

Board of County Commissioners Leon County, Florida

Policy No. 98-17

Title: Risk Management Policies

Date Adopted: February 14, 2012

Effective Date: February 14, 2012

Reference: N/A

Policy Superseded: Section 9.10, Risk Management Policies and Procedures Manual, adopted January 1993; Policy No. 98-17, "Safety and Risk Management Policies," adopted October 13, 1998

It shall be the policy of the Board of County Commissioners of Leon County, Florida, that Policy No. 98-17, entitled "Safety and Risk Management Policies" adopted by the Board of County Commissioners October 13, 1998, is hereby superseded, and a revised policy is hereby adopted in its place, to wit:

SECTION 1: RISK MANAGEMENT POLICY STATEMENT

To establish policies and procedures with respect to Risk Management and to give specific and general authority to the Risk Manager, or designee, to advise in all matters relating to Risk Management as stated herein.

A. Objectives:

1. The protection of the County against the financial consequences of accidental losses that are catastrophic in nature and to preserve County assets and public service capabilities from destruction or depletion.
2. The minimization of the total long-term cost to the County of all activities related to the identification, prevention, and control of accidental losses and their consequences.
3. The establishment, to the fullest extent possible, of a safe work and service environment in which employees, as well as members of the general public, can enjoy safety and security in the course of their daily pursuits.

B. Specific Areas of Responsibility

1. The Board of County Commissioners is responsible for setting all risk management policies.
2. The Board of County Commissioners hereby delegates to the County Administrator the responsibility for establishing, adopting, and implementing an integrated, countywide safety manual.

3. The Risk Manager, or designee, is responsible for:
 - a. Overall: The Risk Manager, or designee, shall advise the County Administrator on, and be responsible for:
 - (1) identifying and measuring risks of accidental loss;
 - (2) selection and recommendation of appropriate risk management techniques for specific exposure problems;
 - (3) developing and maintaining an information system in coordination with existing systems for timely and accurate recording of losses, claims, insurance premiums, and other related costs;
 - (4) analyzing and allocating insurance premiums, uninsured losses, and other risk costs to the budgetary units; and,
 - (5) establishing, implementing, and monitoring an integrated countywide safety program.
 - b. Property, Casualty, and Liability: The Risk Manager, or designee, shall develop guidelines for all insurance exposures and advise the County Administrator on appropriate actions. He/she shall act on behalf of Leon County in all matters relating to property, casualty, and liability exposures with Commission approval.
 - c. Workers' Compensation: The Risk Manager, or designee, shall ensure that the County is in full compliance with the Workers' Compensation law and shall investigate and evaluate claims as deemed appropriate.
 - d. Safety: The Risk Manager, or designee, shall be responsible for monitoring an integrated countywide safety program.
 - e. Risk Retention: With regard to risks of accidental loss, it shall be the County's policy to self-insure all losses which occur with predictable frequency and which have no significant impact on the County's fiscal position.
4. Each Department Head is responsible for:
 - a. Reporting changes in (a) building use or occupancy, (b) equipment, and (c) personnel to the Risk Manager, or designee.
 - b. Keeping the Risk Manager, or designee, informed of new activities and functions performed or anticipated to be performed.
 - c. Contributing to the maintenance of a perpetual inventory of liability hazards.
 - d. Cooperating with the Risk Manager, or designee, in his/her investigation of loss exposures and claims and in the operation of an effective loss prevention program.
 - e. Reviewing contracts with the Risk Manager, or designee, before signing them so that any increase or decrease in the institution's contractual liability can be properly identified and controlled.

5. The County Attorney's Office is responsible for:
 - a. Reviewing with the Risk Manager, or designee, all contracts entered into by the institution and to identify and reduce any contractual liability being assumed, with attempt being made to transfer such liability to the other party of parties.
 - b. Notifying the Risk Manager, or designee, of changes in laws, which may affect the institution's liability.
 - c. Providing legal assistance in examination of contracts.
 - d. Providing legal assistance in handling liability claims against the County in conjunction with liability carriers as needed.

SECTION 2: DEFINITIONS

Accident - An unintended, unforeseen event, which results in an injury to personnel and/or damage to property and equipment.

