



# Richmond City Council

*The Voice of the People.*

*Richmond, Virginia*

## OFFICE OF THE CITY AUDITOR

REPORT # 2014-01

AUDIT

*Of the*

### **Department of Finance Risk Management Operational Analysis**

**July 2013**

## OFFICIAL GOVERNMENT REPORT

*Richmond City Council*

### **OFFICE OF THE CITY AUDITOR**

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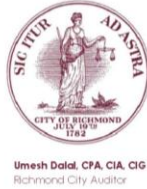
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*Committed to increasing government efficiency, effectiveness,  
and accountability on behalf of the Citizens of Richmond.*

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# Richmond City Council

The Voice of the People

Richmond, Virginia

## Office of the City Auditor

### Executive Summary

July 30, 2013

The Honorable Members of the Richmond City Council  
The Honorable Mayor Dwight C. Jones

#### **Subject: Risk Management Operational Analysis**

The City Auditor's Office has completed a performance audit of the citywide risk management activities for Fiscal Year 2012. The auditors conducted this performance audit in accordance with generally accepted government auditing standards.

The City's Risk Management function establishes and administers processes that:

- Protect the City from financial losses due to accidental destruction of City assets, workers' compensation and general liability claims, and vehicle accidents
- Establish proper procedures to ensure the safety of City employees through workplace safety programs
- Administer the workers' compensation program to manage employee injury claims and ensure proper medical treatment of the employees
- Administer claims against the City for property damage
- Process certificate of insurance requests

There are numerous State, Federal, and Local legal requirements that determine how claims are managed and settled. There are also City codes, administrative regulations, and policies and procedures that guide both the risk and safety functions of the Risk Management Bureau (Bureau) and City departments.

The City of Richmond is self-insured for workers' compensation. For workers' compensation, the City assumes the first \$1,250,000 of any accident and pays claims directly from General Fund appropriations for various City agencies.

The following are the salient findings of the audit:

- The City is required to file a report of injury or death with the Virginia Workers Compensation Commission (VWCC) within ten days of the employer's knowledge of such injury or death. VWCC may assess a penalty for \$500 for each failure to file accident reports in a timely manner. If the failure is willful, the penalty could be as much as \$5,000 per occurrence. The auditor observed that 138 (30%) of all claims (during the period from August 12, 2012 through May 31, 2013) were submitted beyond the ten day VWCC requirement.
- The Third Party Administrator (TPA) annually charges the City a flat fee of \$250,000 plus 18% of the savings identified. The Bureau Chief did not access the data for the savings identified by the TPA and did not verify the savings identified. Therefore, informed approval of these payments is not possible. In this case, excessive charges by TPA cannot be identified.
- The City's policy requires an annual audit of TPA services by an independent vendor competent in claims review. The City has not complied with this policy since 2010.
- Currently, City of Richmond employees not capable of performing their regular duties due to injury sustained at the workplace may return to their departments to perform other duties that do not conflict with their injuries. If the department does not have such opportunity available, the employee cannot return to work and remains on paid leave. This circumstance results in loss of productivity. Currently, The City's Human Resources Department is considering a citywide return-to-work policy proposed by the Bureau Chief.
- The existing citywide safety policies and procedures were compiled in 2005 and have not been updated. Typically, in a regulatory environment, policies and procedures must be updated frequently to inform employees of compliance requirements. The Bureau is currently working on updating the policies and procedures.
- The auditor found that the City Safety Officer in the Bureau did not conduct inspections of several City facilities, such as community centers and libraries. Not performing safety

inspections may expose citizens and employees at the facilities to hazardous conditions that may not be detected and mitigated. The Fire Department has begun Fire facilities safety inspections after the audit period. Also, the Public Works Department needs to follow-up on deficiencies identified in their facilities safety inspections.

- Numerous City employees operate City vehicles as required by their duties. Operating vehicles can be hazardous to the employees and the public if the operator does not have a good driving record. The risks related to this situation may span from endangering lives to inflicting property damage. The City's Fleet Policy requires that the agency-heads are responsible for establishing internal procedures to assure that vehicle operators possess a valid operator's license, a City vehicle operator permit, and acceptable driving record.
- Many City departments, including those that are supported by the City's Occupational Safety and Health Officer, only conduct drivers' license checks upon request. Some departments perform drivers' license verification to determine validity. The Bureau and none of the other departments, with exception of the Fire Department, consistently review the employee records for driving violation such as DUI or reckless driving.

The City Auditor's Office appreciates the cooperation of the City departments' staff. Please contact me for questions and comments on this report.

Sincerely,

*Umesh Dalal*

Umesh Dalal, CPA, CIA, CIG  
City Auditor

cc: Mr. Byron C. Marshall, CAO  
The Richmond City Audit Committee  
Keith Barron, Bureau Chief

<b>#</b>	<b><i>COMPREHENSIVE LIST OF RECOMMENDATIONS</i></b>	<b><i>PAGE</i></b>
1	Ensure compliance with Administrative Regulation 5.1 and VWCC regulations by requiring: a. Departments to provide ongoing training to their supervisors and employees related to the regulatory and policy requirements. b. Emphasis through training for supervisors and employees for timely reporting.	10
2	Require the Bureau to verify the appropriateness of the TPA charges.	12
3	Require the Bureau to comply with the City policy to conduct the annual claims audit to verify: a. The adequacy of reserves and the quality of claims handling in general and the adequacy of established procedures. b. Compliance with established procedures, the internal quality of management of the claims process, the quality of investigations, and cost effectiveness of claims settlements.	12
4	Enhance the contents of the current annual report and distribute it to the City’s executive management team.	16
5	Allocate appropriate resources to conduct the annual claims audit.	17
6	Implement a citywide return to work policy.	18
7	Finalized a more comprehensive policy and procedures manual that includes best practices.	19
8	Update the Risk Management intranet webpage to enable easy access to all risk management related materials.	19
9	Establish proper risk and safety performance measures for the Bureau and the departments of Public Works and Police.	21
10	Report departmental performance measures to the Bureau for reporting to executive management and publishing on their webpage.	21
11	Post the TPA quarterly reports on the Bureau’s webpage.	22
12	Require the City Safety Officer to complete safety inspections of all City facilities that are currently occupied and supported by the Bureau at least annually.	24
13	Require the Fire Department to conduct safety inspections of all Fire facilities.	24
14	Mandate mitigation of deficiencies found in the safety inspections.	24

