will not amend its form to cover the interest of sub-contractors. Also, the SIF will not waive its subrogation rights as they apply to any entity, including sub-contractors. Sub-contractors normally carry liability insurance that protects them adequately, although you should assure that they do by asking to be named as an additional insured.

  In negotiating contracts for construction where you are managing the project, you should not agree to provide insurance covering the interests of others.

- **The construction has been assigned to a general contractor under written contract.**

  Normally, in this instance, the general contractor will also engage sub-contractors.

  The State Insurance Fund **will not** provide the Builders Risk Coverage for this situation, because:

- The ownership interest in the property is primarily that of the general contractor until the construction is complete and the owner takes possession. Therefore, the SIF statute and SIF regulations provide for only marginal involvement.

- The project and all activities surrounding the construction process are under the control of the general contractor. The SIF insured does not control job-site activities.

The contract for building construction should not provide for the SIF insured to arrange insurance; rather the general contractor should have that contractual obligation. Further, even though the financial interest of the SIF insured may be nominal or non-existent, the insurance should cover the interest of the owner, whatever that interest is. The contract should not agree to any waiver of rights against the contractor or sub-contractors if damage occurs to the property.

These procedures are somewhat at variance with past practices of SIF when we have sometimes insured under the second situation outlined. The reinsurance terms under which the SIF operates, as well as current operating practices, require that we respond to insurance needs for buildings in the course of construction as outlined.

Important: Limits of liability must be job specific on large projects, $1 million and up, and limits should be as high as the building value. Call (334) 223-6120 if you have a question.

Transit Coverage (TRA)

Property owned by a State Insurance Fund policy holder can be insured while in transit from one location to another. This is important because the SIF policy provides coverage for your property only at locations identified in your schedule. This coverage can be provided in any amount required.

Special Deductible Endorsement

The occurrence deductible is changed to per occurrence, per line item, and applies to each covered loss.

Optional Property Deductibles

Deductible	Premium Discount
$1,500	7%
$2,000	9%
$2,500	11%
$5,000	17%

Business Income Coverage Endorsement

We will pay for the actual loss of business income you sustain due to the necessary suspension of your “operations” during the “period of restoration.” The suspension must be caused by direct physical loss of or damage to property at the premises described on the Property Schedule, including personal property in the open (or in a vehicle) within 100 feet, caused by or resulting from any Covered Cause of Loss.

Premises Lightning Protection System(s) Endorsement

If you install a UL (Underwriters Laboratories) lightning protection system approved by us on the building premises, we will grant a 5% premium credit for the scheduled building to which this endorsement is attached. The system must be in good working order and maintained properly. You should let us know promptly of any change, including removal, made to the system(s). If the system is removed or otherwise taken out of service, the credit will be rescinded and the 5% added back to the premium charged.

Gap Coverage for K-12 Schools and Alabama Community College System Schools

GAP coverage provides K-12 school systems and Alabama Community College System (ACCS) schools an upgrade to existing buildings in terms of construction quality and square footage in the event of a total loss resulting from a covered peril. School systems which have buildings with construction types of ISO 1, 2 or 3 are automatically covered by GAP coverage to upgrade their buildings to an ISO 4 construction type. Act 2014-261 passed in the 2014 legislative session mandates that Gap and Gap Plus coverage premiums for K-12 schools are to be paid from the Public School Fund. Act 2015-259 passed in 2015 provides coverage for ACCS schools and premiums are paid by individual campuses. Schools may choose on a building by building basis to add additional square footage above the 10 percent at the selected construction type.

For example, if your building suffers a total loss (80% or more) from a covered peril, then all frame buildings will be upgraded to non-combustible or fire resistive, non-combustible will be upgraded to fire resistive, etc.

A 10 percent increase to the square footage of the building will also be covered through Gap plus coverage. This coverage would provide proceeds sufficient to allow any covered building that was rendered a total loss as a result of a covered peril to be reconstructed with materials superior to its original construction. Coverage under this endorsement falls into two categories which are selected by you.

1. Construction Type Upgrade - This coverage allows you to insure a covered building so that, following a total loss, you may rebuild the structure with a construction type that is superior to the one that it had when it was destroyed.

2. Increased Square Footage Upgrade - This coverage allows you to insure a building for an increased amount of square footage. A 10 percent increase is already included, however, schools requesting additional square foot coverage can be purchased by the school in five percent increments.

Automatic Sprinkler Systems

Certain properties insured by the State Insurance Fund are protected by automatic sprinkler systems. Sprinkler systems are important fire protection and fire safety devices. Our schedules and records should indicate each location where such a system exists. Consequently, we ask that this office be notified of those buildings that are protected 100% by sprinklers.

The SIF provides substantial rate credit for such systems and we need to assure that these credits are properly in place. Credit is given for automatic sprinkler systems if:

- It is properly installed throughout the building
- It is under contract to be inspected and certified each year
- This information is properly reported to DORM

All properties with sprinklers must have a maintenance contract with a certified sprinkler service company. A copy of the contract along with a copy of the inspection report on each building should be sent to this office with the certification which is due back to DORM before June 30th each year.

Individual Risk Premium Modification (IRPM)

The SIF rates properties similarly to a commercial insurance company. An initial rate per $100 coverage is developed for each property. This rate is called a base or "manual" rate. To this rate, certain discounts are applied across-the-board as mandated by statute. After this, an additional modification is applied to each account. This final discount is called the Individual Risk Premium Modification (IRPM) and can significantly affect the premiums that an agency pays for its property insurance.

When a Loss Control Specialist surveys your agency's property, hazardous conditions may be observed which place the building at increased risk for loss. If negative conditions are found, we will bring these conditions to the attention of responsible persons in your agency/school along with suggestions for remedy.

Specific areas included in the survey are:

- Overall condition of the premises
- Potential for catastrophic loss
- Susceptibility and damageability of the property
- Public and private protection provided

At the end of the survey the State Insurance Fund will examine overall factors such as:

- Management
- Values (proper amounts of coverage)
- Attitude and cooperation

- Premium payment history

From the above, the State Insurance Fund will develop a single IRPM factor that will be a credit, debit or break-even, and this factor is then applied to develop final invoiced premiums. These credits or debits can cause significant premium differences for your agency.

Building Programs

Each year hundreds of millions of dollars in new construction will be planned. Part of this planning process might well be a review by DORM as to protection and construction types. The type construction selected for renovations should match the construction grade of the existing building to avoid increases in premium on that structure. The following table reflects various construction types, which have been used in DORM since 2011, and are consistent with private sector construction data.

Construction Classifications	**Type of Material Used**
ISO 1	Frame
ISO 2	Jointed Masonry
ISO 3	Noncombustible
ISO 4	Masonry Noncombustible
ISO 5	Modified Fire Resistive
ISO 6	Fire Resistive

The Insurance Services Office (ISO), which supplies predictive risk scoring tools to the insurance industry, developed the construction classification system to rate fire-resistive qualities of different construction types. These classes, defined by type and percentage of materials used, determine how long a supporting structure can withstand exposure to fire without collapse.

Close-out Meetings

After we complete the property survey process for your school or agency, we will invite you to attend a property close-out meeting at our office in Montgomery. At the meeting, you will have an opportunity to meet with our management team to review your survey results, along with other important information such as:

- DORM programs provided to our clients;
- The property survey process;
- Your survey results;
- Your values and current premium;
- All standard and optional coverages available to you;
- Your claims experience and claims procedures.

Reporting Property Claims

Property losses should be reported by telephone immediately upon discovery. A claim number will be assigned at the time of the call. A Property Loss Notice Form is available on our website (or we will mail this form upon request). The form should be submitted with the necessary claim documentation electronically online or by fax to (334) 223-6282. In the event of extensive property damage, our claims staff prefers that you call first. An in-house adjuster will determine if your claim needs to be inspected by a field adjuster or if it can be handled by mail or email.

The following is a checklist of information that will be requested when reporting a claim:

Name of building
Item number on insurance schedule
Date of loss
Cause of loss
Estimated Extent of damage ($)
Contact person and phone number

In the event of an emergency, you should make any necessary temporary repairs needed in order to protect your property from further damage. For example, if wind damages a portion of your roof, you should immediately patch it to protect the interior from water damage. Do not dispose of damaged equipment before our adjuster has inspected it. An adjuster will work with you on making final repairs and provide continuous instruction to you regarding completion of your claim. Finally, the SIF may require a Proof of Loss from you which is a document that signifies agreement of the settlement amount.

Frequently Asked Questions

What deductibles are available?

We offer our policyholders a standard $1,000 deductible per line item per occurrence; however, higher deductibles are also available with a substantial discount in premium.

How do we secure against burglary?

Our policy does provide coverage for burglary provided that there are visible signs of forced entry on the exterior of the building.

Burglary and vandalism claims are increasing at an alarming rate each year. Make sure all doors and windows are locked and secure at the close of your business day. You may request your local police department to check the premises frequently, especially when your business or school is closed for several consecutive days. Outdoor lighting will also help protect the premises.

Is property belonging to my employees covered while at the workplace?

No.

Do I make a claim with the SIF even if someone else is responsible for my loss or damage?

You may claim with the SIF your loss or damage less your deductible. If another party is responsible for your loss and DORM is successful in subrogation efforts, you will be refunded your deductible. Subrogation refers to us *seeking reimbursement from the person or entity legally responsible for an accident after the claim has been paid*. The SIF will pursue the responsible party for reimbursement of the settlement amount.

If I have the same property insured with the SIF and another insurance company, in the event of a claim, can I collect from both insurance companies?

No. The two insurance companies will prorate or "share" your loss so that you will be reimbursed the amount you normally would have if you had only that coverage with one company. All insurance policies have a principle of indemnity clause which basically states you cannot profit from insurance. If one company pays your loss in full and then realizes you had coverage with another company, the company which paid in full can collect its "share" from the other insurance company. This process is called contribution.

What should I do if my property is recovered by the police after the burglary claim has been paid?

You should contact the SIF immediately. We will have an adjuster inspect the recovered property and if damaged, determine its value. If you wish to keep the recovered property, the adjuster will negotiate its value with you and you will need to reimburse the SIF. If you are not interested in keeping the property, we will take possession of the property and attempt to collect as much as possible for it. Salvage value might also exist in property damaged by lightning, wind, water, etc. Often, the amount of the repair bill is reduced by the salvage value of the damaged property.

What properties can/should be insured?

Property paid for in whole or in part by State monies. Properties that are "unreasonably dangerous" or otherwise lacking in insurable value cannot be insured. Leased or rented property can also be insured, if required by the lessor.

What constitutes contents?

Contents are considered moveable property which is not built in or attached to a building. This does not include equipment that services the building such as fire extinguishers, cooking and laundering equipment, etc.

When should a new property or an addition to an insured building or contents be reported for coverage?

As soon as it has been accepted in whole or in part as your responsibility, unless it fits the definition of "miscellaneous property".

When should the State Insurance Fund be notified about a deletion of a property?

As soon as the insured no longer owns the property by selling, removing the property or assigning the property to another agency.

Does the type of construction of a building affect the rate?

Yes. We can offer advice on how different kinds of construction affect the cost of insurance from SIF. (See also the "Building Programs" section in the Handbook.)

What do I do when I have an Equipment Breakdown (Boiler & Machinery) claim?

Call our claims office at (334) 223-6120 and give us the name of the building, the date of loss, a brief description of the damage, approximate extent of damage and a contact person and phone number. We will immediately contact the insurance carrier who will contact you to adjust your claim.

EDUCATORS LIABILITY TRUST FUND

The Educators Liability Trust Fund was established July 1, 2013, to provide liability protection for claims for damages made against employees of Alabama public school boards acting in line and scope of their job requirements which could result in personal liability of the employee. Like the State Insurance Fund and the GLTF, the ELTF operates much like an insurance company. However, it does not provide insurance but administers statutory fund benefits.

Definition of Covered Employee

The Act 2013-215 and the Program Guidelines define covered employees as active teachers, principals, and other education employees who are employed by a Local Education Unit and required to hold a certificate issued by the State Superintendent of Education and Student Teachers, and support personnel such as maids, custodians, adult bus drivers, lunchroom or cafeteria workers, secretaries, clerks, clerical assistants, maintenance workers and other non-certified personnel.

Reporting Educators Liability Claims

The Program Guidelines outline the Notice requirements and other areas pertinent to claims.

SECTION 5. NOTICE OF OCCURRENCE OR ACCIDENT

In the event of an occurrence or accident believed to be covered by the fund, every covered employee shall be responsible for providing written notice, using a form approved by the Division of Risk Management, as soon as practicable, but **not later than 30 days after an accident or occurrence**, to the Superintendent of the Local Education Unit that employs the covered employee and to the Division of Risk Management, P.O. Box 303250, Montgomery, AL 36130-3250. This notice includes, but is not limited to, particulars sufficient to identify the covered employee and other information with respect to the time, place and circumstances of the occurrence or accident, the names and addresses of the persons alleged to be injured or property damaged, all available witnesses and any reports of internal investigations of the occurrence or accident. Note: Claim forms are available on our website at www.riskmgt.alabama.gov under the forms section.

