

Wise Words

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DORM Recipient of National Award



The State of Alabama Division of Risk Management (DORM) received the prestigious **AFIRM Award** (Award for Innovative Risk Management) at the 2015 State Risk and Insurance Management Association (STRIMA) Conference held in Madison, Wisconsin this past September. The AFIRM Award program was established to recognize a new, innovative, and effective risk management process which a State has successfully implemented. DORM received the award this year in recognition of our implementation of Gap and Gap Plus coverage for K-12 school systems and Alabama Community College System (ACCS) schools.

Gap coverage allows for improved construction and additional square footage for insured buildings (construction grades ISO-1 to ISO-3) following a total loss (80% or more loss) by a covered peril. Gap Plus coverage provides coverage for normally uncovered expenses such as new site preparation, underground wiring, plumbing, etc. up to 10% of the destroyed building's insured value.

DORM worked with the State Legislature and the Department of Education to develop these coverages in order to expand traditional like kind and quality replacement and to deter legislative appropriation requests following catastrophic losses.

Risk Management is pleased and honored to be recognized among peers.

Wise Words

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Freeze Warning Preparations



It is that time of year when we encounter freezing temperatures, and we encourage you to make preparations to prevent or lessen freeze damage. The following tips can save you a lot of headaches and expenses.

- ⇒ All water pipes (hot or cold) should be insulated against a freeze even if installed inside of buildings.
- ⇒ Heat should be maintained in buildings at normal occupancy levels and not reduced. This is especially important during holidays.
- ⇒ Property should be inspected immediately following freezing temperatures prior to thawing to prevent subsequent water damage from broken pipes.
- ⇒ Filters should be thoroughly cleaned and/or inspected. Air-conditioning units should be protected against freeze damage.
- ⇒ Sprinkler systems should also be part of your cold weather preventive maintenance.
- ⇒ Prior to a hard freeze, contact a sprinkler contractor that is licensed through the State Fire Marshals Office to evaluate your system for proper design and protection.
- ⇒ If the automatic fire sprinkler system in your facility is removed from service because of maintenance - **YOU MUST NOTIFY THIS OFFICE OF THE DATE OF SHUTDOWN AND THE DATE SERVICE IS RESUMED. A FIRE WATCH MUST BE INSTITUTED IN ANY BUILDING WHERE THE FIRE SPRINKLER SYSTEM IS COMPROMISED AND MUST REMAIN IN EFFECT UNTIL THE SYSTEM IS RESTORED.**

Remember that preventive maintenance keeps damage claims at a minimum and results in lower premiums for your agency.

If you have any questions please contact the DORM office at (334) 223-6120 or the State Fire Marshals Office at (334) 241-4166.



ALABAMA FORESTRY COMMISSION

PROTECT • SUSTAIN • EDUCATE

Alabama Forestry Commission—Success in Safety First

-Contributed by Ronnie Daniels, Loss Control Specialist

A number of years ago, the Alabama Forestry Commission implemented a comprehensive safety program with great success. It has resulted in an overall reduction in losses, a healthier workforce with increased productivity, reduced property losses, and savings of thousands in insurance premiums.

Because of an aggressive safety program resulting in fewer employee injuries, Forestry has reduced the agency's experience modification factor each consecutive year over the past five years. This has resulted in a premium savings of \$76,493 over five years for the Alabama Forestry Commission.

Arthur Hitt, Administrative Division Director, acted as the Safety Coordinator for a number of years. When speaking of Forestry's safety philosophy, Mr. Hitt stated, "Don't think of safety as something second. It's a natural part of everything you do." Recently the safety coordinator leadership role was handed over to Mr. Willie Holston who has been a great asset to Forestry's safety program with his military training experience. He was recently deployed on an active duty assignment, and in its continued commitment to a successful safety program, Ms. Renee Minor has been filling in the Safety Coordinator position.



The Alabama Forestry Commission is divided into regions, work units, and counties. Regions are made up of approximately 10 counties with an employee from each region making up members of the safety committee. Further, Forestry is divided by work units, then county divisions as the smallest group. The Safety Committee meets quarterly, work units have monthly safety meetings, and county groups meet monthly as well. But depending on the circumstances and the frequent hazardous nature of their work, county groups may have safety meetings daily if the conditions warrant.

Forestry has always played an active role in analyzing its own accidents and losses, educating employees, and taking preventive measures to prevent accident reoccurrence. The safety committee and safety coordinator play a vital part role in educating employees through monthly bulletins, illustrations, spreadsheets, self-inspections, and training. This in-house "hands on" approach pays the biggest dividends in reducing losses by utilizing employee involvement in problems and solutions, and contributes to its safety first culture.

Forestry has a number of policies and procedures that make up its comprehensive safety program, all contributing to keep their losses below the national average.

Below are just a few highlights:

- Routine Self Inspections
- Safety committee meetings
- Accident Investigation for property, auto, and employee injuries
- Monthly safety meetings
- Safety bulletins for specialized hazard training
- Employee evaluations using safety as a performance criteria
- Regional recognition for excellence in safety
- Ongoing training with specialized topics based on the environment and new technology

By making safety the first priority, the Alabama Forestry Commission truly stands out as an agency that places the well-being of both the public and its employees in everything they do—and it shows!

If you need assistance developing or improving your safety program, please contact DORM's Loss Control Department at (334) 223-6125.



Regional Safety Committee members are pictured above (listed from left to right): Johnna Franks, Vince Barrios, Phillip Montgomery, and Jon Burt.



2016 EAP Training Schedule for State Employees

The State Employee Assistance Program (EAP) will provide seminars in February, April and June of 2016 throughout the state designed to improve employee performance and management of their job responsibilities and life-related issues. One hour seminars will be presented at various locations and are open to all employees of agencies participating in our state EAP services.

The topics for 2016 include:

- *Improving Communication Skills and Workplace Professionalism*
- *The Art of Successful Juggling: Stress Management in Everyday Life*
- *Enhancing Your Management Skills for Greater Success*



The dates and locations for the February 2016 seminar include:

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| 2/2 | Birmingham | 2/4 | Montgomery | 2/9 | Tuscaloosa |
| 2/10 | Huntsville | 2/18 | Mobile | 2/15 | Dothan |

Details for these seminars will be sent out in the coming month. The number of participants for each session is limited so please be sure to register early. For questions regarding the EAP seminars, please contact Sam Boswell, the EAP Director at (334) 223-6153 or by email at Sam.Boswell@finance.alabama.gov.

Changes to Coverage for Rental Cars

Physical Damage coverage (Comp/Collision) is optional coverage available through DORM, and it is extended to rental vehicles for agencies participating in the Auto Liability program. However, it is limited by the following requirements:



- The rental must be made from an outside rental agency by an employee or agent of the state for activities exclusively within the line and scope of their employment.
- Long term vehicles, rented for more than 30 days, must be scheduled and coverage is on a primary basis. If the vehicle is not scheduled, then there is NO coverage.
- Short term vehicles, rented for 30 days or less, have coverage on an excess basis over any other collectible source of recovery, including any coverage provided by the owner of the rented vehicle, any other applicable physical damage insurance, any other source of recovery applicable to the loss; however, NOT including the employee's personal automobile insurance coverage.
- Short term rental coverage is subject to a limit of \$50,000 per vehicle. Agencies not participating in the automotive liability program will have no physical damage coverage for short term rentals.
- Rental coverage will be limited to private passenger automobiles, light trucks up to 10,000 pounds gross vehicle weight (GVW) and medium trucks up to 20,000 pounds GVW. There is no coverage for any vehicle with a GVW greater than 20,000 pounds.