<b>#</b>	<b><i>COMPREHENSIVE LIST OF RECOMMENDATIONS (CONT'D)</i></b>	<b><i>PAGE</i></b>
15	Formalize procedures to conduct safety inspections in the facilities heavily used by the public.	24
16	Require the Bureau to provide support to the Sheriff's Office for safety and risk management matters.	25
17	Require all City Departments to verify that drivers' licenses of all the employees required to drive City vehicles are valid and current, as required by the Bureau of Fleet Services Citywide Policies and Procedures manual.	27
18	Require all City departments to verify City employees' driving records to identify driving violations.	28
19	Establish a Citywide Accident Review Committee for the departments supported by the Bureau.	28
20	Consider civilianizing the 40 hour-a-week Lieutenant and Fire Captain positions in the EMS/Safety Unit.	29

***Introduction***

The City Auditor's Office has completed a performance audit of the Richmond Department of Finance Bureau of Risk Management and Citywide Risk Management Activities for Fiscal Year 2012.

The auditors conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that the auditors plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for their findings and conclusions based on the audit objectives. The auditors believe the evidence obtained provides a reasonable basis for their findings and conclusions based on the audit objectives.

***Audit Objectives***

Overall objectives of the audit were to:

- Evaluate the efficiency and effectiveness of operations
- Verify compliance with policies, procedures, City Code, and other applicable laws and regulations
- Determine the existence and adequacy of internal controls

***Significance of the Audit***

The City's Risk Management function establishes and administers processes that:

- Protect the City from financial losses due to accidental destruction of City assets, workers' compensation and general liability claims, and vehicle accidents
- Establish proper procedures to ensure the safety of City employees through workplace safety programs
- Administer the workers' compensation program to manage employee injury claims and ensure proper medical treatment of the employees



***The Risk Management program provides protection against financial losses, and ensures employee safety and regulatory compliance***

- Administer claims against the City for property damage
- Process certificate of insurance requests

The perceived benefits of a successful risk management program include:

- Potentially reduced insurance and liability costs
- Better workplace safety environment
- Improved regulatory compliance
- Improved employee performance
- Reduced costs from injuries and illnesses

The auditor's analysis focused on workers' compensation issues where the highest dollar risk of loss exists. General liability and automobile accident claims are addressed through observations related to safety procedures.

### ***Methodology***

To complete this audit, the auditor performed the following procedures:

- Interviewed risk management and safety staff and management
- Interviewed third party administrator
- Reviewed risk and safety audits and best practices of local governments
- Performed a risk analysis associated with each of the controls
- Conducted quantitative and qualitative analyses of available data for on-the-job injuries and claims costs incurred Citywide and by departments with the highest number of claims
- Conducted a comparative analysis of the risk and safety functions in Richmond and Virginia Beach
- Surveyed other localities, however, only received full responses from Virginia Beach

- Reviewed and evaluated policies and procedures
- Performed inquiry, inspection and observation procedures
- Performed other audit procedures as deemed necessary

***Background***

The Risk Management Bureau (Bureau), Department Safety Specialists, and a Third Party Administrator (TPA) are mainly responsible for handling workers' compensation, general liability, and vehicle accident claims. The City Attorney's Office and the City's senior management are also involved in settling claims. There are numerous State, Federal, and Local legal requirements that determine how claims are managed and settled. There are also City codes, administrative regulations, and policies and procedures that guide both the risk and safety functions of the Bureau and City departments.

The City of Richmond (COR) is self-insured for workers' compensation. For workers' compensation, the City assumes the first \$1.25 million of any accident and pays claims directly from General Fund appropriations for various City agencies.

The City has a centralized Bureau within the Finance Department and Safety Specialists in the departments of Public Utilities, Public Works, Fire, and Police. The Bureau Chief reports to the Finance Director and supervises one City Occupational Safety and Health Officer.

*Staffing*

The staffing in the Bureau has steadily declined since FY10.

FY10	FY11	FY12
4.00	3.00	2.00

*Source: City of Richmond, Virginia Biennial Budget Fiscal Plans*

*Note: Over the years, the Bureau lost a Risk Management Specialist and a Project Management Analyst position.*

Much of the Bureau’s \$13 million budget for FY12 was funded based on actuarial estimates of payments and reserves for the past and future claims for workers’ compensation, general liability, and vehicle accidents. The budget has been consistent over the past three years as depicted in the following table:

FY10	FY11	FY12
\$13,446,854	\$13,973,334	\$13,141,339

*Source: City of Richmond, Virginia Biennial Budget Fiscal Plans*

***Risk Management costs primarily consist of claims and insurance expenditures***

The FY12 budgeted costs are largely driven by contractual obligations as follows:

Workers’ Compensation Claims	\$7,008,187
Auto Claims	\$375,644
General Liability Claims	\$458,924
Public Liability Auto Insurance	\$511,104
Faithful Performance Bond	\$23,076
Public Liability Insurance	\$2,775,825
Fire and Ext. Coverage Insurance	\$914,177

*Source: Bureau of Risk Management*

**Claims Costs Incurred**

*Workers' compensation claims represent a significant liability for the City*

The City had a workers' compensation, general, and vehicle accident claims liability of \$37.7 million as of June 30, 2012. The City has a reserve of approximately \$3 million to cover this liability.