SECTION 6. SUITS OR DEMANDS

If a claim is made or suit is filed against any covered employee, the covered employee shall, upon being served, immediately forward the original suit papers or other appropriate documents to the Division of Risk Management, P.O. Box 303250, Montgomery, AL 36130-3250. Copies of the suit and other documents must be sent to the Superintendent of the local education unit that employs the

covered employee. Claim forms are available on our website at www.riskmgt.alabama.gov under the forms section.

All correspondence should be directed to:

Department of Finance

Division of Risk Management

Educators Liability Trust Fund

777 South Lawrence Street

PO Box 303250

Montgomery, Alabama 36130-3250

Attn: EL Senior Claims Representative

Frequently Asked Questions

Should Risk Management be informed only after a lawsuit is filed?

No. Any incident which could conceivably lead to the filing of a lawsuit against a covered employee should be reported immediately. Early settlement of a serious problem could save the State great expense, and if Risk Management has knowledge of a problem we can assist in preventing future similar mishaps.

Is there an insurance policy that states all the conditions of coverage?

The Fund is not insurance, but a fringe benefit for covered employees. There is no insurance contract or policy, but there is a set of written guidelines which is similar to an insurance policy that sets out conditions of coverage. A copy can be obtained from the Division of Risk Management (under the forms section at www.riskmgt.alabama.gov).

Will the Fund cover any judgment returned?

No. The Covered Employee is responsible for any amount in excess of the limits.

What are the limits of coverage?

The limits are $1,000,000 per occurrence, regardless of the number of claimants or the number of employee/defendants. This amount also includes all defense costs paid by the Fund. In the event that a single occurrence, as determined by the Risk Manager, is later judicially determined to be more than one occurrence, the limit is $1,200,000.

After suit papers are forwarded to Risk Management, how will I be notified of coverage?

The complaint will be reviewed and it will be determined whether the employee is (1) covered, (2) not covered, or (3) will be defended with reservation of rights until coverage can be determined. A letter stating which of the above is applicable will be sent to the employee and the attorney appointed by the Fund.

What does "defend with reservation of rights" mean?

If the wording of the complaint makes it unclear whether the allegations are covered or not covered, the Fund will pay for defense costs until it can be determined whether the allegations are covered or not covered. If the allegations are at some point found not to be covered, the fund reserves its rights to withdraw defense and indemnity.

What exception of coverage should I be aware of?

Liability coverage is not extended for non-educational activities and field trips, including but not limited to cruises, theme or water parks, lake outings and other trips devoted primarily to recreational activities.

GENERAL LIABILITY TRUST FUND

The **General Liability Trust Fund** was established October 1, l984, to provide liability protection for claims for damages made against state employees which arise out of the activities of the employee acting in line and scope of their job requirements and which could result in personal liability of the employee. Like the SIF, the GLTF operates much like an insurance company. However, it does not provide insurance but administers statutory fund benefits. The fund benefits also include protection for employee liability for operating an automobile on state business.

Requesting Coverage

New requests for coverage must be in writing and addressed to the Risk Manager. Include:

Name of your agency
Copy of your enabling legislation
Street address
Mailing address (if different)
City, State, Zip
Phone number
Fax number
Job Codes
Job Titles
Total number of people in each classification
Total annual salaries in each classification
Effective date
Name of the Director
Name of Person to receive the invoice (and address)
Name of Person to receive the Certification and Schedule

We recognize that changes in personnel will occur during the year. We will provide coverage for replacement personnel at no additional charge, but additions and deletions to staff should be reported and premiums paid based on the prorated amount for the rest of the fiscal year. Once the above information is received an endorsement will be produced and mailed to you. Keep this document with your insurance papers.

Certification of Employees

An employee certification is mailed in **May** and should be returned to DORM by the requested date. Make any necessary changes (number of people in classification, job title, job code, total annual salaries for each classification), have the department head approve, sign, and notarize. Return the original to our office. A General Liability Employee Schedule will be produced with an invoice and mailed to you. Payment is due on October 1st. If for any reason you feel an index is inaccurate, or you have a question about how the index for a particular job evolved, please call us.

Schedule of Employees

The Schedule of Employees represents the number of people working in classifications within your agency, liability index, and premium for each classification. Keep the schedule, certification, and any endorsements together with a copy of the Program Guidelines.

Liability Index

The liability index provides equity and fairness of coverage cost allocation by equating likelihood of loss arising from a job position with the rate charged.

The higher the liability exposure, the higher the liability index. For example, persons with arrest powers and persons carrying firearms have a liability index of 7. Clerical workers are the least likely to be sued or to incur liability and, therefore, have an index of 1. Additionally, higher indexes may be created from time to time for extraordinarily hazardous jobs.

Certification of Watercraft

The GLTF Guidelines were revised October 1, 1992 to include liability coverage for state employees arising from the ownership, operation, use, loading or unloading of any watercraft less than 26 feet in length on a blanket basis.

We can facilitate coverage for watercraft of 26 feet or more on a specific basis at <u>your request</u>. However, coverage is not automatic as we must coordinate with our reinsurers and there may be additional costs.

Reporting General Liability Claims

The Program Guidelines outline the Notice requirements and other areas pertinent to claims.

SECTION 5. NOTICE
In the event of an Occurrence or Accident every Covered Employee shall be responsible for providing written notice as soon as practicable to the Risk Management Division, Finance Department, Montgomery, Alabama 36130-3250. This includes, but is not limited to, particulars sufficient to identify the Covered Employee and other information with respect to the time, place and circumstances of the Occurrence or Accident, the names and addresses of the Persons alleged to be injured or property damaged, all available witnesses and any reports of internal investigations of the Occurrence or Accident.

SECTION 6. SUITS OR DEMANDS
If a claim is made or suit is filed against any Covered Employee, the Covered Employee shall immediately forward the original suit papers or other appropriate

documents to his Department Director. The Department Director shall then immediately forward a copy of suit papers, internal investigative reports, incident reports, and other similar documents, including any demand, notice, summons or other process received by the Covered Employee to the Risk Management Division, Finance Department, Montgomery, Alabama 36130-3250, with a copy to the Attorney General pursuant to §36-1-6.1, Code of Alabama 1975.

Internal procedures may vary from agency to agency, but the basic facts to be reported include the name of all defendants and their employer (agency), the name of the plaintiff, the date of loss, a brief description of the loss, the names of any attorneys, and any other insurance coverage that is applicable.

Litigation Management Guidelines for Deputy Attorneys General

Each Department is responsible for reporting losses to the Division of Risk Management. This is accomplished by completing the Proposal to File, or Defend Civil Action form and forwarding a copy to the Fund. Additionally, a complete copy should be provided to the Attorney General's Office, P. O. Box 300152, Montgomery, Alabama 36130-0152. The Department is responsible for initiating internal procedures to accomplish this task.

Any incident that may lead to litigation should be reported immediately!

Early Litigation Procedure

Upon receipt of a case in which you represent a defendant who is a covered employee under the General Liability Trust Fund, you should acknowledge the assignment and provide an early case evaluation within 30 days. The evaluation should contain the style of the case, civil action number, GLTF claim number, and what parties you represent.

This report should provide an early opinion of liability, damages, and defenses; contain counsel's theory of the case and outline procedures to be followed in furthering that theory; detail suggested discovery procedures; identify serious issues for trial; recite the need (if any) for investigation; and, when needed, discuss settlement potential and possible jury verdict ranges.

All correspondence should be directed to:

Department of Finance
Division of Risk Management
General Liability Trust Fund
777 South Lawrence Street
PO Box 303250
Montgomery, Alabama 36130-3250
Attn: GL Senior Claims Representative

Status Reports

Every defense attorney will report the status of every active covered claim to the claims manager quarterly. Please follow the format in the appendix or as outlined above (Early Litigation Procedure). Each department is responsible for initiating internal procedures to accomplish this task.

Expenses of Litigation

All payments made by GLTF must meet State Comptroller requirements. The following are acceptable guidelines under which the General Liability Trust Fund will pay for expenses incurred by Deputy Attorneys General in defending covered employees:

Routine Litigation Expenses. These include court fees/costs, travel (on same terms as apply to all state employees), depositions and other costs incident to discovery. Requests for payment of such expenses will first be approved by the managing attorney, who will determine whether they are reasonable and necessary to the defense of covered cases. Those expenses marked "approved" and signed by the managing attorney will then be forwarded to the Fund. Expenses not so approved will be the responsibility of the agency for which the covered employee works.

Expert Witnesses. Request for payment by the Fund of the fees and expenses of expert witnesses should be submitted in advance to the Fund and the managing attorney along with a written justification which includes the name, qualifications, and estimated fees and expenses of the expert. Fees and expenses of expert witnesses may be prorated between the Fund and the state agency if the agency is also a defendant. A copy of the contract between the expert and the state agency must be provided for the GLTF file.

Seminars, Publications, etc. Requests for payment from GLTF of costs involved in sending deputy attorneys general to seminars, or for purchase of law books, research materials, etc., will be considered by the Fund on a case by case basis. No such request will be approved unless the expenditure directly relates to defense of covered cases.

Settlement Negotiations

All settlement offers from the plaintiff and all proposed settlement offers on behalf of the covered employee should be forwarded to the GL Senior Claims Representative accompanied with your opinion and advice regarding the advisability of the offer. All information should be provided on the Proposal to Settle Litigation form. An additional copy of any settlement discussion should be sent to the Office of the Attorney General, 11 South Union Street, P. O. Box 300152, Montgomery, Alabama 36130-0152.

Fees and Expenses

All requests for appointment of Deputy Attorneys General who are private sector lawyers are to be sent to the Attorney General with a copy to the General Liability Trust Fund. When the Department is notified of such appointment, they are to notify the Fund.

After a private sector Deputy Attorney General has been appointed to assist in a case, and questions arise as to payment of his/her fees and expenses of Deputies by the Fund, those questions should be directed to the GL Senior Claims Representative.

Closing of a Case

When a case is closed, the GLTF is to be advised in writing so that the file maintained by the Fund can be closed.

Frequently Asked Questions

Who is covered by the General Liability Trust Fund?

Under §36-1-6.1, and the Guidelines of the Fund, employees and agents of the State of Alabama, and individuals serving as foster parents or adult foster care providers licensed or approved by the Department of Human Resources, and retired licensed physicians and dentists while volunteering at free health care clinics are eligible for coverage. The word "employees" includes both merit system and contract employees provided a premium has been paid for each. The statute specifically excludes educational institutions and boards from coverage, and the guidelines exclude employees of the State Docks Department. Also not eligible for coverage are independent contractors.

Should Risk Management be informed only after a lawsuit is filed?

***No*.** Any incident which could conceivably lead to the filing of a lawsuit against a state employee should be reported. The back side of the Proposal to File, or Defend Civil Action form may be used to report the incident. Early settlement of a serious problem could save the State great expense, and if Risk Management has knowledge of a problem, we can assist in preventing future similar mishaps.

What should be done when an employee is served with a lawsuit?

The employee should immediately forward the original suit papers to the Director of his/her Department, who should then immediately forward a copy of suit papers, internal investigative reports, incident reports, etc., including any demand, notice, summons or other process received by the Covered Employee to:

Finance Department, Division of Risk Management
777 South Lawrence Street/P.O. Box 303250
Montgomery, AL 36130-3250, Attn: GL Senior Claims Representative

with a copy to the Attorney General pursuant to §36-1-6.1, Code of Alabama 1975.

What pointers can you give the departmental attorneys to assure the maximum efficiency in processing GLTF claims?

Complete the Proposal to File or Defend as completely as possible, legibly, with each defendant's correct name, social security number, job code, title, and where he works - location or section. We enter the information into our computer system, circulate the Proposal to File or Defend and the lawsuit within DORM for a coverage determination which will be either "covered," "not covered," or "handle under reservation of rights." Generally, the coverage letters to the defendants are forwarded to the managing attorney for distribution to the defendants. Since DORM maintains an open file until notified of closure by the managing attorney, it is important that the Risk Manager and GL Senior Claims Representative be kept informed of file developments.

Is there an insurance policy that states all the conditions of coverage?

The Fund is not insurance, but a fringe benefit for State employees. There is no insurance contract or policy, but there is a set of written guidelines which is similar to an insurance policy that sets out conditions of coverage. A copy can be obtained from the Division of Risk Management.

Will the Fund cover any judgment returned?

No. The Covered Employee is responsible for any amount in excess of the limits.

What are the limits of coverage?

The limits are $1,000,000 per occurrence, regardless of the number of claimants or the number of employee/defendants. This amount also includes all defense costs paid by the Fund. In the event that a single occurrence, as determined by the Risk Manager, is later judicially determined to be more than one occurrence, the limit is $1,200,000.