Broker - An individual or company who arranges and services insurance policies on behalf of the insured or self-insured. The individual or company is the representative of the insured, although he/she may receive compensation from the company in the form of a commission from the company.

Claims - All actual or alleged responsibilities to others arising out of the ownership, maintenance, and use of all County property, all operations of the County, and all acts or omissions of the County's elected officials, appointees, agents, and employees while acting within the scope of official duties.

Consulting Insurance Agency - Contracted agency provides consulting services, claims management, analysis of losses for actuarial and fiscal planning, and most importantly, provides services as a liaison with the County's third party administrators.

County Premium - Premiums paid by the departments; in summation are referred to as the County Premium.

Damages - The amount claimed or allowed as compensation for injuries sustained or property damaged through the wrongful acts or the negligence of another.

Deductible - A provision whereby an insured may be required to pay part of a loss, the insurance being excess over the amount of the deductible.

Disabling or Lost Time Injury - Any injury that results in lost time beyond the shift on which the injury occurred.

Insurance Service Fund - This fund includes the self-insured retention account(s) for the payment of losses not covered by an insurance policy with an outside agency; for payment or administrative costs, expenses, settlements, and judgments related to worker's compensation claims;

administrative costs for the Leon County Risk Management Program, and funds for the payment of liability, property and other insurance policies of the County.

Liability - A debt or responsibility, or an obligation, which may arise by a contract made by a tort, committed.

Losses - Loss of or damage to real and personal property not recoverable from insurance or any other source.

Medical Payments - Insurer or party liable agrees to reimburse or pay up-front, medical expenses on behalf of injured person.

Minor or First Aid Injury - An injury which does not result in loss of time from the job beyond the work shift on which the injury occurred.

Negligence - Failure to exercise the degree of care that would be expected from a reasonable and prudent person.

Physical Hazard - A condition of the subject of insurance, which create or increases the chance of loss, such as structural defects, occupancy, or similar conditions.

Premium - The payment by a person or department for insurance coverage or participation in an insurance policy.

Property Damage Incident - An accident or incident, which produces damage or loss to property, facilities, or equipment.

Reserves - Liability funds set up for particular purposes and expenditures.

Risk - In the abstract, used to indicate a condition of the real world in which there is a possibility of loss; also used by insurance practitioners to indicate the property insured or the peril insured against.

Risk Management - A scientific approach to the problem of dealing with pure risks facing an individual or an organization in which insurance is viewed as simply one of several approaches for dealing with such risks.

Subrogation - An assignment or substituting of one person for another by which the rights of one are acquired by another in collecting a debt or a claim, as an insurance company or self-insured stepping into the rights of a policyholder indemnified by the company.

Third-party Administration - Someone other than the insured and the insuring company who shall investigate, estimate and pay benefits, if any, to applicable claims.

Workers' Compensation - A system of providing for the cost of medical care and weekly payments to injured employees or to dependents of those killed in industry in which

absolute liability is imposed on the employer, requiring him to pay benefits prescribed by law.

SECTION-3: GENERAL LIABILITY

Leon County purchases commercial liability insurance. Claims processing reviews and program administration will be conducted by the contracted third-party administrator. A self-insured retention (SIR) or deductible will be applicable.

SECTION 4: SELF-INSURED RETENTION ACCOUNT

Whereas, Leon County recognizes the value of establishing specified deductible levels on certain lines of coverage, self-insuring certain areas of liability and the payment of certain claims, for cause, financial savings, or other acceptable reason, there has been established a "Self-Insured Retention" account(s).

A. Areas of Loss Which are Eligible for Coverage Consideration

1. The deductible portion of those County property losses that are included in one of the County's active insurance policies.
2. Damage to property owned by someone other than the County, for which the County may be responsible.
3. Injury to someone other than a County employee, for which the County may be responsible.
4. Any other loss in which the County may be considered the responsible party.