The following table presents open claims and the cumulative total incurred costs (paid out and reserved) during the life of those claims:

Type	FY10		FY11		FY12	
	Open Claims	Total Incurred Costs	Open Claims	Total Incurred Costs	Open Claims	Total Incurred Costs
Workers' Compensation	369	\$58,908,856	361	\$59,178,921	354	\$61,701,284
Automobile	149	\$1,833,223	164	\$1,837,698	137	\$850,007
General liability	141	\$1,493,970	125	\$768,665	145	\$1,002,582

Source: TPA

The actual incurred (paid and reserved) costs for new claims in FY10-FY12 are shown below:

Type	FY10		FY11		FY12	
	New Claims	Total incurred	New Claims	Total incurred	New Claims	Total incurred
Workers' Compensation	553	\$2,993,450	614	2,314,542	567	\$3,174,915
Automobile	237	\$378,813	251	269,739	271	\$265,972
General liability	371	\$349,125	355	735,770	326	\$334,342

Source: The Bureau

To pay both open and new claims, the City budgeted about \$7.8 million in FY12.

***Citywide Risk  
Management***

The Bureau is responsible for numerous activities, including managing citywide workers' compensation, general liability, and automobile accident claims. The Bureau is also responsible for safety inspections in the departments other than departments of Fire, Police, Public Works, and Public Utility. Each of these four departments has Safety Specialists that conduct safety inspections.

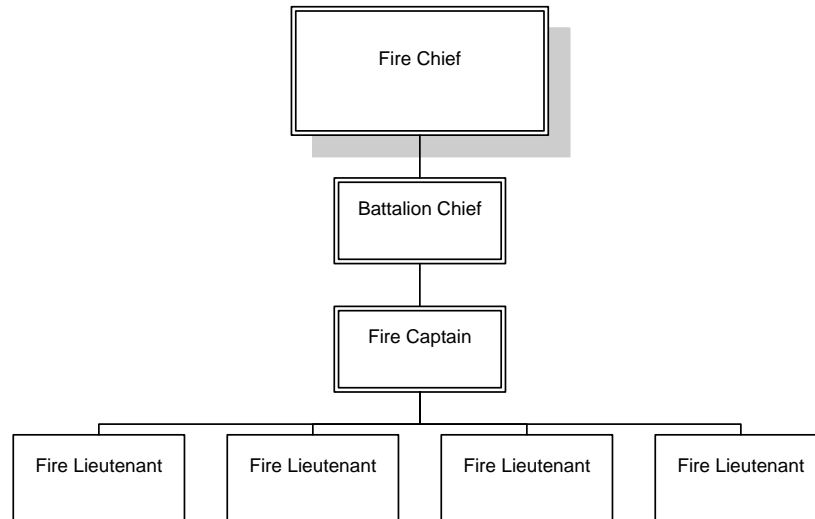
The City policy related to Risk Management states, "The Bureau of Risk Management is responsible for directing and coordinating all functions relative to the Risk Management Program. The Bureau Chief will work with agency heads and other managers and employees to identify and respond to issues concerning the program, and to provide training and education on safety and risk reduction."

This policy provides the Bureau Chief the ability to work with the agency heads to promote a safe work environment.

The safety function in the four other departments is organized as follows:

**Fire Department**

In the Fire Department, the safety function is staffed by six employees in its Emergency Medical Service (EMS)/Safety Unit managed by a Battalion Chief that reports to the Fire Chief as follows:



*Note: Some of the above positions were vacant for a period of time.*

Three of the Lieutenants are assigned to a revolving shift schedule (24 hour coverage over a three shift schedule). These Lieutenants are responsible for responding to working incidents, such as active fires or serious auto accidents. They provide on-scene support and safety supervision during any incident. They are responsible for the initial investigation of all accidents or injuries and providing the first notification of injuries to the TPA. One hundred percent of their time is dedicated to risk/safety related activities.

The Department encourages its staff to report all accidents and injuries. They conduct detailed reviews of serious accidents and injuries. The Department has created a database that includes workers' compensation claim information. Due to management involvement and other factors, the Department has very few indemnity claims.

**Department of Public Works:**

The Department of Public Works Safety Specialist reports to the Administrative Services Manager who reports to the Public Works Director.

**Police Department:**

The Police Department Safety Specialist reports to a Lieutenant over Personnel. This position is a civilian position and is at least four command levels below the Police Chief. The Police Safety Specialist may not be in a position to influence safety procedures enforcement.

**Department of Public Utilities:**

The Department of Public Utilities has three staff working in a Safety and Technical Training Unit that consists of a Manager who is a Project Management Analyst and two Safety Specialists.

## **Observations and Recommendations**

### ***Accident Reports***

***Virginia Workers' Compensation Commission could assess significant penalties for untimely reporting***

The City's Administrative Regulation number 5.1 requires that any injuries that cannot be addressed by first aid procedures must be reported to the department's Safety Specialist or the City's Safety Officer within 24 hours of the injury. Within ten days of the employer's knowledge of such injury or death, the City or TPA must file a report of the injury or death with the Virginia Workers' Compensation Commission (VWCC). VWCC may assess a penalty of \$500 for each failure to file accident reports in a timely manner. If the failure is willful, the penalty could be as much as \$5,000 per occurrence.

As the table below indicates, 138 (30%) of all workers' compensation claims (during the period from August 12, 2012 through May 31, 2013) were submitted by supervisors to the TPA beyond the ten day VWCC requirement:

*The department supervisors reported 30% of all claims in an untimely manner*

Department	Time Lag <= 10 Days	Time Lag > 10 Days	Extent of noncompliance (Days)
City Council	1		
Public Libraries	3		
Planning and Development Review	2	1	16
Council Chief of Staff		1	66
City Attorney		2	22 & 99
Human Resources	1		
Judiciary		2	24 & 124
DCAO Human Services		1	21
Justice Services	2	3	11 to 15
Sheriff	18	27	12 to 122
Information Technology	4		
Finance	4	1	104
Social Services	15	3	11 to 23
Public Works	38	13	13 to 238
Recreation and Parks	19	10	11 to 229
Police	77	58	11 to 191
Fire	56	13	11 to 288
Procurement	1		
Animal Control	5	1	11
Public Utilities	30	2	13 & 496
<b>Total</b>	<b>276</b>	<b>138</b>	

Source: TPA

Note: The above testing included a time period beyond the audit scope due to the unavailability of data during the audit scope.