What if I have other liability insurance?

Some doctors, dentists, nurses, etc. have liability coverage other than the Fund. If the premium for the professional liability insurance policy was paid or reimbursed by the State of Alabama, there is no coverage under the GLTF.

After suit papers are forwarded to Risk Management, how will I be notified of coverage?

The complaint will be reviewed and it will be determined whether the employee is (1) covered, (2) not covered, or (3) will be defended with reservation of rights until coverage can be determined. A letter stating which of the above is applicable will be sent to the employee and to the attorney appointed by the Attorney General.

What does "defend with reservation of rights" mean?

If the wording of the complaint makes it unclear whether the allegations are covered or not covered, the Fund will pay for defense costs until it can be determined whether the allegations are covered or not covered. If the allegations are at some point found not to be covered, the Fund has reserved its rights to withdraw defense and indemnity.

If I am sued, will I be provided with legal representation?

Defense attorneys in covered cases are appointed by the Attorney General. Generally, these attorneys are employees of State departments or the Attorney General's Office, but they sometimes are lawyers in private practice, in which case their fee will be paid by the Fund. A covered employee is, of course, free to hire his own attorney, at his own expense, if he chooses to do so.

What procedures are required for settlement of a claim?

Settlement is a joint responsibility of the Attorney General and the Division of Risk Management. The Fund must be notified of any offer of settlement. The Attorney General is the approving authority for all settlement terms except the payment of money from the Fund, which is done under the authority of the Director of Finance. Written authorization by the Fund is required before there can be acceptance of a plaintiff's settlement offer, or before an offer of settlement can be made by the

defense, and the Attorney General must approve a settlement of more than $25,000. After authority to settle has been granted by the Fund, a written settlement agreement which states the amount to be paid by the Fund must be signed by all parties (or their attorneys) and approved by the Attorney General.

How is the premium calculated?

The rate is based on the job classification. The liability index corresponds to a rate. That rate will be multiplied times the number of people in that classification per agency.

Our department has hired ("x" temporary employees) ("x" new employees), that we want to cover under the Trust Fund. How do we do that?

A prorated invoice can be issued for these additions. Supply DORM with the effective date and expiration date of employment, the job code, the job classification, annual salary, and the number of people being added. Report this information to the underwriting section of Risk Management.

Our department needs more than one invoice. Can you provide more than one invoice?

Yes. If your agency must have separate invoices for different divisions, you will need to furnish us with the following information for each invoice requested:

Name of the division
Contact person
Fax number (if available)
Job Classifications
Total salary dollars paid for the class
Mailing address for the invoice
Telephone number
Job Codes
Number of people in each classification

AUTOMOBILE COVERAGE

Liability Program

The Employee Auto Liability Program is an extension of the General Liability Trust Fund and was effective on October 1, 1992. Previously, liability coverage for automobiles was excluded in the GLTF.

The program is designed to provide liability protection for state employees while operating state vehicles or personal vehicles in line and scope of their job duties while on official business. All state employees are covered under the program with the exception of educational institutions and boards and employees of the State Docks. The statute excludes local educational institutions while the Program Guidelines exclude State Docks.

Anyone who is not a state employee will not be considered a covered driver in a state owned vehicle under DORM's auto insurance program. Employees of general contractors or subcontracted employees are not covered state employees.

DORM recommends that all state agencies on an annual basis obtain a copy of the driver's license of each employee in their agency or division who is listed as a potential operator of a state vehicle. This process should be implemented to ensure that all employees/operators have a current and valid driver's license to avoid conflicts in providing coverage in the event of a loss.

Coverage

Coverage provided is a $1,000,000 combined single limit for both bodily injury and property damage per accident regardless of the number of covered employees involved, number of injured parties or extent of property damage.

State-Owned Vehicles. Coverage applies to Covered Employees for the use of state-owned automobiles whether or not the autos are furnished for regular use. Incidental use by Covered Employees is included. Automobiles include private passenger as well as commercial and bus types. Mobile equipment use is excluded, but is covered by the General Liability Trust Fund. Automobiles rented and leased to the State are included.

Vehicles Not State-Owned. Covered employees are protected while using "non-owned" automobiles. The reduced premium charge for these vehicles requires that there will be private insurance or self insurance available in compliance with the Alabama financial responsibility statute. Employee Auto Liability coverage is excess of other available insurance.

Rental Cars. Covered employees are protected while using rental cars on state business in the line and scope of employment.

Class I Drivers. State employees who use their own cars predominantly on state business in the line and scope of employment are known as Class I Drivers. This exposure is much like that of

state-owned vehicles, except that the program anticipates that state financial responsibility requirements will be met by the owner. Premium cost is accordingly drastically reduced. Drivers not classed as Class I are Class II.

"Contract" Employees. Certain employees are not subject to the state merit system and work under an agreement with the participating state unit outlining their duties, accountabilities and reporting relationships. It is the intent to cover such employees who are intended to function as state employees.

To avoid controversy as to whether coverage applies to contract employees, the Division of Risk Management requires a written agreement (see appendix) with each affected participating state unit as to whether certain classes of individuals are to be considered employees for the purpose of this coverage. In the absence of a written agreement, the presumption will be that coverage does not apply. The participating state unit should assure that any needed agreement is executed.

Financial Responsibility Requirements. Alabama statutes require drivers to prove financial responsibility for automobile accidents for at least $25,000 per person, $50,000 per accident Bodily Injury and $25,000 Property Damage per accident. The cost structure of the program is predicated upon the fact that employees using their own autos on state business can demonstrate financial responsibility - normally accomplished by private insurance. Proof of liability insurance is not required for state owned vehicles, in accordance with Code of Alabama, 1975,§32-7(a)-1, et seq.

Medical Payments. This coverage, with per person limit of $1,000, applies to passengers (non-state employees) in covered automobiles on a "no-fault" basis. For this coverage, covered automobiles are private passenger types, law enforcement vehicles, and buses. Also, automobiles operated by Class I drivers are covered. State employees injured on the job are not covered for medical payments. Available state programs for medical benefits would apply to employees.

Program Administration

The Division of Risk Management maintains a complete data base of all state owned/leased vehicles, regular and frequent driver information along with number of Class I drivers. You will be furnished with a schedule of these each September for the coming fiscal year.

Each agency has designated a "Fleet Coordinator" who will be our central contact for all auto transactions.

As you add and delete vehicles from your fleet, please do the following promptly:

- Send us a copy of the Auditor's Property Card (Form #EDM-19419 or other documentation) each time you purchase a vehicle and indicate the 3-digit-use class code as listed in your employee automobile liability instructions along with the license tag number and state property number.

- Send us a copy of the SD-1 form each time you transfer a vehicle to surplus property. Please include the license tag number and the state property number.

We will issue endorsements monthly reflecting any changes requested in that month.

Certification

You will receive a certification of your vehicles and Class I driver information in the summer of the year to validate and update for the coming fiscal year. Obviously, an on-going update during the year will make the annual certification process much easier. Your renewal schedule will be published from this certification.

Reporting Automobile Claims

Prior to the inception of the Automobile Liability Program on October 1, 1992, we distributed to each fleet coordinator of each department a claim kit for each State vehicle as well as each Class I driver. These kits offer valuable reference information and are designed to be kept in the glove compartment of the vehicle. If the instructions given in the claim kit are followed, the reporting process will flow smoothly.

The contents of the claim kit include:

Envelope - offers basic steps for the driver to follow in case of an accident. A summary of the Alabama Motor Vehicle Safety Responsibility Act is on the back.

Brochure - again lists the basic steps for the driver to follow in case of an accident but also provides room for the driver to record information which later will be needed to report the claim.

Decal - designed to be placed directly on the dash of the vehicle for quick and easy reference for the driver. The decal repeats important instructions for the driver in the event of an accident.

Automobile Loss Notice - should be completed by the driver and fleet coordinator as soon as possible following an accident. You also have the option of reporting your claim on our website (www.riskmgt.alabama.gov) by entering the information directly onto the form and emailing it to us. In the event of a serious accident or property damage, our claims staff prefers that you call first. Upon completion, this form should be sent to the DORM office by fax at (334) 223-6282.

Every auto being used on state business should have in it a claim kit. If you need more kits, call us at (334) 223-6120.

Please report the following types of automobile accidents immediately:

- Any automobile accident in which a state employee is the driver of one or more of the vehicles.

- Any automobile accident involving damage to the state vehicle if your agency has physical damage coverage.

Call your claims into DORM at (334) 223-6120. If the accident occurs after hours and is serious in nature, the driver should report the claim to (800) 241-1172 for immediate assistance.

DORM will need the following information by phone:

- Date, time and location of accident
- Brief description of accident
- Authority contacted/citation information
- State driver's vehicle (state or personal)
- If state vehicle, need VIN# and Tag #
- If personal vehicle, need state driver's insurance info
- State driver's name, driver's license # and phone numbers
- Specific duty being performed at time of accident
- Property damage of other party (for example, year, make, model of vehicle, extent of damage)
- Other driver's name and phone numbers
- Other driver's insurance information
- Injuries
- Witnesses

Once the DORM receives the claim, we will forward the information to our claims service who will assign an adjuster if necessary. The adjuster must be able to talk with the driver about the accident, as well as inspect the vehicle if necessary.

If the vehicle involved is not state owned or leased but is the driver's personal car being used on state business, the driver should also report the accident to the insurance company insuring the personal car. In this event, any insurance on the personal vehicle is primary to the state's coverage.

Reminder: coverage for the state employee applies only while that employee is acting in the line and scope of employment. The reason we ask specific duty being performed at time of accident is to determine coverage for the loss.

All claims are currently investigated and defended by our claims service. However, all claims will be reported directly to our office. We will track activity and make certain claims are handled in a timely and effective manner.

Physical Damage Program

The specific coverages are comprehensive (fire, theft, wind, glass breakage, etc.) coverage with a $500 deductible per occurrence and collision coverage with a $500 deductible per occurrence, both regardless of fault.

Coverage is available for all vehicles with the exception of vehicles with a Gross Vehicle Weight (GVW) in excess of 20,000 lbs. Coverage is afforded for short-term rental (30 days or less) vehicles if the division participates in the Auto Liability program through DORM. This coverage is in excess of any other collectible coverage. Long-term rental vehicles (more than 30 days) must be scheduled and premium paid.

Please notify us immediately of any vehicles you desire coverage for under this program. Coverage is not automatic. If you have any questions or need further clarification, feel free to contact us at (334) 223-6120.

Auto Physical Damage Coverage includes Non-OEM (Original Equipment Manufacturer) or non-factory installed equipment which involves any custom parts or equipment added for the purpose of enhancing the utility of the auto and operating from its power source. Examples of equipment are: lights, communication equipment, GPS units and computers. Effective October 1, 2014, this additional coverage is limited to a maximum value of $10,000 per covered auto per accident.

Frequently Asked Questions

Who is covered under the program?

All employees of a participating agency are covered without exception. You must complete a Contract Employee Validation form for all groups of contract employees to be sure there are no "gray" areas.

What is a Class I driver?

An employee who uses a personal vehicle on state business day-in and day-out as if it were an assigned state vehicle and typically receives mileage reimbursement is considered a Class I driver. Many contract employees fit into this category and may or may not receive mileage reimbursement.

What is a Class II driver?

Class II drivers are all remaining drivers other than a Class I. They may be drivers of an assigned State vehicle, motor pool vehicle or any other State vehicle. They also may operate their personal vehicle occasionally on State business. You need not report these.

What happens if we have an accident out of state or while driving a rental vehicle?

Coverage applies in all 50 states and Canada. No coverage is provided in the country of Mexico. Since coverage follows the employee and not the vehicle,

coverage would apply in any vehicle. Physical damage coverage is now afforded for short term rental vehicles.

Do I need to keep my "rider" on my personal insurance policy?

We suggest that each individual who drives a state vehicle examine their own personal financial situation. The rider would provide excess coverage over the state's limits of $1,000,000. Its cost is not reimbursable by the state; however certain individuals may find the additional coverage necessary.

Will I be covered 24 hours a day?

Coverage applies any time you are operating a vehicle on official state business in line and scope of your job duties.

Explain Medical Payments coverage.

Medical payments are incidental payments made for injuries sustained by a non-state employee who is a guest passenger in a state vehicle or Class I vehicle. Payments are made regardless of fault in the accident. These payments are offered as an inducement to prevent unnecessary litigation. Medical costs for state employees are handled through the employee medical plan or any workers' compensation type programs that a department may have in effect.

If I damage my State vehicle or personal vehicle on State business, will you cover the damages to my vehicle?

The damages to the State vehicle are covered only if the State agency has auto physical damage coverage.

If I run a personal errand during business hours and have an automobile accident, do I have liability protection?

No. The automobile liability program covers the State employee for negligent acts which occur in the line and scope of employment.

What if my accident is minor or if the accident is not my fault, should I report it to DORM?