B. Coverage Consideration Procedures

1. In the event of a loss, the Risk Manager, or designee, will determine if there is any insurance coverage on the item in question. If the item is insured and the loss is above the deductible, if a deductible is applicable, the Risk Manager, or designee, will make a determination whether or not to file an insurance claim.
2. If the appropriate insurance coverage has a deductible and the loss is below the deductible, or found not to be covered by insurance, the Risk Manager, or designee, will evaluate the loss information to determine eligibility for payment under the Self-Insured Retention account(s).
3. If the loss is not eligible for payment from the SIR account(s), notification will be sent to the appropriate department.
4. If the loss is covered, it will be processed utilizing the appropriate procedures.

SECTION 5: GENERAL LIABILITY CLAIMS

All claims presented by the general public shall be referred to and filed with Risk Management. The Risk Manager, or designee, will file the appropriate claim notice to the County's insurance carrier or take other appropriate action.

SECTION 6: PROPERTY LOSSES

All losses due to fire, theft, vandalism, weather, etc., shall be recorded. This includes vehicles, buildings, equipment, tools, etc.

A written report shall be filed with Risk Management.

Where appropriate, the Fire Department and/or law enforcement shall be notified.

The Risk Manager, or designee, shall review the circumstances surrounding the loss to determine if it is covered by insurance, or falls under the County's Self-Insured Retention/deductible. If the item in question is not covered by insurance, the Risk Manager, or designee, will notify the responsible department and advise them as to the availability or unavailability of funds under the County's Self-Insured Retention/deductible. If the item is covered under the County's insurance program, the Risk Manager, or designee, shall proceed with the processing of an insurance claim.

SECTION 7: DRIVER POLICY

A. Qualifications

1. Commercial Drivers License

Drivers of vehicle with a gross vehicle weight rating (GVWR) of 26,001 pounds or more; designed to transport 16 or more passengers, including the driver; or used in the transportation of hazardous materials in a quantity requiring placarding under the Department of Transportation Hazardous Materials Regulations (HMR), must have a single, state issued Commercial Driver's License meeting minimum Federal requirements.

2. Licensing Criteria to Obtain/Maintain County Vehicle Driving Privileges

The following are the minimum standards to be met by a prospective or current employee who would or does operate a County automobile, motorcycle, truck, piece of equipment or any other similar device. All such vehicles will be referred to as vehicles within this section.

3. Criteria necessary to obtain the privilege of operating a County vehicle

- a. Have a current Florida operator or chauffeur license.
- b. Reached the age of 18 or older.
- c. Meet the County's criteria for acceptable driver status (refer to paragraph 3 below).

B. Motor Vehicle Record

1. A copy of the Motor Vehicle Record (MVR) shall be obtained from each state where a driver holds a license, to ascertain that the applicant has a valid license and to review the driver's past record. The MVR shall be obtained or accessed via computer annually for all drivers and reviewed. It shall be reviewed with the driver and made part of the driver's file.

2. Drivers required to have a Commercial Driver's License must report convictions for violations of motor vehicle traffic laws and ordinances other than a parking violation, in any type vehicle, to their immediate supervisor within 30 days.
3. **Driving Records/Insurability**
Employees hired on or after April 1, 1987, whose positions require a driver's license must maintain a driver's license record that meets the following vehicle insurance standards:
 - a. Record must be free of these violations in the past three (3) years:

D.U.I. or D.W.I	Reckless driving
Suspended or revoked license	Vehicular homicide
Fleeing or attempting to elude police	Drag racing
Three or more accidents and/or violations	
 - b. Record must have no more than one (1) moving violation within the most recent one-year period (parking, failure to renew, muffler, etc. will not be considered as a moving violation).

An employee hired after 4/1/87 who becomes uninsurable as defined by the standards above may be subject to adverse employment actions including, but not limited to demotion, transfer, or termination.

SECTION 8: VEHICLE ACCIDENTS

All motor vehicle accidents shall be reported, regardless of the severity, immediately upon their occurrence, and shall be investigated by the appropriate law enforcement agency. The Risk Manager, or designee, shall be notified by the affected department and, whenever possible, will report to the accident site.

Affected department(s) are required to complete a Leon County Accident Report and to coordinate damage estimates with Fleet Management.