The following table presents the average reporting lag time for the City's departments for three fiscal years:

<b>Department</b>	<b>FY 10</b>	<b>FY 11</b>	<b>FY 12</b>
<b>Sheriff</b>	NA	46	71
<b>Public Works</b>	9	21	25
<b>Parks, Recreation, and Community Facilities</b>	NA	7	8
<b>Utilities</b>	5	14	8
<b>Police</b>	7	11	11
<b>Fire &amp; Emergency Services</b>	14	6	3

*Source: TPA FY10-FY12 fourth quarterly Program Status Report*

Based on the above data, the Department of Public Works and the Sheriff's Office need to improve compliance with VWCC's requirement for properly submitting the first report of injury. Although, the City has not been subjected to the fines specified in the statute, the potential exists that the City may have to pay them. In addition, any evidence of disciplinary actions against the egregious violators of the City's accident reporting policy was not available to the auditor.

**Recommendation:**

1. Ensure compliance with Administrative Regulation 5.1 and VWCC regulations by requiring:
  - a. Departments to provide ongoing training to their supervisors and employees related to the regulatory and policy requirements.

- b. Emphasis through training for supervisors and employees for timely reporting.

***Third Party  
Administrator***

In accordance with their contractual obligations, the TPA provides the following reports to the Bureau, City departments, and the Retirement Office:

- Retirees monthly report, which is provided to the Richmond Retirement System
- Monthly claims report, which is provided to the Fire and Utilities Departments
- Quarterly stewardship report
- Quarterly Voucher report
- Check register (transaction report) weekly

***During the audit, the Bureau began to verify the TPA charges for accuracy and appropriateness***

The Bureau Chief asserted that he reviews the quarterly reports and the weekly check register report. The current TPA will annually charge the City a flat fee of \$250,000 plus 18% of the savings identified from their review of medical bills. The auditor learned that the Bureau did not access the data that shows the savings identified by the TPA for each claim. Without verification of the actual savings, it is not possible for the Bureau Chief to approve these payments appropriately.

***The Bureau has not conducted claims audit as required since 2010***

The Finance Department's policy requires that an audit of the TPA claims be conducted annually by an outside claims specialist. The auditor found that the Bureau is not in compliance with this policy since the last audit was conducted in February 2010.

**Recommendations:**

2. Require the Bureau to verify the appropriateness of the TPA charges.
3. Require the Bureau to comply with the City policy to conduct the annual claims audit to verify:
  - a. The adequacy of reserves and the quality of claims handling in general and the adequacy of established procedures.
  - b. Compliance with established procedures, the internal quality of management of the claims process, the quality of investigations, and cost effectiveness of claims settlements.

***Effectiveness  
of Risk  
Management***

The auditor surveyed five cities related to their risk management processes. During this survey, the auditor found that the City of Virginia Beach is managing this function very effectively. In addition, the auditor could get comprehensive quantitative data only from Virginia Beach. The auditor calculated the cost of risk for the COR and compared it to the cost of risk with Virginia Beach. Total cost of risk is a common indicator used by many local governments to measure the efficiency of the risk management function. The comparison of the total cost of risk for the past three years is presented in the following table:

*Richmond has a higher cost of risk than Virginia Beach, though the underlying risk factors differ between cities*

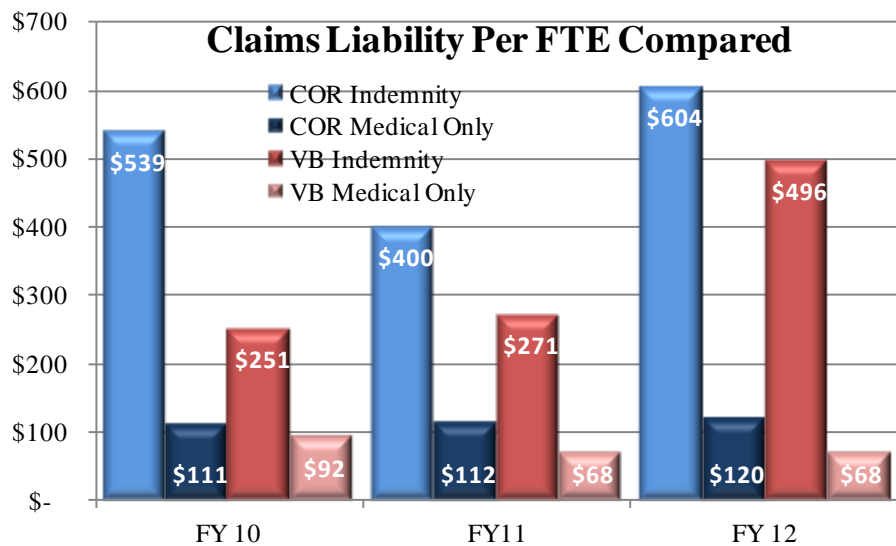
Year	COR Risk Management Expenditure per FTE	Va. Beach Risk Management Expenditure per FTE	COR Risk Management Expenditure per 1,000 Population	Va. Beach Risk Management Expenditure per 1,000 Population
2010	\$3,051	\$1,452	\$82,306	\$22,541
2011	\$3,362	\$1,480	\$73,840	\$22,499
2012	\$3,656	\$1,675	\$63,609	\$25,946

Sources: City of Richmond Risk Management, Virginia Beach and U.S. Census Bureau and COR CAFR

As depicted in the above table, Richmond’s cost of risk is significantly higher than that of Virginia Beach.