Yes. Although the accident may appear to be minor or you feel it is not your fault, you need to report it to us. Injuries often arise later from minor accidents.

If I am driving my personal automobile on State business and have an accident, do I report the claim to DORM or my own personal automobile insurance company?

Both. Your own personal insurance would be "primary" coverage in the event of a loss and the State's liability coverage would be excess if you are driving your personal automobile on State business.

STATE EMPLOYEE INJURY COMPENSATION TRUST FUND

Program Summary

What Is It?

The SEICTF (State Employee Injury Compensation Trust Fund) was created by the Alabama Legislature effective October 1, 1994 and is administered by the Division of Risk Management. Its purpose is to provide indemnity and medical benefits for injuries occurring on the job. Indemnity benefits are defined to include lost wages, payment for permanent partial disability, permanent total disability, payments to dependents and payment towards burial expenses in the event of fatal injury.

The legislature observed that job injury compensation practices for state workers needed much improvement. Some employees worked for departments that self-insured benefits for injuries, with benefits much like those in the private sector. Most others received benefits unevenly and with great uncertainty through facilities such as the Special Leave Reimbursement Program for lost time, Board of Adjustment for permanent injury and shortfalls on deductibles and co-pays.

The net result was that employees could not be certain of the level of injury compensation they would receive for job injury costs, or when it might be paid. The process of recovery of funds was complex and troublesome to employees and expensive for the State to administer.

The SEICTF is a funded program providing benefits that are known and secure to eligible employees. It replaces the complex procedures outlined above.

How Does SEICTF Work?

Medical - Covered employees who are injured on the job secure medical care from a pre-approved health care provider (physician, hospital or clinic). SEICTF is responsible for payment to the medical care provider with no co-payments and deductibles due from the employee.

Lost Time - Following is an outline of the benefits applicable to on-the-job injuries that result in lost work time.

- Waiting Period. There is a three work day period for which no lost time benefit is paid. Should the lost time reach twenty-one calendar days, the initial three-day period is then paid. The employee may elect to use sick or annual leave to cover the waiting period or take leave without pay.

- Lost Time Benefit. Once the appropriate waiting time has elapsed, wages are reimbursed to the employee at a rate of two-thirds weekly wage subject to the maximum compensation rate

in effect at the time of the injury. These wages are paid via SEICTF warrant. (NOTE: no deductions are taken for State, Federal, Social Security or Medicare taxes.)

- Duration of Payments. Payments for temporary disability continue as long as the employee cannot work as a result of the covered injury and is supported by medical and vocational opinions, subject to the rules and regulations.

- Option to Use Sick/Annual Leave. In lieu of the lost time benefit outlined above, injured employees have the option to utilize personal accumulated annual and sick leave. If this option is elected, SEICTF two-thirds lost wage benefits will start when personal leave is exhausted, or whenever the employee chooses to accept benefits as opposed to using leave. The employee may change the option selected at the beginning of any regular pay period. This selection cannot be retroactive.

Before benefits can be paid, the injured employee and the supervisor must complete the "Employee Election for Lost Time Benefits" (see appendix) form following a work-related injury requiring lost-time from work.

Summary of Key Features

1. Medical Costs

    - Co-pays and deductibles are covered.
    - All reasonable and necessary medical expenses are covered.

2. Lost Time

    - Payments are tax-free two-thirds of the employee's wage subject to weekly maximum rate.
    - Special Leave Reimbursement Program not applicable.
    - Injured employee remains in the Government Human Resource System (GHRS) payroll status as long as permissible.
    - Employee compensation is paid via SEICTF warrant when electing two-thirds option.
    - Employee compensation is paid via state payroll check when electing Leave option.

3. Permanent Disability

    - The degree of disability or vocational loss is based on loss of access to jobs and loss of income as a result of a covered injury.
    - The amount of compensation awarded is based on the degree of disability or vocational loss.

4. Death

    - A maximum $5,000 for burial expense is provided

- Benefit compensation payments made to eligible dependents up to 500 weeks. Compensation consists of up to two-thirds of the weekly wage tax free and subject to established minimum and maximum weekly wage amounts.

The Role of the Program Coordinator

To a great extent, the success of SEICTF is determined by the involvement of the Program Coordinator at the department or division level.

Major roles of the Program Coordinator are to:

- Attend training conferences to gain an understanding of the day-to-day operation of the overall program.
- Educate agency employees about the SEICTF program and procedures.
- Act as a conduit for communications between DORM and departmental staff who have sustained a work injury.
- Provide guidance to DORM on agency issues.
- Work closely with SEICTF on early return to work and injury prevention programs as this is essential to a cost-effective program.

If you have any changes in Program Coordinators, please notify DORM immediately, in writing at Finance Department, Division of Risk Management, P.O. Box 1390, Montgomery, AL 36102-1390. In addition, should you have any questions regarding your role as coordinator, please contact us at (334) 223-6162 or (800) 388-3406.

Making a Claim

How to Initiate SEICTF Benefits

The injured employee must report the occurrence to the supervisor immediately.

If medical treatment is needed – do not delay treatment for the injured employee! However, the following forms need to be completed and sent to SEICTF within 24 hours of the injury. In the event of an injury serious in nature, please call SEICTF at (334) 223-6162 or (800) 388-3406.

The injured employee must complete the “Accident Report/Employees Statement” immediately.

The supervisor must complete the “Employer’s First Report of Injury” and the “Authorization for Initial Treatment and Pharmacy” forms if medical treatment is required. These forms can be found in the appendix of this handbook or at http://www.riskmgt.alabama.gov.

The “Employer’s First Report of Injury” form can be submitted via the website listed above or by fax to (888) 827-6753.

The employee will need to take the Authorization for Initial Treatment and Pharmacy form to the medical provider. This form will ensure that the employee will not pay any co-pays or deductibles. After the medical provider has completed their portion of this form, the employee will return the form to the supervisor to be faxed to SEICTF.

If the injured employee does not wish to seek medical treatment – indicate this on the Employer's First Report of Injury under Section 19. NOTE – the supervisor may recommend that the employee seek medical attention if it is believed that the injured employee may be a threat to the safety of the employee, co-workers and/or others. If the employee continues to refuse treatment, the supervisor may direct the employee to leave work and obtain a medical release from a physician before being allowed to return to work.

For employees exposed to blood and/or body fluids – follow the supervisor instructions located on the SEICTF website – www.riskmgt.alabama.gov.

Two-thirds Option Bi-weekly Payroll Period Requirements

- Beginning with the payroll period in which the employee was injured, as soon as possible after the payroll period ends, but no later than 12:00 noon on the SEICTF cut-off date shown on the GHRS Production-Merit Agencies Schedule, report via a fax to the Risk Management Division, (334)223-6170 or (800) 388-3406, a statement giving the following information: the name of the injured employee, their social security number, date of injury, the number of hours the injured employee was scheduled to work during the current payroll period, and the number of hours worked that payroll period (if zero state zero). Include any leave taken in with the number of hours worked. Also show return to work date when the employee returns to work.

Example:

NAME	SSN	DATE OF INJURY	HRS SCHEDULED TO WORK	HRS WORKED	RETURN TO WORK DATE
John Doe	000-00-0000	MM/DD/YR	80	0	MM/DD/YR

Note: As long as the employee is out of work due to his or her injury, it is **imperative** that you provide and fax this payroll information to SEICTF for each semimonthly payroll cut off period. Your failure to do so will result **in a delayed compensation payment to the injured worker.** Please notify SEICTF immediately if the employee retires or is terminated from State service.

When the Employee is paid on SEICTF warrant, no deductions will be made. The employee is responsible for dependent health coverage with State Employees Insurance Board and other payroll deductions. Employee should read SEICTF pamphlet "SEICTF Guide to Benefits and Claims Filing" for important information regarding benefits.

Preferred Provider Network

The Preferred Provider Network is an approved list of physicians that employees must use in order to obtain medical care for a work-related injury. The Network Preferred Provider is essential in coordinating health care needs and recommending a referral to a specialist if specialty care is needed. The Network Physician will file claims for the employee and will not charge a co-payment for services rendered.

If an employee has a work-related injury, he or she must take the following steps:

1. Notify their supervisor as soon as possible.
2. The supervisor will direct the employee to a Network Preferred Provider/Gatekeeper who will provide any necessary medical care. A list of the Network Preferred Providers is on the DORM website at www.riskmgt.alabama.gov. If the supervisor is unavailable, call the Provider Network Administrator at (334) 223-6284 or (800) 388-3406.
3. In case of an emergency, the employee should seek immediate care at the nearest medical facility and notify their supervisor as soon as possible. The next business day, the employee should follow up with a Preferred Provider/Gatekeeper.

It is very important that each participating state agency take the necessary steps to ensure that all covered employees know the procedures to follow in the event of a work-related injury. If an employee has questions, they should contact their supervisor or SEICTF.

SEICTF Employee Election Options

Here are some thoughts for you when choosing the compensation options as listed on the SEICTF Employee Election for Lost Time Benefits Section B.

If you choose to use your leave:

- You receive your usual net pay via State payroll check. Payroll amount and deductions remain the same.
- Two-thirds of your wage would not be taxed subject to the maximum compensation rate amount in effect at the time of your accident.
- You continue to accrue Leave in accordance with State Personnel Rules.
- You stay on the state payroll until your paid leave is exhausted.
- You continue to accrue retirement credit in accordance with governing laws.

If you choose to use the SEICTF two-thirds pay option:

- You receive two-thirds of your wage via SEICTF warrant, subject to the maximum compensation rate in effect at the time of your accident. **Payment of SEIB dependent health care coverage and other preauthorized payroll deductions are the responsibility of the employee.**
- The two-thirds amount is not taxed.

- You accrue leave in accordance with State Personnel Rules.
- You stay in GHRS state payroll status as long as permissible.
- Ineligible to accrue retirement credit.

Dispute Resolution

Disputes. Occasionally a disagreement may arise between the injured worker and SEICTF relating to compensability of an injury, the nature of treatment for the injury, or the amount of benefits payable for the injury under the SEICTF Program. Should this occur, mediation, a Review Board, or an ALJ (Administrative Law Judge) is available to consider the merits of the issue(s) raised and provide a ruling to resolve the dispute(s).

Purpose. The SEICTF Program provides for an impartial Review Board or ALJ to assure fair and equitable administration of benefits to injured employees. It will resolve disputes with respect to entitlement to compensation and medical benefits, including the amount of compensation, and will approve lump sum settlements which have been agreed to by employees and SEICTF. The Review Board Panel consists of three members for any case. Each member has knowledge of the SEICTF Program.

Lump Sum Settlements. These type settlements must be by agreement of the parties and arise normally with injuries that lead to permanent partial disability. An example of such an injury is an injury to the hand that causes the loss of use of a finger. The settlement amount is automatically reviewed by the Review Board, which must approve the settlement before it becomes final.

Initiating Review Board or ALJ Consideration. For disputes as to compensability or amount of compensation, the employee may contact SEICTF at (334) 223-6162 or (800) 388-3406. You will be referred to a Claims Representative who will provide guidance on how to present the issue.

The Review Board panel meets as required and there will be no undue delay in Board response.

For questions regarding the program or a specific claim, call (334) 223-6162 or (800) 388-3406.

Frequently Asked Questions

Who is responsible for notifying DORM of an employee injury and how should that be done?

The injured employee should promptly notify his supervisor. The supervisor should immediately complete the Employer's First Report of Injury and fax it to the number on the form.

How do we initiate lost time payments if the employee is unable to return to work?

If lost time of greater than three work days is expected at the time the First Report is faxed, so indicate on the report. If the lost time beyond three days becomes evident later, complete Employee Election for Lost Time Benefits Form and fax to SEICTF at (334) 223-6170.

If an employee has concerns or questions regarding SEICTF benefits, what should be done?

The employee should call SEICTF at (800) 388-3406 or (334) 223-6162.

If the supervisor is concerned that the injury was not in the line and scope of employment, what should be done?

Be sure to fully complete the "Employer's First Report of Injury" indicating all details and facts relating to the injury. Contact SEICTF to discuss any concerns.

If the supervisor is concerned that the employee has not returned to work, what should be done?

The supervisor should validate the facts and contact SEICTF at (800) 338-3406 or (334) 223-6162.

If the employee insists on medical care from non-approved health care providers, what should be done?

Inform the injured employee to contact SEICTF immediately. Obtaining medical treatment from non-approved health care providers may result in ineligibility or termination of SEICTF benefits.

How do I get additional supplies of forms, such as SEICTF Guide to Benefits and Claims Filing, Posting Notice, First Report of Injury, and Authorization for Initial Treatment to Provide Medical Service?

Forms can be found at www.riskmgt.alabama.gov or by calling (334) 223-6162 or (800) 388-3406

Is there a Return to Work Program included in the benefits of SEICTF?

SEICTF is available to assist agencies in developing and implementing an Early Return to Work Program.