SECTION 9: EMPLOYEE ACCIDENTS/INJURIES

All personal injury accidents requiring medical attention beyond basic first aid shall be reported immediately to the employee's supervisor. The County shall provide treatment and care as deemed necessary for employees injured during the scope and performance of their job, but will not be held liable for medical charges incurred through unauthorized treatment.

If an employee is unable to work and the disability exceeds seven days, that employee will receive payment from the County's Workers' Compensation Program. County employees who are absent from work due to a disability or injury received during the scope and performance of their job, and who are receiving benefits under the provisions of the Workers' Compensation Law, shall be entitled, if they so elect, to utilize any unused sick leave to supplement their weekly income from Workers' Compensation payments not to exceed their regular salary. If all accumulated sick leave

is exhausted, the employee can then use accumulated annual leave, if he/she so elects, to supplement weekly income not to exceed his/her regular salary.

SECTION 10: WORKERS' COMPENSATION

Workers' Compensation is the vehicle utilized by the County to provide financial assistance to employees temporarily disabled due to a job-related injury. Leon County, as a qualified self-insured entity under the Workers' Compensation laws of the State of Florida, utilizes a third-party administrator to provide claim services with respect to claims against Leon County.

The third-party administrator, under contract on behalf of Leon County, shall examine, investigate, estimate and pay benefits, if any, to applicable workers' compensation claims.

The County has budgeted a Workers' Compensation Fund Program or self-insureds loss account(s) that shall be used for the payment of administrative costs, expenses, settlements, judgments and claims of the County. Premiums will be paid by departmental billing and the sum of these premiums will be referred to as "the County Premium".

SECTION 11: INSURANCE REQUIREMENTS FOR CONTRACTORS AND LESSEES

The following insurance requirements have been established in order to ensure that the County's interests are properly protected regarding liability exposures.

These requirements provide proper insurance be included in County contracts. This will also aid in the standardization of such requirements in all areas of similar exposures. The following are subject to modification in order to meet exposures presented in specific activities.

It is recommended draft copies of all contracts that are being prepared by a department be forwarded the County's Risk Manager, or designee, for review and approval in concurrence with submittal to the County Attorney's Office.

A. Insurance Requirements for Contractors

Bidders' attention is directed to the insurance requirements below. Bidders should confer with their respective insurance carriers or brokers to determine in advance of bid submission the availability of insurance certificates and endorsements as prescribed and provided herein. If an apparent low bidder fails to comply strictly with the insurance requirements, that bidder may be disqualified from award of the contract.

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees, or subcontractors. The cost of such insurance shall be included in the Contractor's bid.

1. Minimum Limits of Insurance

Contractor shall maintain limits no less than:

- a. General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury, and property damage with a \$2,000,000 annual aggregate.
- b. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage (*Non-owned, Hired Car*).
- c. Workers' Compensation and Employers Liability: Insurance covering all employees meeting Statutory Limits in compliance with the applicable state and federal laws and Employer's Liability with a limit of \$500,000 per incident. *Waiver of Subrogation in lieu of Additional Insured is required.*

2. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the County. At the option of the County, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

3. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

a. General Liability and Automobile Liability Coverages

1. The County, its officers, officials, employees and volunteers are to be covered as insureds as respects; liability arising out of activities performed by or on behalf of the Contractor, including the insured's general supervision of the Contractor; products and completed operations of the Contractor; premises owned, occupied or used by the Contractor; or automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protections afforded the County, its officers, officials, employees or volunteers.
2. The Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance of self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
3. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the county, its officers, officials, employees, or volunteers.
4. The Contractor's insurance shall apply separately to each insured against whom claims is made or suit is brought, except with respect to the limits of the insurer's liability.

b. All Coverages

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the County.

4. Acceptability of Insurers

Insurance is to be placed with insurers with a Best's rating of no less than A:VII.

5. Verification of Coverage

Contractor shall furnish the County with certificates of insurance and with endorsements effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by the County before work commences. The County reserves the right to require complete, certified copies of all required insurance policies at any time.

6. Subcontractors

Contractors shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

B. Insurance Requirements for Lessees (No Auto Risks)

Bidders' attention is directed to the insurance requirements listed. Bidders should confer with their respective insurance carriers or brokers to determine in advance of bid submission the availability of insurance certificates and endorsements as prescribed and provided herein. If an apparent low bidder fails to comply strictly with the insurance requirements, that bidder may be disqualified from award of the contract.