**Workers’ Compensation Claims**

The following graph depicts a comparison of workers’ compensation claims incurred per full time employee equivalent (FTE) over a three year period by both jurisdictions:



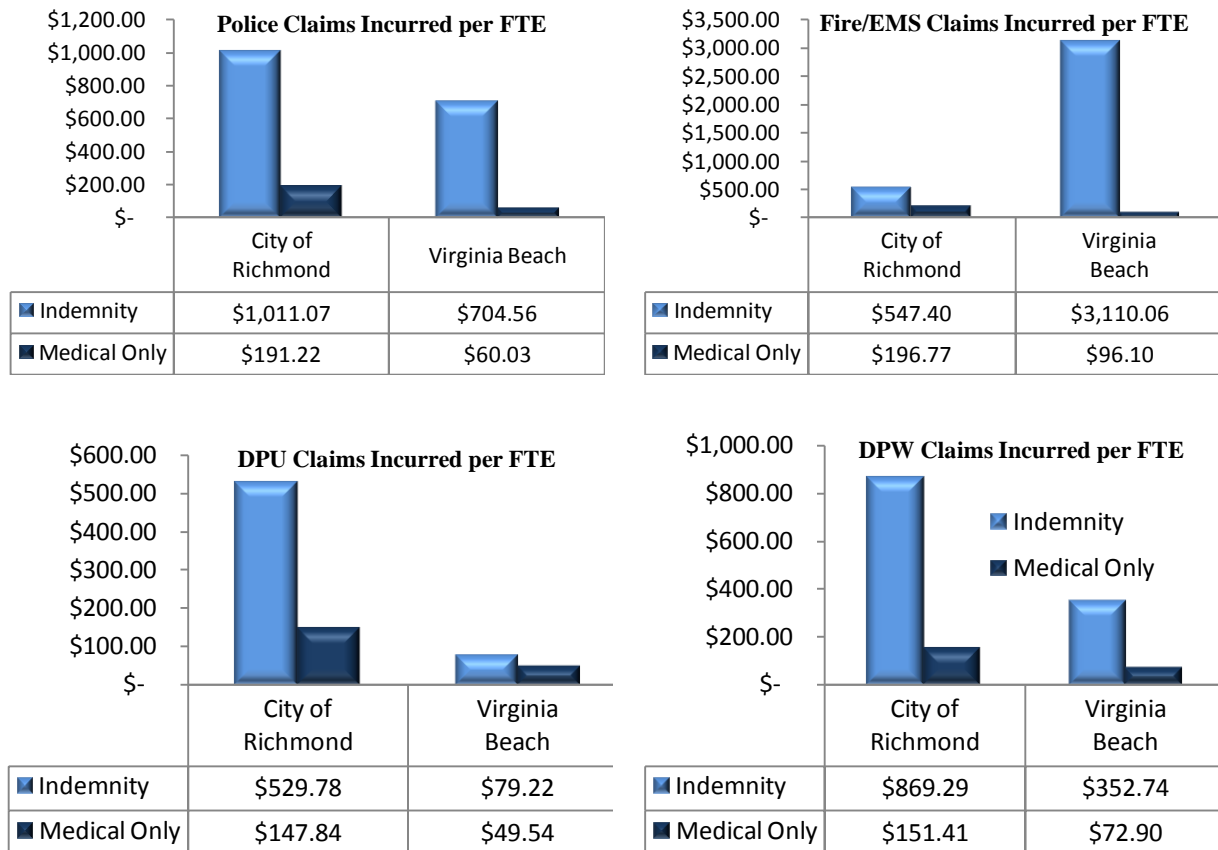
Source: The Bureau, Virginia Beach, and CAFR

Note: Indemnity claims are associated with injuries accompanied by lost time, exceeding seven days.

To reduce the workers' compensation costs, Richmond needs to either:

1. reduce the number of claims through better safety management and/or
2. manage claims more effectively

The workers' compensations data for the four major departments for FY12 and their comparison with Virginia Beach's experience are depicted in the following graphs:



Source: The Bureau, Virginia Beach, CAFR, and TPA

## **What can Richmond learn from Virginia Beach's success?**

### ***Comprehensive Reporting***

The report produced by the Bureau is limited in comparison to the Virginia Beach's report. The Virginia Beach report:

- Points out negative trends in highlighted text. The text points out what needs to be done to reverse a negative trend.
- Places Virginia Beach's Risk Management results in context with the current risk management trend nationwide.
- Explains charted results to the reader.
- Discusses Enterprise Risk Management that combines both operational and financial risks.
- Provides data regarding denied claims and hours and cost of lost time.

### ***Input from the City's Executive Management***

One of the key elements for Virginia Beach's success is a two-way communication from the City's executive management. At Virginia Beach, the Risk Management Division prepares a detailed annual report, which is forwarded to the City Manager. Feedback received from the City Manager is used to address citywide and each department's performance.

***Management input is critical for Risk Management's effectiveness***

Currently, in the COR an annual Risk Management report is developed, but its distribution is limited to the Finance Director. Therefore, the executive management does not have complete information related to risk management activities. In Virginia Beach, each Assistant City Manager is responsible for holding the departments assigned to them accountable for safety and worker compensation issues. In FY12, Virginia Beach management emphasized availability of pertinent data

in a timely manner for better management in accordance with the revised comprehensive citywide reporting policy. The potential for catastrophic risks can be mitigated with proper and timely policy decisions. A model developed for the City of Austin and the City of Miami Beach shows that support of top management is critical to the success of risk management and safety functions.