POLICY MANAGEMENT

The Policy Management Function

DORM is charged with assuring that insurance purchased by the state is:

- Acquired at the lowest reasonable cost consistent with expected quality and service.
- Purchased in a competitive and fair manner.
- Provided by competent and financially secure insurers

DORM will manage the purchase process, payment of premiums, policy contract terms, policy coverage changes, and claims handling. Policies with premiums in excess of $7,500 must be competitively bid by DORM.

Flood Insurance

All State Agencies, Departments and School Systems are encouraged to purchase flood insurance if their locations are on flood plains.

A December 1988 release from the Federal Emergency Management Agency (FEMA) states that previously "recipients of Federal disaster assistance have not been penalized for failing to insure their flood prone facilities prior to a major flood disaster." However, in May of 1989, the "first-bite free" concept was eliminated. In other words, if your facility is located in a flood plain area and you experience damage from flooding, FEMA will reduce your assistance funds by the maximum amount of insurance proceeds which would have been payable had your facility been covered by flood insurance.

If you are interested in obtaining flood insurance for your facility, please follow these steps:

1. Contact your County Engineer's office and obtain the flood zone (A, B, C) of the location you wish to insure along with the community number.

2. Call 223-6120 and provide the name and address of the facility as well as the flood zone and community number. With this information, DORM can secure a premium quote. The agency may require completion of a flood application and elevation certificate depending on the flood zone of the facility you wish to insure.

At the renewal of your flood policy, the agent will send you an invoice. You should immediately forward the invoice to our department for our stamp of approval. We will send it back to you so that it can be processed through the State Comptroller's Office.

A 30-day waiting period applies before flood coverage is effective. With the purchase of flood insurance, you will not only be protecting your facility but may also avoid large reductions in future disaster assistance.

Blanket Fidelity and Dishonesty Bond

The Blanket Bond covers the following:

Employee Dishonesty

Employee dishonesty coverage reimburses the state for money or securities lost through dishonest acts of state officers, employees or agents. The exposure to loss through employee dishonesty is significant. Coverage is provided for the dishonest taking of State funds or other intentional dishonest acts that cause financial loss. The limit is $1,000,000 per occurrence.

Like any insurance, there are certain loss areas not covered by our dishonesty coverage. For example:

Mysterious disappearances.
Accounting errors without proof of dishonesty.
Loss of money or property belonging to employees.
Losses already covered by other insurance.

Public Official Bond (Faithful Performance)

This bond provides the necessary dollar limits to meet statutory requirements for all public officials where a bond is required.

Notary Public Bond

This bond provides the necessary dollar limits to meet statutory requirements for all notaries public while in the service of the State of Alabama.

Civil and Criminal Prosecution

We also exclude any losses for which you tell a suspect he or she will be released from liability. This is important: You do not have the authority to forgive employee crimes.

Trying to do so could make you liable. So, who does decide whether to prosecute? The state's district attorneys do. Their decision is based on the law and the evidence.

When we pay for a loss, we acquire the agency's right to collect from the offender. We pursue civil action to collect for stolen money, property or services.

Risk Control

Our coverage does not take the place of risk control. Of course, managers trust employees. Most people are honest or this type coverage could never be provided. But, we all should still install controls. Controls protect against loss by making it clear that theft will not remain hidden. Controls protect us all from the accusations when thefts occur.

Cash: Cash transactions should always be discouraged because the payor has no receipt or proof of payment and the receiver must be ever alert to avoid loss of these funds. The time and effort required to effectively safeguard cash is exorbitant. At best, the guilty employee is caught and dismissed. This is still a lose-lose situation.

Checks: Stamp "for deposit only" to the proper account immediately upon receipt. Cost of reproducing lost or stolen checks can be expensive and time consuming.
Require double signature on checks issued for payment of accounts other than those issued by the Comptroller's office.

Negotiable marketable items: Keep secured at all times with regular inventory procedures in place. Reconcile accounts on schedule. Routinely switch employees around that perform these functions.

After a Loss

If you find a loss apparently caused by employee dishonesty, take three steps:

- First, talk it over with your attorney. Make no exceptions. Until you have that talk: do not contact the police. Do not let anyone interview or demand an explanation of the employee; and, do not start any personnel actions.

- Second, promptly report the loss to us (immediately after discovery). Discuss the steps you feel are needed to prove the extent of loss and to prevent further loss. Reporting delayed for more than 30 days can cause a forfeit of our bond coverage. It can lead to further losses and may expose you to personal liability as well.

- Third, protect any known documentary evidence.

Remember, the first step is the most important. Discuss your suspicions with your attorney and do not talk to anyone you do not have to. Miss this step and you could say something that leaves you facing an innocent employee's defamation lawsuit or make a criminal conviction impossible against a real thief.

State of Alabama Aviation Program

DORM is responsible for acquiring and maintaining insurance coverage for the State of Alabama aircraft fleet.

Frequently Asked Questions

My notary is up for renewal. How do I get it renewed using the blanket bond provided by the State?

In order to renew your notary under the State's blanket bond policy, you must have your supervisor send an email to the attention of the Underwriting Manager at: max.graham.finance.alabama.gov. The email should contain the name, position, and county in which the employee is a resident.

DORM will then prepare a proof of coverage letter and email this to your supervisor. The letter and the filing fee should be taken to the Probate Office in the county of your residence. Before leaving the Probate Office, secure a receipt (for proper reimbursement by the State).

What should I do if the Probate Judge in my county of residence will not accept the State Blanket bond?

Contact the Underwriting Manager at (334) 223-6149.

Does the State reimburse me for the notary filing fee? If so, what is the procedure?

To be reimbursed for your notary, submit the voucher and receipt directly to the State Comptroller. DORM approval is NOT required.

LOSS CONTROL

Loss Control Services

The legislative charter of the Division of Risk Management requires DORM to take actions, develop programs, and otherwise act to assist State agencies in reducing financial risk. To better meet this obligation, DORM established a Loss Control Section. The mission of the Loss Control Section is to prevent or minimize losses by State agencies. The Section will strive to increase the interest, awareness, and commitment by State agencies in the effective management of risks, and spearhead programs to control loss arising from liability, personal injury, property damage, and criminal acts. The services provided will assist agencies in the identification and assessment of risk and the development, implementation, and evaluation of programs to reduce risk. Information, education, and training will be provided to promote the development of State agency loss control programs.

With the implementation of the State Employee Injury Compensation Trust Fund in October 1994, the mission of the Loss Control Section has been expanded to include the prevention and management of employee injuries. Generic safety and early return-to-work programs have been developed and customized to meet the special needs of each client agency.

DORM will achieve its loss control objectives over the long term by utilizing the following strategic elements:

* Employ a Loss Control Management approach

  This approach to loss control will utilize the management of each client agency to establish loss control programs. DORM will train and work through the management and supervisory staff of each agency to develop and implement loss control programs specifically tailored to their unique needs and interests. This approach will encourage agency ownership and management responsibility for the prevention of loss.

* Meaningful Programs and Services

  To assure its loss control services endure, DORM will provide services that are correctly perceived as both efficient and valuable to its client agencies. Generic and specialized programs and services will be provided. Generic programs are valuable to numerous agencies and can be integrated with the internal procedures of each agency. Specialized programs are intended to address the unique and inherently hazardous operations of a particular agency. DORM, when appropriate, will assist agencies in eliminating or controlling exposure to these unique hazards.

* Evaluating and Prioritizing Needs

To discover the universe of needs which should be addressed, DORM will utilize its own direct resources and those external to DORM to identify and quantify the loss control needs of each affected State agency. The prioritization of needs and the allocation of resources for loss prevention initiatives will be determined by: (1) perception of need by each client agency, (2) urgency of need based on danger to life and property, and (3) availability of resources.

* Communication

The Loss Control Section will foster continuous two-way communication between DORM and client agencies. This will be accomplished by using all methods of communications available, including newsletters, personal contact by the DORM staff, the DORM Handbook, website, and meetings with State agency representatives.

If you have questions regarding the services available to your agency or need assistance with a particular issue or concern, please contact our Loss Control Manager at 223-6125.

EMPLOYEE ASSISTANCE PROGRAM

In March 1992, the Governor issued Executive Order No. 48 authorizing the creation of an Employee Assistance Program (EAP) for all active employees of State Government and designating the Finance Department as the State Agency to implement the directive.

The Finance Department officially implemented the Employee Assistance Program on October 1, 1994. We are currently providing assistance to any participating state agency/employee that request EAP services. Any agency not currently participating can enroll by notifying, in writing, the State EAP Director at the Division of Risk Management. Please include the name, duty title, official mailing address, and phone number of your agency's EAP representative/coordinator.

Our EAP is a short-term counseling and referral service designed to help active employees become more effective and efficient in their jobs by providing professional, confidential assistance with problems that are likely to affect their family life and/or job performance. Services are provided through a network of Masters prepared mental health professionals, psychologists, and psychiatrists who are available to assist with problems such as:

Supervisor and subordinate conflict
Drug and alcohol abuse
Financial management
Marital and family disruption
Emotional and mental conditions

Expected outcomes of great value to the State include:

Increased retention
Reduced absenteeism
Improved productivity
Fewer job injuries
Reduced conflicts involving EEO, harassment, ADA issues, etc.
Happier employees

Self-Referral

EAP services are available for active employees or dependents. An employee or family member desiring to make a self-referral should call (334) 223-6151 for an appointment. The Care Coordinator assigned to the State will conduct a short intake to determine the appropriate level of care as well as any client request, such as location of appointment or gender of provider. Non-emergency appoints are generally scheduled within three days.

An initial assessment and up to two follow up sessions will be provided annually at no cost. Should additional sessions, or treatment beyond the scope of EAP, such as intensive outpatient or inpatient psychiatric or substance abuse treatment, be required, your Care Coordinator will assist in the transition to your medical plan or community resources.

Supervisory Referral

Informal supervisory referral. The supervisor, upon learning an employee is experiencing difficulties that may have little or no impact on the job, recommends EAP services to an employee. The employee may have confided in the supervisor regarding personal problems or a performance problem may have surfaced that does not yet require discipline. The supervisor suggests the use of the EAP but, in accordance with state and federal law, the employee's participation, or lack of, is not reported to the supervisor.

Formal supervisory referral. The supervisor formally recommends the use of the EAP to help in resolving personal issues that may be contributing to performance problems. The supervisor wanting to make a formal referral should contact the state's designated Care Coordinator to discuss the problem and provide the information needed for the Release of Information (ROI). An ROI is required in order for the Care Coordinator to communicate compliance information to the supervisor. If referral is deemed appropriate, the supervisor will inform the employee verbally and in writing of the referral decision. A referral form should be completed.

An employee's participation in the program is voluntary. If the employee does not want to participate, the supervisor should document this. Normal progressive disciplinary procedures concerning the job related issues(s) should be followed.

THE COMMITTEE ON COMPENSATION FOR WRONGFUL INCARCERATION

In 2001 the Alabama legislature created a mechanism designed to compensate individuals who were found to have been wrongfully incarcerated by the state. Section 29-2-150 through 165, Code of Alabama, created a nine-member committee consisting of state legislators or their designees and the Director of Finance. The Committee has authority to make financial awards, subject to appropriation by the legislature, to persons who have been imprisoned for felony convictions "of which the person was innocent."

DORM was designated by the statute to provide administrative support to the Committee. DORM personnel developed application forms and drafted operating procedures for the Committee, and maintain files of all applications received. DORM evaluates each application to determine that the asserted facts are accurate and whether the application indicates eligibility for compensation based upon the statutory criteria. These findings are then communicated to the members of the Committee through its clerk and co-chairmen for whatever action the Committee deems appropriate.

STATE EQUIPMENT MAINTENANCE PROGRAM

Program Summary

The statewide Equipment Maintenance Program (EMP) allows all government agencies and departments to consolidate the care of electronic equipment under one comprehensive program. By replacing existing service agreements with this program, agencies will gain a programmatic solution that delivers significant cost savings, enhanced equipment protection, the freedom to utilize the best service vendor for each and every maintenance action, program management tools and information, and achieve positive control over the financial and operational performance of their equipment maintenance portfolio.

The Remi Group, LLC (TRG) was selected as the provider and administrator of the State equipment maintenance program effective December 1, 2005, and has partnered with the state in delivering a long-term equipment maintenance management program. TRG's equipment maintenance program provides an effective alternative to original equipment manufacturer and third party maintenance service agreements. TRG works with agencies to provide program administrative support, technical expertise, day-to-day oversight, training, and the financial backing necessary to guarantee a successful program result. TRG does not perform any service work. You continue using your present service provider, your in-house staff or any equipment service provider of your choosing.