Lessee shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the Lessee's operation and use of the leased premises. The cost of such insurance shall be borne by the Lessee.

1. Minimum Limits of Insurance

Lessee shall maintain limits no less than:

General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury, and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the County. At the option of the County, either: the insurer shall reduce or eliminate

such deductibles or self-insured retentions as respects the County, its officers, officials, employees and volunteers; or the Lessee shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

3. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

a. General Liability and Automobile Liability Coverages

1. The County, its officers, officials, employees and volunteers are to be covered as insureds as respects; liability arising out of activities performed by or on behalf of the Lessee, including the insured's general supervision of the Lessee; products and completed operations of the Lessee; premises owned, occupied or used by the Lessee; or automobiles owned, leased, hired or borrowed by the Lessee. The coverage shall contain no special limitations on the scope of protections afforded the County, its officers, officials, employees or volunteers.
2. The Lessee's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of the Lessee's insurance and shall not contribute with it.
3. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the county, its officers, officials, employees, or volunteers.
4. The Lessee's insurance shall apply separately to each insured against whom claims is made or suit is brought, except with respect to the limits of the insurer's liability.

b. All Coverages

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice has been given to the County.

4. Acceptability of Insurers

Insurance is to be placed with insurers with a Best's rating of no less than A:VII.

5. Verification of Coverage

Lessee shall furnish the County with certificates of insurance and with endorsements effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by the County before work commences. The County

reserves the right to require complete, certified copies of all required insurance policies at any time.

SECTION 12: MANAGEMENT COMMITMENT AND THE SAFETY AND RISK MANAGEMENT POLICY

The health and well-being of all employees depends upon the cooperative participation of both employees and management to ensure a healthy and safe workplace for everyone. Management is committed to striving to provide each and every employee with a healthy and safe workplace through the exchange of ideas between employees and management and the continuing development of an ongoing safety program including:

- Promoting Safety Committee participation,
- Providing health and safety education and training, and
- Reviewing and updating workplace safety rules.

The provision of safe and healthful working conditions is a major concern of every County supervisor. Unsafe acts or conditions can cause accidents, and both of these are under the supervisor's control. Unsafe working conditions shall be minimized by identifying hazards, correcting unsafe work practices and using proper equipment. Management will strive to maintain positive control toward prevention of unsafe acts by employees. If an accident occurs, the most important factor in accident investigation is to determine how to prevent a recurrence of the accident.

All safety and health rules and regulations are to be carefully observed so that employee accidents and injuries may be kept to a minimum. These regulations cover all employees; whether full-time, part-time, temporary, seasonal, etc. Failure to comply with these regulations may subject the employee and/or supervisor to disciplinary action.

Whenever a condition or practice is found to exist which could reasonably be expected to cause death or serious physical harm, or serious property damage, the affected operations'/employees' supervisor has the authority to take whatever action is necessary to correct the noted condition or practice, including the stoppage of the project or action in question.

Each employee has a personal responsibility to prevent accidents. It is the duty of each employee to accept and follow established safety regulations and procedures. Employees are expected to report all unsafe work conditions, accidents, and injuries immediately to their supervisors without concern for retaliation, penalty, or other disincentive.

All staff, participating guests, and visitors shall receive appropriate safety training. Supervisors are responsible for ensuring that employees and guests under their supervision receive this training to be fully informed about possible occupational health hazards and know how to work safely. Safety orientation should take place within the first month of employment. The level and complexity of the training depends on the type of exposures, building locations, and potential hazards.

State and Federal regulations spell out several specific health and safety training requirements for special hazards. These include, but are not limited to, radiation safety, hazard communication for exposure to hazardous substances, respirator use, hearing conservation, and confined space hazards.

All employees shall be retrained periodically by their supervisor on safety rules, policies, and procedures, and when changes are made to the safety manual. Individual employees will be retrained after the occurrence of a work related injury caused by an unsafe act or work practice, and when a supervisor observes employees displaying unsafe acts, practices, or behaviors.

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