**Recommendations:**

4. Enhance the contents of the current annual report and distribute it to the City's executive management team.

***Workers'  
Compensation  
Claims Review***

***The Bureau must  
review workers'  
compensation  
claims in order to  
manage costs***

Virginia Beach uses the same TPA as the COR. Unlike the COR, Virginia Beach has negotiated with the TPA to assign one of their full time employees to be located at the City to work on workers' compensation claims. In addition, the City hired a Workers' Compensation Adjuster position dedicated for claims review. These two individuals conduct detailed claims reviews and assist in keeping the costs to a minimum. The adjuster reviews all reports of occupational injuries and illnesses for accuracy and completeness; requests necessary investigative reports and interviews city employees to obtain information required to determine the City's liability under the Workers' Compensation Act. This individual also audits all medical and prescription bills for accuracy and appropriateness and authorizes all benefit payments. The adjuster questions the claims and meets with the City departments to identify trends in the types of injuries and individuals who are continually filing worker compensation claims.

**Recommendations:**

5. Allocate appropriate resources to conduct the annual claims audit.

***Benchmarking***

Unlike the COR, Virginia Beach has made an effort to compare its Risk Management program performance with other cities. The Virginia Beach Bureau's annual financial report uses data from professional associations and a benchmarking study conducted by its former TPA. The benchmarked cities included Richmond, Norfolk, Danville and Charlottesville.

***Return to  
Work Policy***

***The City needs to  
adopt the proposed  
citywide policy  
that encourages  
early return to  
work***

Unlike the COR, Virginia Beach has an active Return-To-Work Program with a full time registered nurse assigned as a coordinator. The City provides training for supervisors on how to proactively respond to injuries and/or illnesses. The nurse and the adjuster play integral roles in the Program. The nurse communicates with the treating physician and provides them with all of the information necessary to return the employee back to work. Both the nurse and the adjuster maintain continuous communication between the injured member, the physician, and the supervisor. The nurse also assists in finding transitional employment that is appropriate for the member's abilities. The Virginia Beach Program has been successful in assisting departments in finding reasonable accommodations for employees with permanent impairments from on-the-job injuries, as well as finding permanent alternate jobs for those individuals who were unable to continue in their original position. The Program also places employees with temporary restrictions in alternate locations within the City when their department is unable to provide light duty.



Currently, COR employees not capable of performing their regular duties due to injury sustained while performing their duties may return to work in their departments to perform other duties that do not present a conflict with their injuries. If the department does not have such opportunity available, the employee cannot return to work and remains on paid leave. This circumstance impacts productivity and the City does not receive value for the costs incurred. The Bureau Chief has proposed and the City's Human Resources Department is considering a citywide return-to-work policy. The proposed policy would allow injured employees to return to work for an alternative assignment in any City department where such opportunities are available. This development would enhance the City employee's productivity.

**Recommendation:**

6. Implement a citywide return to work policy.

**What other improvements are necessary?**

***Policies and Procedures***

***The Bureau is in the process of updating the formal, comprehensive policy manual***

The existing citywide safety policies and procedures were compiled in 2005 and have not been updated. Typically, in a regulatory environment, policies and procedures must inform employees of regulatory requirements and inform them about the procedures to be followed to comply with them. The auditor also found the existing safety administration procedures are not complete. According to the Bureau, they are in the process of updating the manual.

The City does not have one central document that pulls together all of the safety and risk related administrative regulations, City Code, Finance policy and procedures, and risk and safety directions and forms. Many of the forms and guidance for the COR's health and safety

program are scattered throughout the City's intranet and internet and it is often difficult for an employee to find the appropriate forms and guidance they need quickly.

The auditor found that the Departments of Police, Fire, Public Works and Public Utilities have adequate safety policies and procedures.

**Recommendations:**

7. Finalize a more comprehensive policy and procedures manual that includes best practices.
8. Update the Risk Management intranet webpage to enable easy access to all risk management related materials.

***Performance Measures***

The Bureau or the departments of Police and Public Works do not have performance measures for the Citywide Risk and Safety programs. Without performance measures, the Bureau's and the departments' program performance cannot be adequately assessed and managed effectively.

A 2002 survey of 52 cities, towns, counties, and other entities by the University of North Carolina identified hundreds of performance measures for liability and occupational health and safety, including workers' compensation. Other risk and safety related performance measures are available from oversight agencies, professional associations, and other local governments.

Data for performance measures should be captured at the department level and aggregated at the citywide risk management level. Each measure should have an associated target. Below is a list of workload, efficiency and effectiveness performance measures that citywide risk

***Without performance measures, the Risk Management function's performance cannot be measured and managed effectively***

management should consider. Other measures in addition to the ones listed below should be developed, which are specific to vehicle accidents and general liability.

- Reduction in the number of indemnity claims
- Reduction of hours lost due to indemnity leave
- Reduction of the average number of employees on light duty
- Decreased lost time hours and cost
- OSHA recordable injuries compared to benchmarks
- Reduction in the number of OSHA violations and violations from other oversight agencies
- Reduction in injuries by cause, type, body part
- Increased percentage of first report of injuries submitted within ten days
- Reduction in employees with repeat injuries
- Reduce employee accidents per (million) hours worked
- Reduce worker compensation costs per \$100 in payroll (by department)

Also measures and targets should be developed for:

- Recoveries (amount)
- Settlements (numbers and amount)
- Number of Workers' Compensation claims processed
- Number of employees with multiple workers' compensation claims in one year
- Average cost per claim
- Cost containment by the TPA

In addition to the measures suggested above, safety related measures can also be developed for specific City functions. For example, common fire department performance measures include:

- Number of fire fighter fatalities or injuries per 1,000 population
- Number of emergency run accidents
- Number of fire vehicle accidents
- Injuries from lifting

Common police department safety related performance measures include:

- Police vehicle accidents
- Emergency run accidents
- Number of injuries from police vehicle accidents
- Stress related claims
- Heart/lung claims

The TPA quarterly report includes statistics for the citywide and department specific Risk Management function. This report is not available to all interested users of this data. Making this information available on the Bureau's webpage would allow access to the users of this information.