Program Benefits

- Immediate 25% annual savings from vendor service contracts
- Sophisticated online management reporting tools
- Convenience of one program provider and contact
- Program engineering, technical, and local administrative support
- Flexible service provider options
- Customizable coverage levels and pricing options

EMP Key Staff

TRG Representative
Nancy Carter
Ncarter@theremigroup.com
Tel: (334) 353-8751
Fax: (866) 497-9397

Engineering & Replacement Hotline
Tel: (877) 275-7364

State EMP Hand Mail
Attn: Nancy Carter
RSA Union Bldg, Room 160

DORM INFORMATION TECHNOLOGY SERVICES

The DORM IT Department owns and manages all servers and network services. In 2008 the department implemented a paperless document imaging solution, allowing simultaneous file access across all divisions. Currently, over 80% of all workloads are handled electronically as the department has transitioned from standard paper filing to all electronic file imaging.

As a result of this conversion, processes across all lines of business (Employee Injury, Property, General Liability, Educators Liability and General Operations) have been streamlined, enabling DORM to provide enhanced, timely services for its clients.

APPENDIX

CERTIFICATE OF INSURANCE - PROPERTY

EVIDENCE OF PROPERTY INSURANCE

DATE / /

THIS IS EVIDENCE THAT INSURANCE AS IDENTIFIED BELOW HAS BEEN ISSUED, IS IN FORCE, AND CONVEYS ALL THE RIGHTS AND PRIVILEGES AFFORDED UNDER THE POLICY.

PRODUCER	PHONE: (334) 223-6139	COMPANY
STATE OF ALABAMA 777 S LAWRENCE ST MONTGOMERY AL 36104		RISK MANAGEMENT
CODE:	SUB CODE:	
AGENCY CUSTOMER ID #:		

INSURED	LOAN NUMBER	POLICY NUMBER 923-0820	
	EFFECTIVE DATE 10/01/09	EXPIRATION DATE	X CONTINUED UNTIL TERMINATED IF CHECKED
	THIS REPLACES PRIOR EVIDENCE DATED:		

PROPERTY INFORMATION
LOCATION / DESCRIPTION

COVERAGE INFORMATION COVERAGE / PERILS / FORMS	AMOUNT OF INSURANCE	DEDUCTIBLE
ALL RISK COVERAGE – BUILDINGS	$	$
ALL RISK COVERAGE – CONTENTS	$	$

REMARKS (Including Special Conditions)

CANCELLATION
THE POLICY IS SUBJECT TO THE PREMIUMS, FORMS, AND RULES IN EFFECT FOR EACH POLICY PERIOD. SHOULD THE POLICY BE TERMINATED, THE COMPANY WILL GIVE THE ADDITIONAL INTEREST IDENTIFIED BELOW 30 DAYS WRITTEN NOTICE, AND WILL SEND NOTIFICATION OF ANY CHANGES TO THE POLICY THAT WOULD AFFECT THAT INTEREST, IN ACCORDANCE WITH THE POLICY PROVISIONS OR AS REQUIRED BY LAW.

ADDITIONAL INTEREST NAME AND ADDRESS	☐	MORTGAGEE	☐ ADDITIONAL INSURED
	☐	LOSS PAYEE	☐
	AUTHORIZED REPRESENTATIVE Dale S. Whittle		

DIVISION OF RISK MANAGEMENT
EMPLOYEE LIABILITY
EMPLOYEE INJURY COMPENSATION
EMPLOYEE ASSISTANCE
AUTOMOBILE
LOSS CONTROL
PROPERTY MANAGEMENT
FINANCE DEPARTMENT

PROPERTY LOSS NOTICE

PROPERTY LOSS NOTICE
STATE OF ALABAMA
FINANCE DEPARTMENT
DIVISION OF RISK MANAGEMENT
777 S LAWRENCE STREET
MONTGOMERY, ALABAMA 36104
(334) 223-6120, FAX (334) 223-6282

AGY-DIV

PROPERTY LOSSES SHOULD BE REPORTED BY TELEPHONE IMMEDIATELY UPON DISCOVERY. FORWARD THIS COMPLETED FORM **AFTER** THE PHONE CALL TO RISK MANAGEMENT.

CLAIM NO.

COVERED PROPERTY:

DEPARTMENT _____ DIVISION _____

LOCATION & ITEM NO. _____ BUILDING NAME_____
(IF MORE THAN ONE, PROVIDE ATTACHMENT)

LOSS INFORMATION:

DATE OF LOSS _____TIME _____ LOCATION OF LOSS_____
(IF UNKNOWN, INDICATE DATE FIRST DISCOVERED)

_____
GIVE CITY, STREET, HIGHWAY, COUNTY

CAUSE OF LOSS (CIRCLE ONE) BURGLARY LIGHTNING WIND FIRE WATER VEHICLE FREEZE HAIL
VANDALISM OTHER _____

NOTE: IF BURGLARY, EVIDENCE OF FORCIBLE ENTRY ON EXTERIOR? Y ( ) N ( ) UNK ( )
OVER $1,000? Y ( ) N ( ) POLICE REPORT FILED? Y ( ) N ( )

NATURE AND EXTENT OF DAMAGE _____

_____

_____

ESTIMATED DOLLAR AMOUNT OF LOSS $ _____

NAME, ADDRESS & PHONE NUMBER OF CONTACT PERSON: _____

_____

OTHER INSURANCE:

DO YOU HAVE OTHER INSURANCE THAT WOULD APPLY TO THIS LOSS? Y ( ) N ( )

IF YES, NAME, ADDRESS & PHONE NUMBER OF INSURANCE COMPANY: _____

_____

(COMPLETE REVERSE SIDE)

PROPERTY INSURANCE REQUEST – PAGE 1

Reset Form | Print Form

STATE OF ALABAMA
FINANCE DEPARTMENT
DIVISION OF RISK MANAGEMENT
777 S. Lawrence Street
Montgomery, Alabama 36130-3250

Email: Dale.Whittle@finance.alabama.gov

Fax :(334)954-5339 or (334)223-6124

DORM Office Use Only

Protect ☐ RCV ☐ STA ☐
A/S ☐ ACV ☐ RSK ☐
Const _____

	Bldg Fire	Cont Fire	Bldg EC	Cont EC
Orig	_____	_____	_____	_____
RCV	_____	_____		

PROPERTY INSURANCE REQUEST

Call or e-mail coverage requests to Division of Risk Management, then use this form to officially request insurance on buildings that are not currently insured with the State Insurance Fund (SIF).
IMPORTANT: Please enter the requested information. This form must be fully completed to activate coverage.

Division _____ Location # _____ Item # _____(To be completed by DORM)

INSURED _____
Agency, Department, Board, or Commission

BUILDING NAME _____ SPECIFIC OCCUPANCIES _____

STREET ADDRESS _____

_____ _____
City Zip Code

Requested Coverage Start Date _____ 100% Building Replacement Value* _____
*Building Value (excluding land). Do not include site work and/or grading.

100% Contents Value _____

BUILDING DATA

1. No. of Stories/Avg. Story Height (ft) _____
2. Year Built _____
3. Town Class (to be completed by DORM) _____
4. Total Gross Square Footage (under roof enclosed by 4 walls) _____
5. List Additions such as open porch, built-in kitchen equip., interior bleacher seating, mezzanines, etc. _____
6. Fire Protection (check all that apply):
   - ☐ Fully Sprinklered Y ☐ N ☐
   - ☐ Fire Extinguishers Y ☐ N ☐
   - ☐ Fire Alarm Y ☐ N ☐
     - Central Station Y ☐ N ☐
     - Local Y ☐ N ☐
   - ☐ Smoke Detectors Y ☐ N ☐
   - ☐ If kitchen, is there a hood extinguisher Y ☐ N ☐
7. Building Condition (if over 5 years old)
   - ☐ Rewired Y ☐ N ☐ What Year? _____
   - ☐ New Plumbing Y ☐ N ☐ What Year? _____
   - ☐ New Roof Installed Y ☐ N ☐ What Year? _____
   - ☐ Remodeled Y ☐ N ☐ What Year? _____
8. Overall Building Condition (select one):
   - Excellent ☐
   - Good ☐
   - Average ☐
   - Poor ☐

Name (Print/Type): _____
Signature: _____
Title/Position: _____
Telephone: _____
E-mail: _____
Date: _____

PROPERTY INSURANCE REQUEST – PAGE 2

CONSTRUCTION CHARACTERISTICS

1. FLOOR (ground level)
   - ☐ concrete slab
   - ☐ wood
   - ☐ crawl space
   - ☐ stilts

2. UPPER FLOORS
   - ☐ concrete
   - ☐ wood
   - ☐ other _____

3. UPPER FLOOR SUPPORTS
   - ☐ wood
   - ☐ concrete
   - ☐ metal
   - ☐ solid brick or stone
   - ☐ hollow concrete block
   - ☐ hollow concrete blk w/ brick or stone ven.
   - ☐ all metal
   - ☐ solid concrete

4. EXTERIOR WALLS
   - ☐ wood studs with wood siding
   - ☐ wood studs with vinyl siding
   - ☐ wood studs with metal siding
   - ☐ metal girts with brick veneer
   - ☐ wood studs with brick or stone veneer
   - ☐ other _____

5. ROOF
   - ☐ flat
   - ☐ pitched
   - ☐ combination
   - ☐ other _____

6. ROOF DECK
   - ☐ wood
   - ☐ metal
   - ☐ concrete
   - ☐ tectum
   - ☐ other _____

7. ROOF SUPPORTS
   - ☐ wood
   - ☐ metal
   - ☐ concrete
   - ☐ other _____

8. ROOF COVERING
   - ☐ shingles
   - ☐ metal
   - ☐ built-up tar & gravel
   - ☐ rubber membrane
   - ☐ other _____

9. INTERIOR WALLS- Wall Structure
   - ☐ brick, solid
   - ☐ concrete block
   - ☐ studs, girts, etc.
   - ☐ none

10. WALL FINISH- Wall Structure
    - ☐ drywall
    - ☐ paint
    - ☐ epoxy
    - ☐ paneling, solid wood
    - ☐ plywood/hardwood/fiberboard
    - ☐ tile, ceramic, or quarry
    - ☐ wallpaper, vinyl
    - ☐ none

11. FLOOR FINISH
    - ☐ brick
    - ☐ carpet
    - ☐ concrete sealer or topping
    - ☐ epoxy
    - ☐ hardwood
    - ☐ linoleum
    - ☐ marble
    - ☐ synthetic gym floor
    - ☐ terrazzo
    - ☐ tile, ceramic, quarry or rubber
    - ☐ tile, vinyl composite
    - ☐ vinyl sheet
    - ☐ none

12. CEILING FINISH
    - ☐ drywall
    - ☐ paint
    - ☐ paneling, wood
    - ☐ plaster, sprayed
    - ☐ plywood/hardwood/fiberboard
    - ☐ suspended acoustical
    - ☐ textured finish
    - ☐ none

13. HEAT SYSTEM
    - ☐ coal
    - ☐ electric
    - ☐ gas
    - ☐ wood
    - ☐ other _____

14. HEAT METHOD
    - ☐ other
    - ☐ forced
    - ☐ hot water
    - ☐ radiant
    - ☐ steam
    - ☐ other _____

15. AIR CONDITIONING
    - ☐ chilled water w/air handlers
    - ☐ chilled water w/fan coil units
    - ☐ evaporative coolers
    - ☐ forced cool air
    - ☐ heat pump
    - ☐ other _____

IMPORTANT!

1. Please sketch the ground floor with dimensions or send copy of floor plan with this form.

2. Take 2-3 exterior AND interior photos with a digital camera and e-mail to us as a JPEG. Please do not fax picture files.

3. Print this completed form, and then scan and e-mail or fax to Dale Whittle at:
   dale.whittle@finance.alabama.gov
   Fax: (334)954-5339

EMPLOYER'S FIRST REPORT OF INJURY

EMPLOYER'S FIRST REPORT OF INJURY OR OCCUPATIONAL DISEASE

STATE EMPLOYEE INJURY COMPENSATION TRUST FUND (SEICTF)

Submit the online version of this form when possible by accessing our website, at www.riskmgt.alabama.gov. All questions on this form must be answered. A supervisor or other designated authority must complete this report and fax along with the Accident Report - Employee Statement form to 334-223-6170 or 888-827-6753 or submit via email to SEICTF@finance.alabama.gov. If you need assistance contact SEICTF at 800-388-3406, between 8 AM and 5 PM, Monday - Friday.

1. Name of Injured Employee Last First MI	**2. SSN** _____-_____-_____	**3. Date of Birth** _____/_____/_____	**4. Sex** ❑ M ❑ F
5. Employee Mailing Address No. and Street City or Town State Zip	**6.Employee Phone** Home Cell Work	Employee Work Hours: From: _____ To: _____ Normal Scheduled Days Off: ❑ MO ❑ TU ❑ WE ❑ TH ❑ FR ❑ SA ❑ SU	
7. Job Title / Job Code			
8. Employee Email address	**9. Employment Status** ❑ Full Time ❑ Part Time ❑ Contract ❑ Seasonal ❑ Retiree		
10. Employing Agency - Agency Number	**11. Division, District, Location, etc.**		
12. Agency Address - Number and Street	**City or Town**	**State**	**Zip**

13. Date of Injury	**14. Date Employer Notified**	**15. Time of Injury** __:__ ❑ AM ❑ PM	**16. On Agency Premises?** ❑ Yes ❑ No	**17. Is employee covered by State Employee Medical Insurance?** ❑ Yes ❑ No

18. Could this accident have been prevented? ❑ Yes ❑ No — **If yes, what steps have been taken to prevent another accident?**

19. Has the injury or illness resulted in medical treatment? ❑ Yes ❑ No

If yes, name and address of medical provider/facility.

20. Exact location where injury occurred include street address, building, room, parking lot, etc., if possible.

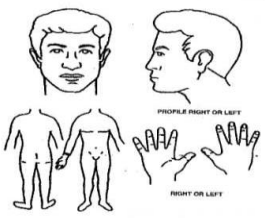
21. Was injury caused by a motor vehicle accident? ❑ Yes ❑ No — **If yes, provide copy of police report to SEICTF.**

22. Was more than one person injured in this incident? ❑ Yes ❑ No — **If yes, provide name(s):**

23. Describe exactly what the injured employee was doing and how the accident occurred.

24. Describe the injury (ies) received. Indicate if cut, bruise, sprain, strain, twist, pull, etc. (Give details below):

_____
_____
_____
_____
_____
_____



Indicate the body part(s) affected below and by circling on the body chart at left.

❑ Head	❑ Eye(s)
❑ Left Hand	❑ Right Hand
❑ Left Leg	❑ Right Leg
❑ Back	❑ Neck
❑ Left Foot	❑ Right Foot
❑ Left Knee	❑ Right Knee
❑ Left Ankle	❑ Right Ankle

❑ Other _____

25. Name all witnesses (Use additional paper as necessary):
Name _____ **Daytime Phone** _____
Name _____ **Daytime Phone** _____

I am the supervisor of the employee making the claim for SEICTF benefits and have filled out this First Report of Injury based on the information that has been reported to me. I certify that the above information is true and correct to the best of my knowledge.

26. Signature of supervisor reporting incident	Print Name	Daytime Phone	Date

ACCIDENT REPORT/EMPLOYEEES STATEMENT

Accident Report
Employee's Statement
State Employee Injury Compensation Trust Fund/SEICTF

This form must be completed by the employee and submitted to the immediate supervisor on the day the injury occurs. The supervisor should submit the First Report of Injury (SEICTF Form 1) along with this completed form immediately to SEICTF@finance.alabama.gov or via fax to 334-223-6170 or 888-827-6753.

Date of Injury/Accident	Today's Date	Time of Injury/Accident (circle one) : a.m. / p.m. On break or at lunch at the time of accident? ❑ Yes ❑ No
Employee Name (Last, first, middle initial)	Date of Birth / /	Social Security Number (Complete SSN not just last four.) - -
Street address		City State Zip Code
Primary phone number	Email address	

Preferred method of contact by SEICTF: (choose one) ❑ Email ❑ US Postal Service Mail Delivery

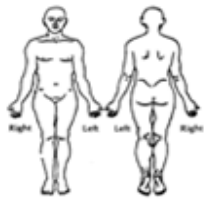
Job Title/Classification Code	Name of Supervisor	Date Supervisor Notified

Describe the specific activity you were performing at the time the injury/accident occurred including exactly what happened to cause injury/accident.

Accident: _____

Injuries/Body Part(s): _____

Exact location where injury/accident occurred: _____



Circle Injured Body Part

Were there any witnesses? ❑ Yes ❑ No | If yes, give names, addresses, and phone numbers of each:

Was injury/accident a result of an automobile accident? ❑ Yes ❑ No

If yes, obtain a copy of the police report of accident and submit to supervisor as soon as possible.

At the time of the injury/accident, were you using any protective equipment (ex. Latex gloves, eye protection)? ❑ Yes ❑ No

If yes, list equipment used: _____

Have you previously had pain, treatment, diagnostic testing (x-rays, MRI, etc.) or injury to the same body part(s)? ❑ Yes ❑ No

If yes, enter body part affected, date(s) of injuries and name(s) and address(es) of treatment provider(s).

I understand the intentional reporting of false information will disqualify me from receiving further SEICTF benefits and could expose me to penalties or criminal charges. I certify all information is correct to the best of my knowledge.

I further understand that non-compliance with SEICTF Rules (i.e. failure to attend medical appointments as scheduled, failure to respond to requests for contact, failure to provide signed medical authorization forms, failure to cooperate with SEICTF staff, failure to comply with your physician's medical treatment plan, etc.) will progressively lead to suspension and/or termination, per Administrative Procedures Act 355-8-1.03(e).

Signature of Employee		Date
Signature of Supervisor reporting incident	Date	Daytime Phone

REV 01/29/2013

EMPLOYEE ELECTION FOR LOST TIME BENEFITS

Employee Election for Lost Time Benefits

State Employee Injury Compensation Trust Fund/SEICTF

Submit to Agency Personnel/Payroll Clerk and SEICTF when the employee will miss more than three (3) days of work.

==========

TO BE COMPLETED BY EMPLOYEE:

Your options for lost time benefits are:

A) First three days off work due to occupational injury (waiting period). You should:

1) Utilize available annual/sick leave, or
2) Take unpaid days.
3) File with your agency's payroll department only.

B) After three day waiting period. You should:

1) Take SEICTF benefit of two-thirds pay with no deductions, federal or state taxes, or retirement credit. Accrue leave at 2/3rds of regular leave rate, or
2) Take available annual/sick leave. Regular deductions and RSA contribution continue.
3) **FAX this form to SEICTF at 888-827-6753 or submit via email SEICTF@finance.alabama.gov.**

Select the option on this form you wish to use. You may change the option you selected under (B) at the beginning of any regular pay period. This selection cannot be retroactive. **Elections must be made by the employee and received by SEICTF before any compensation benefits are paid.**

Employee Name _____ SSN _____ Date of Injury _____

Employing Agency _____ Division _____ Location _____

***** Payment Option Selected by Employee: **(A and B must be completed)** *****

Choose one from Section A:

A) ☐ 1. Annual/Sick leave for three-day waiting period. ☐ 2. Leave without pay for three-day waiting period.

Choose one from Section B:

B) ☐ 1. SEICTF Wage Replacement beyond three-day waiting period. ☐ 2. Annual/Sick leave beyond three-day waiting period.

==========

TO BE COMPLETED BY AGENCY: FORM 11 MUST ALSO BE COMPLETED AND SUBMITTED TO STATE PERSONNEL
NOTICE: REPORTING OF HOURS MUST BE SUBMITTED TO SEICTF BEFORE COMPENSATION BENEFITS ARE PAID

1) APOST Certification ☐ Yes ☐ No
2) Gross Salary at Time of Injury $ _____ Semi-Monthly $ _____ Hourly Rate
3) **First** three WORKING days or 24 working hours of work missed due to injury? **(Give exact dates)** _____
4) Employee status (check one) ☐ Full-Time ☐ Contract ☐ Part-Time
5) Retirement Plan Info: ☐ ERS ☐ State Police ☐ Judicial ☐ TRS
6) Deduction for child support withholding? (If yes, indicate amount and provide copy of order to SEICTF.) ☐ No ☐ Yes $ _____

==========

TO BE COMPLETED BY SEICTF:

RSA Adjusted Amount $ _____ Semi-Monthly _____ Employers %

Two-thirds Amount $ _____ Semi-Monthly _____ Employers %

Approved
Effective Date: _____ Signature _____ Date: _____

Disapproved
Effective Date: _____ Signature _____ Date: _____

EMPLOYEE MUST SIGN PAGE 2

AUTHORIZATION FOR INITIAL TREATMENT

AUTHORIZATION FOR INITIAL TREATMENT AND PHARMACY

State Employee Injury Compensation Trust Fund
SEICTF

TO BE COMPLETED BY EMPLOYEE
If you desire program benefits, read and sign below. Benefits will not be authorized without your signature.

I hereby authorize any physician, health care professional, hospital, or other medical care facility to provide my complete health care records to representatives of SEICTF (State Employee Injury Compensation Trust Fund), and/or its' agents regarding my health and any treatment rendered. I authorize representatives of SEICTF and/or its' agents to examine any and all records including but not limited to: all history and physical examinations; progress notes; physicians' notes; lab reports; x-ray, MRI, CT scans, myelograms and all other diagnostic procedure reports; all consultation reports and records, in-patient and out-patient facility records; operative reports; payment records; prescribed medications; and all notes, correspondence and records of any kind.

In addition, I authorize the release of information relating to (1) communicable diseases such as hepatitis and the human immunodeficiency virus (HIV); (2) substance abuse treatment records; and (3) all mental health treatment records.

The purpose for disclosure of these records is to allow SEICTF to evaluate my medical history and injuries in this claim and to administer benefits I may be eligible for under the SEICTF program. A photocopy or exact reproduction of this signed authorization shall have the same force and effect as the original. This Authorization for Release of Health Information is valid for one year from the date of my signature.

I understand that I may revoke this authorization by sending a signed, written notice to SEICTF and to the healthcare provider(s) authorized to disclose my health information pursuant to this document. However, I also understand that any revocation will be effective only to the extent that action has not already been taken in reliance of this authorization.

By refusing to sign or revoking this authorization, I understand that SEICTF will be unable to provide benefits under this program as medical records are required.

_____ _____
Employee Signature Date

EMPLOYEE: Give completed copy to your supervisor immediately after receiving treatment.

TO BE COMPLETED BY SUPERVISOR

Employee Name: _____ S.S. # _____ - _____ - _____

Date of Injury: _____

Description of Accident/Injury: _____

_____

Supervisor's Signature: _____ Date: _____

Agency: _____ Division/Facility: _____

When completed by supervisor and physician – immediately fax or email to SEICTF at (334) 223-6170 or (888) 827-6753 or SEICTF@finance.alabama.gov

TO BE COMPLETED BY PHYSICIAN RETURN APPOINTMENT DATE: _____ None Scheduled: _____

Diagnosis: _____

Work Status: _____ May return to full duty

_____ Out of work for _____ days, then return to work with restrictions (see below)

_____ May return to work with the following restrictions for _____ days:

Activity restrictions: _____

Physician Name (**please print**): _____ Office Phone: _____

Physician Signature: _____ Date: _____

TO BE COMPLETED BY EMPLOYEE AFTER BEING SEEN BY PHYSICIAN

I understand and agree to the recommended activity restrictions and follow up instructions. I agree I will not perform any activities outside the limitations either at work or home.

Employee Signature: _____ Date: _____

CONTRACT EMPLOYEES
AUTOMOBILE COVERAGE VALIDATION

A. Contract Employee: A person employed by written contract who is deemed to be an employee, as opposed to an independent contractor, according to Internal Revenue Service criteria as applied by the State Comptroller and the State Personnel Board.

B. We certify that the following classes of contract employees are bona fide state employees and are eligible for Employee Automobile Liability Coverage.

	Class of Employee	Nature of Job Duties
1.		
2.		
3.		
4.		
5.		
6.		

C. The following is the definition of "Covered Employees" from GLTF Program Guidelines:

> Covered Employee means any person employed, appointed, elected or hired to a temporary or permanent position or office with the State of Alabama or any of its departments, bureaus, offices, agencies, authorities, or boards, including individuals serving as Foster Care Providers. Covered Employee does not include persons employed, appointed or hired to a temporary or permanent position or office with the State Docks Department or any educational institution or board, or any person other than a Foster Care Provider employed, appointed or hired by the State of Alabama or any of its departments, bureaus, offices, agencies, authorities or boards as an independent contractor as defined by the Internal Revenue Code and Regulations.

_____ By _____ Date _____

Department Participating

Instructions: If applicable, complete this form and return to the Finance Department, Division of Risk Management, 777 South Lawrence Street, P.O. Box 303250, Montgomery, Alabama 36130-3250.