**Recommendations:**

9. Establish proper risk and safety performance measures for the Bureau and the departments of Public Works and Police.
10. Report departmental performance measures to the Bureau for reporting to executive management and publishing on their webpage.

11. Post the TPA quarterly reports on the Bureau's webpage.

***Facilities  
Safety  
Inspections***

The Occupational Safety and Health Act (OSHA) requires that all employers furnish a safe workplace, free of recognized hazards, to their employees. OSHA delegates the authority for workplace safety to the State of Virginia Occupational Safety and Health Administration (VOSH). The City's Safety Administration procedures state that inspections of facilities and emergency equipment must be conducted annually. These inspections help the City to mitigate hazardous conditions observed.

The Bureau has only two employees, the Bureau Chief and a Safety Officer, who reports to the Chief. The Bureau Chief works closely with the Safety Officer to schedule daily activities. Although the Bureau Chief receives inspection reports, he does not receive any formal summary reports of work accomplishments from the Safety Officer.

***The City needs to mandate conducting inspections in community centers and libraries***

The safety administration procedures include a model safety audit checklist for monthly inspections. The City Safety Officer is solely responsible for conducting inspections of City facilities that are not inspected by the Department Safety Specialists. These facilities house City employees and some facilities are utilized by the public.

During the audit, the Bureau was not conducting safety inspections in community centers and libraries, which are highly visited by the public. Currently, the Bureau has implemented a procedure to conduct these inspections. Ongoing written communication regarding planned and accomplished activities is a key component in holding the Safety

Officer accountable for accomplishing high value activities, which contribute to the safety of employees and the public.

The auditor noted that supervision of the Safety Specialists in the four departments not assisted by the Bureau was adequate. However, the reporting relationship between the Safety Specialists and their respective departments varied by department.

The following discusses safety inspections in the four departments not assisted by the Bureau:

**Fire Department:**

During the audit period, quarterly facility inspections were not being conducted. The inspections are only done following an incident of significance, pre-construction, or upon request by the Company Officer. A recent study conducted by a consultant of the Richmond Fire and Emergency Services Department found safety violations at various fire stations and other Fire Department facilities, recognizing the current inspection approach as limited. The Battalion Chief in charge of the safety function recognized the shortcoming of their program and stated that quarterly safety inspections will be one of the Department's strategic initiatives in FY14.

**Department of Public Works:**

The DPW Safety Specialist noted in his annual inspection checklist prepared in January 2012 that the Fleet Buildings North and South had numerous deficiencies including:

- Accumulation of old equipment, stores, rubbish, chemicals, etc.
- Suitable Personal Protective Equipment (PPE) neither available nor used correctly

- All grinders were not properly adjusted and did not have proper guards

A safety inspection conducted at the Grounds Maintenance Division in December 2012, found that a heater fan in the sheet metal shop needed guards and that the grinder in the electrical shop needed safety shields. As of March 2013, the DPW Safety Specialist had not verified the mitigation of these issues.

**Departments of Police and Public Utilities:**

In the departments of Police and Public Utilities, the safety inspections were conducted as required. The auditor did not observe any issues with these inspections.

**Recommendations:**

12. Require the City Safety Officer to complete safety inspections of all City facilities that are currently occupied and supported by the Bureau at least annually.
13. Require the Fire Department to conduct safety inspections of all Fire facilities.
14. Mandate mitigation of deficiencies found in the safety inspections.
15. Formalize procedures to conduct safety inspections in the facilities heavily used by the public.

***Sheriff's Office  
Claims***

The auditor noticed that the City's Safety Officer does not provide safety and risk services to the Sheriff's Office, who does not have a Safety Specialists position. The City pays for the workers' compensation and auto accident claims incurred by the Sheriff's Office. Therefore, oversight by the Bureau would help in managing the risk of injuries and accidents.

**Recommendation:**

16. Require the Bureau to provide support to the Sheriff's Office for safety and risk management matters.

***Verification of  
Driver's  
Licenses and  
Driving  
Violations***

Numerous City employees operate City vehicles as required by their duties. Operating vehicles can be hazardous to the employees and the public if the operator does not have a good driving record. The risks span from endangering lives to inflicting property damage.

***Currently, the  
City's Fleet  
Services Division  
mandates  
possession of a  
valid driver's  
license prior to  
operating a City  
vehicle***

Fleet Management policies specify that all City agencies with long-term vehicle assignments should use the automated voluntary driving record program offered free to public organizations through the Department of Motor Vehicles (DMV). This service monitors employees driving records and identifies individuals who have driving infractions, such as DUI or reckless driving. This service also provides information if the employee's driving privileges have been suspended, revoked, or disqualified. The City's Fleet Policy requires that the agency head establish internal procedures to assure that vehicle operators possess a valid operator's license, a City vehicle operator permit, and an acceptable driving record.



Except for the Fire Department, the auditor found inconsistencies in compliance with these procedures.

#### **Fire Department**

*Verifying the validity of driver's licenses and clean driving records helps to ensure a safer operation of City vehicles*

The Fire Department consistently reviews the DMV database monthly to verify the validity of their employees' driver's licenses. They also monitor any driving violations noted in the DMV databases. The monthly DMV results are audited by the Battalion Chief in the EMS/Safety Unit. A firefighter cannot drive a City vehicle if he/she has eight or more demerit points on their license. The Department has detailed policies and procedures that describe the responsibilities for individuals in the department regarding driving a City vehicle.

According to these policies, failure to maintain a valid State of Virginia driver's license will result in disciplinary action. Failure to promptly report the expiration, revocation or suspension of a Drivers License, any citation, arrest, or conviction while operating a motor vehicle will result in disciplinary action.

#### **Police Department**

All sworn supervisors complete a Driver's License and DMV record check inspection report annually for all employees under their command. These reviews do not include checking for traffic violations. The results of the record check are kept at each precinct.