CERTIFICATE OF INSURANCE – AUTO

CERTIFICATE OF VEHICLE INSURANCE

DATE :

PRODUCER

PHONE: (334) 223-6172

STATE OF ALABAMA
DIVISION OF RISK MANAGEMENT
777 S LAWRENCE ST
MONTGOMERY AL 36104

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

COMPANIES AFFORDING COVERAGE

COMPANY A AMERICAN SOUTHERN INSURANCE CO

COMPANY B

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE	POLICY EXPIRATION DATE	LIMITS	
A	AUTO (COMP / COLL) ___COMPREHENSIVE __ COLLISION				DEDUCTIBLE	$
					DEDUCTIBLE	$
A	AUTOMOBILE LIABILITY __ ANY AUTO __ ALL OWNED AUTOS __ SCHEDULED AUTOS __ HIRED AUTOS __ NON-OWNED AUTOS ___ _____				COMBINED SINGLE LIMIT	
					BODILY INJURY (Per person)	
					BODILY INJURY (Per accident)	
					PROPERTY DAMAGE	
	OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / SPECIAL ITEMS

CANCELLATION

CERTIFICATE HOLDER
ADDRESS, CITY ST ZIP

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

DIVISION OF RISK MANAGEMENT
EMPLOYEE LIABILITY
EMPLOYEE INJURY COMPENSATION
EMPLOYEE ASSISTANCE
AUTOMOBILE
LOSS CONTROL
POLICY MANAGEMENT
PROPERTY
FINANCE DEPARTMENT

AUTOMOBILE LOSS NOTICE

AUTOMOBILE LOSS NOTICE
STATE OF ALABAMA
FINANCE DEPARTMENT
DIVISION OF RISK MANAGEMENT
P.O. Box 1390, 36102-1390
Montgomery, Alabama
(334) 223-6120, FAX 223-6282

AGY-DIV _____ CLAIM NO. _____

COVERED DRIVER:

DEPARTMENT _____ DIVISION _____
DRIVER'S NAME _____
DRIVER'S ADDRESS AND PHONE _____
DRIVER'S LICENSE NO _____ JOB TITLE _____
SPECIFIC DUTY BEING PERFORMED _____
_____
OTHER AUTO INSURANCE? COMPANY_____ POLICY NO._____ PHONE_____

ACCIDENT INFORMATION:

DATE OF ACCIDENT _____TIME _____ LOCATION_____
_____
GIVE CITY, STREET, HIGHWAY, COUNTY
DESCRIBE ACCIDENT _____
_____
_____

COVERED VEHICLE:

OWNED BY: STATE _____ OTHER _____ IF OTHER, SPECIFY _____
VEHICLE ID NO _____MAKE _____ MODEL _____ YEAR _____
BODY TYPE _____ TAG NO. _____ ESTIMATED AMOUNT OF DAMAGE _____
DESCRIBE AREA DAMAGED ON VEHICLE _____
_____

DAMAGE TO OTHER PROPERTY:

DESCRIBE NATURE OF DAMAGE _____
DESCRIBE VEHICLE_____ $ _____
MAKE MODEL YEAR BODY TYPE ESTIMATED AMOUNT OF DAMAGE

OTHER DRIVER:

NAME _____ PHONE: (HOME)_____ (WORK) _____
ADDRESS _____ CITY_____ STATE _____ ZIP _____
WAS DRIVER OR PASSENGER INJURED? _____ DESCRIBE_____
_____
NAME OF DOCTOR OR HOSPITAL _____
OTHER DRIVER'S INSURANCE? COMPANY_____ POLICY NO. _____ PHONE _____

(COMPLETE REVERSE SIDE)

PROPOSAL TO FILE OR DEFEND CIVIL ACTION

State of Alabama

Office of the Attorney General

All departments are encouraged to use this form to report any occurrence which would result in a claim being made under the General Liability Trust Fund even though a suit has not been filed.

E-mail completed form to Helen Hoffman at hhoffman@ago.state.al.us.

(Check appropriate designation.)

☐ **PROPOSAL TO FILE** ☐ **DEFEND CIVIL ACTION**

Date: _____ Name: _____

Agency: _____

Telephone: _____

To: Attorney General

Style: _____ v. _____

Court: _____ District: _____ Division: _____

Civil Action Number: _____

Parties to be represented:

Opposing Counsel:

Name: _____

Firm: _____

Address: _____

City: _____ State: _____ Zip: _____

Claims (include underlying facts and a description of loss, noting any substantive or procedural problems and defenses):

Comments:

APPENDIX IV

PROPOSAL TO SETTLE CIVIL ACTION

State of Alabama
Office of the Attorney General

E-mail completed form to Helen Hoffman at hhoffman@ago.state.al.us.

PROPOSAL TO SETTLE CIVIL ACTION

Date: _____ Name: _____

Agency: _____

Telephone: _____

Style: _____ v. _____

Court: _____

Civil Action Number: _____

Parties to be represented:

Opposing Counsel:

Name: _____

Firm: _____

Address: _____

City: _____ State: _____ Zip: _____

Claims (include underlying facts and a description of loss, noting any substantive or procedural problems and defenses):

Why this case should be settled:

APPENDIX V

ATTORNEY STATUS REPORT

ATTORNEY WORK PRODUCT
CONFIDENTIAL/PRIVILEGED INFORMATION

GENERAL LIABILITY TRUST FUND

STATUS REPORT

DATE:

STYLE:

CIVIL ACTION NO:

PARTIES YOU REPRESENT:

SUMMARY OF FACTS:

CURRENT STATUS OR POSTURE OF CASE
AND EXPECTED COURSE OF PROCEDURE:

LIKELIHOOD OF DEFENSE SUCCESS:
(Circle one) 0 - 25% 25-50% 50-75% 75-100%

SETTLEMENT VALUE:

VERDICT RANGE IF PLAINTIFF(S) SUCCESSFUL:

YOUR RECOMMENDATION FOR FILE RESERVE:

OTHER COMMENTS:

SIGNATURE:

f\wpwin\claims\gl\quarterly\status format

EDUCATOR LIABILITY TRUST FUND CLAIM FORM

STATE OF ALABAMA DEPARTMENT OF FINANCE
DIVISION OF RISK MANAGEMENT
EDUCATORS LIABILITY
INCIDENT/CLAIM REPORT

SCHOOL DISTRICT _____ SCHOOL _____

Name of Covered Employee: _____ Social Security No. (last 4): XXX – XX - _____

Home Address: _____

Home Phone No.: _____ Employee's Date of Birth: _____

Job Title/Job Classification: _____ County of Employment: _____

Date of Occurrence: _____ Time of Occurrence: _____ AM _____ PM _____

Supervisor Notified (Name) _____ Date Supervisor Notified: _____

A. Name of Person(s) receiving injury or property damage: _____

Address: _____

Phone: _____

B. Describe fully the specific activity you were performing at the time the event occurred and what happened to cause the injury or property damage to other party: **More space is provided on back of document.**

_____

_____

C. Were there any witnesses? If so, give names, addresses and phone numbers. **More space is provided on back of document.**

Name:	Address:	Phone #:

D. List all other liability policies in force which may cover this incident and report this incident immediately to each carrier.

_____

_____

_____

E. Has a lawsuit been filed? If Yes, attach a copy of the complaint and any other corresponding documentation.

_____ Yes _____ No

I understand the reporting of false information may disqualify me from receiving coverage under this Program. I certify the above information is correct to the best of my knowledge.

Signature of Covered Employee: _____ Date: _____

Rev 07/13

EAP REFERRAL FORM

STATE of ALABAMA ▪ EMPLOYEE ASSISTANCE PROGRAM
SUPERVISOR'S REFERRAL FORM

I. Employee _____ Position/Title _____

Employee Contact Numbers (please include area code):

Cell (___) _____ Home (___) _____ Work (___) _____

State Agency/Division _____ Job Code _____

Employee Social Security # _____ Employee Date of Birth _____

Contact Supervisor _____ Title/Position _____

Supervisor Contact Numbers (please include area code):

Cell (___) _____ Work (___) _____ Fax (___) _____

II. Current Observation(s) (check all reasons for this referral):

- ❑ * Absenteeism
- ❑ * Declining job performance
- ❑ * Difficulty communicating and interacting with others
- ❑ Safety or mental health concern
- ❑ Substance abuse issue or positive drug screen

Items with an asterisk (*) require a narrative description in section IV of any administrative action taken prior to this referral.

III. Describe the behaviors or reasons for this referral (attach additional sheets if necessary):

IV. Describe all previous remedial action(s) taken by the supervisor (attach additional sheets if necessary):

EAP REFERRAL FORM – Page 2

Acknowledgement

As the employee named on page one of this form, I understand the following:

- The information contained in and attached to this document is confidential and has been compiled to assist me.
- By signing this form, I give permission for Behavioral Health Systems, Inc. to release information to and/or receive information from the Contact Supervisor named on page one of this form, the Director of the State of Alabama's Employee Assistance Program, the mental health professional conducting the assessment and _____.
  (list any other person[s] who should release or receive information)
- I have five business days to contact BHS at 800-245-1150 to schedule an appointment.
- If I fail to call BHS within the allotted time or attend my first scheduled appointment, BHS will inform the Contact Supervisor named on page one of this form.

Employee's Signature _____ Date _____

Supervisor's Signature _____ Date _____

The referring supervisor must complete the following BEFORE faxing this form:

- Call BHS and speak with the Care Coordinator.
- Ensure that this form is filled out completely (do not leave any portion blank).
- Confirm that this form has been signed by the employee and the Contact Supervisor.
- Attach the following to this form: the employee's job description and all documents supporting the reason for this referral

BHS Phone Number: 1-800-245-1150

BHS Fax Number: 205-879-1178

EQUIPMENT MAINTENANCE PROGRAM PROCEDURES

State of Alabama Equipment Maintenance Program Procedures

Equipment Service Process

- Equipment failure occurs or preventative maintenance is needed.
- Request service from your preferred service provider. (For service events expected to exceed $7,500 the preliminary loss information must be reported to The Remi Group Engineering Department prior to any service action being taken at **877-275-7364**.)
- The Engineering Department must also be contacted in the event of a replacement of equipment or major component parts needed, regardless of dollar value, is required. Examples (VCR's monitors, probes, transducers, printers, etc.)
- Technician services equipment and leaves a detailed service report which should be sent to **Nancy Carter** immediately via fax, email or mail (keep a copy for your records) – include your name and contact info on the fax.
- If in-house staff performs service a Remi in-house service form should be filled out and sent to **Nancy Carter**. (For service events expected to exceed $7,500 the preliminary loss information must be reported to **TRG Engineering Hotline at 877-275-7364** prior to any service action being taken.)
- Vendor sends invoice to the State – forward a copy to **Nancy Carter** via fax, email, or mail. The Remi Group must receive **both** the **service report** and the **invoice** within 120 days of the service event.
- The Remi Group receives the service report and invoice, verifies coverage, and generates a check to the service provider for the cost of the covered event within thirty (30) days. If the service was done in-house, the check would be made out to the Agency.
- **If there is ever an issue that comes up with a vendor that impedes service and/or repair on any piece of equipment, please call Nancy Carter or our Engineering Department for assistance at (877)-275-7364.**

Equipment Change Requests

TO ADD EQUIPMENT:

- Obtain the following information regarding each equipment item to be quoted:
  - Manufacturer
  - Model
  - Serial Number
  - Description
  - Replacement value or purchase price
- If the equipment is under a service contract or a vendor has sent a quote for a contract, please send a copy with your request to Nancy Carter. You are guaranteed pricing of 25% less than the vendor quoted price.
- Include your Agency name and number and your name and contact information as well as the effective date for the addition.
- Email, fax, or mail the above information to Nancy Carter (You may also complete an Endorsement / Change Request form and send it to Nancy Carter – form to be provided upon your request).

TO DELETE EQUIPMENT:

- Email, fax, or mail request to Nancy Carter or complete the Endorsement / Change Request form -indicate the item to be deleted and the deletion date. The deletion date can be the current date or any future date.

FOR MORE INFORMATION CONTACT:

Nancy Carter
Email: ncarter@theremigroup.com
Phone: 334-353-8751
Fax: 866-497-9397
US Mail: PO Box 4389, Montgomery AL 36103

REMI GROUP ENDORSEMENT REQUEST FORM

The Remi Group Endorsement Request Form

Send the Below Information to Nancy Carter at NCarter@theremigroup.com
Or Toll Free Fax: 866-497-9397

Department Name: _____ **Agency / Sub Agency Number:**_____
Requested by: _____ **Phone Number/Email:** _____

Item #1	Item #2	Item #3
☐Add ☐Change ☐Quote ☐Delete If Deleting, please check reason: ☐ Equipment Obsolete ☐ Placed Under Service Contract ☐ Replacement of Equipment ☐ Other: _____	☐Add ☐Change ☐Quote ☐Delete If Deleting, please check reason: ☐ Equipment Obsolete ☐ Placed Under Service Contract ☐ Replacement of Equipment ☐ Other: _____	☐Add ☐Change ☐Quote ☐Delete If Deleting, please check reason: ☐ Equipment Obsolete ☐ Placed Under Service Contract ☐ Replacement of Equipment ☐ Other: _____
Effective Date of Change:	Effective Date of Change:	Effective Date of Change:
Warranty Period:	Warranty Period:	Warranty Period:
Manufacturer:	Manufacturer:	Manufacturer:
Model:	Model:	Model:
Serial #:	Serial #:	Serial #:
Description:	Description:	Description:
Purchase Cost:	Purchase Cost:	Purchase Cost:
Volume Usage:	Volume Usage:	Volume Usage:
Service Vendor:	Service Vendor:	Service Vendor:
Current Service Contract Cost $	Current Service Contract Cost $	Current Service Contract Cost $

Additional Information:

_____

_____

_____

Indicate number of annual pm visits required for each piece of equipment.
Please provide a copy of your current maintenance contract if available.