#### **Department of Public Works**

The Department's Safety Specialist checks the DMV database monthly for all of the Divisions to verify the validity of the employees' driver's licenses. This review does not include identification of driving violations. The Safety Specialist identifies those employees with

suspended licenses and informs the supervisors. It is up to the supervisor to take action. The Department's directives require an employee to notify his/her immediate supervisor of a lost, suspended, or revoked license. This directive requires the employee to self report information to their superior that may be detrimental to the employee. This fact may deter employees from honestly reporting this information.

#### **Department of Public Utilities**

The Department Safety Specialist does not check the DMV database periodically for all DPU employees. These checks are performed if a supervisor desires to conduct a review of the validity of the driver's licenses possessed by their employees. The Department's Customer Service Division asks the Safety Specialist to conduct a DMV check every six months. DMV license checks are completed after all vehicle accidents. The Department's directives require an employee to notify his/her immediate supervisor of a lost, suspended, or revoked license.

#### **Other City Departments**

The City Safety Officer indicated that he reviews the validity of the driver's licenses for employees of the Departments of Justice Services, Social Services, Parks Recreation and Facilities Management, only upon request. The City Safety Officer does not review other driving related violations during his examination of driver's license records.

#### **Recommendations:**

17. Require all City departments to verify that driver's licenses of all the employees required to drive City vehicles are valid and

current, as required by the Bureau of Fleet Services Citywide Policies and Procedures manual.

18. Require all City departments to verify City employees' driving records to identify driving violations.

***Citywide  
Accident  
Review  
Committee***

***An accident  
Review Committee  
objectively  
evaluates vehicle  
and machinery  
accidents***

The auditor found that there is considerable variability regarding how City departments investigate accidents and injuries. The Departments of Police, Fire, Public Works, and Public Utilities have some form of accident review committee that mainly focuses on the evaluation of vehicle and machinery accidents. These committees determine the cause of accidents and recommend improvements to mitigate the potential for future accidents. In addition, these committees recommend disciplinary actions for violation of vehicle and machinery safety procedures.

This type of committee does not exist for the remaining City departments. This type of committee could make a positive impact on the occurrence of accidents by objectively reviewing accidents and making recommendations to avoid future accidents through the correction of hazardous conditions, unsafe practices, and improvement of operating procedures. The Bureau Chief has drafted a citywide Accident Review Committee Policy. However it has not been approved.

**Recommendation:**

19. Establish a Citywide Accident Review Committee for the departments supported by the Bureau.

### **Cost Saving Opportunities**

***Sworn  
positions  
assigned to  
civilian duties***

The Fire Department has a 40 hour-a-week Captain, who handles most of the supervisory administrative functions directly related to the risk/safety responsibilities. In addition, the Fire Department has a 40-hour-a-week Lieutenant dedicated to administrative functions pertaining to risk/safety, such as file management, and coordination of essential functions of the Unit. This individual is responsible for managing the RoadSafe and VisionSafe programs, which have not been completely implemented in the Fire Department. During an interview, the Battalion Chief supervising the Unit indicated that 40% of her time is spent on reviewing claims, employee safety activities, preparing the Unit's budget, etc.

***Employing a  
sworn position for  
civilian duties is  
more costly for the  
City***

Recently, the Fire Department hired a consultant to review their operations. The consultant recommended realigning of the Unit in the Operations Division as a section in the Training Unit. They also recommended that the function currently performed by the Unit related to health and wellness be assigned to the Support Services Division.

It may be in the best interest of the City to civilianize the 40 hour-a-week Lieutenant and the Fire Captain, performing administrative duties. This action will result in cost savings for the City.

### **Recommendation:**

20. Consider civilianizing the 40 hour-a-week Lieutenant and Fire Captain positions in the EMS/Safety Unit.

**MANAGEMENT RESPONSE FORM**  
**Risk Management Operational Analysis 2014-01**

#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
1	<p>Ensure compliance with Administrative Regulation 5.1 and VWCC regulations by requiring:</p> <p>a. Departments to provide ongoing training to their supervisors and employees related to the regulatory and policy requirements.</p> <p>b. Emphasis through training for supervisors and employees for timely reporting.</p>	Y	<p><i>Training was provided on a quarterly basis prior to Aug 2010. Training has been reinstated as of 5/29/13 for the Workers' Compensation (AR 5.1). Emphasis will be placed on timely reporting in training for supervisors and employees throughout the City. Risk Management (RM) will be reviewing lag time results and reporting back to the appointing authorities on a monthly basis. If results do not improve, the matter will be reviewed for an alternate course of action.</i></p>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Chief of Risk Management		May 2013
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		RM has already given its first class to supervisors on 5/29. The training will be offered to departments on a more frequent basis.
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
2	<p>Require the Bureau to verify the appropriateness of the TPA charges.</p>	Y	<p><i>The claims and savings data analysis and report review will be documented and filed. The TPA is providing monthly reports on the Cost Containment results for review.</i></p>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Chief of Risk Management		July 2013
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		Reports have been requested.
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
3	<p>Require the Bureau to comply with the City policy to conduct the annual claims audit to verify:</p> <p>a. The adequacy of reserves and the quality of claims handling in general and the adequacy of established procedures.</p> <p>b. Compliance with established procedures, the internal quality of management of the claims process, the quality of investigations and cost effectiveness of claims settlements.</p>	Y	<p><i>RM will work with Procurement to get an annual audit of TPA Claims Services. The audit conducted in 2010 cost \$8,000. Future audits are estimated to cost up to \$20,000, because the scope will be expanded to meet all the requirements in the policy and procedure.</i></p>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Chief of Risk Management		Nov 2013
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		RFP request submitted to Procurement by e-mail on 6/26/13 and again on 7/2/13 with the proper forms.

**MANAGEMENT RESPONSE FORM**  
**Risk Management Operational Analysis 2014-01**

#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
4	Enhance the contents of the current annual report and distribute it to the City's executive management team.	Y	<i>RM currently produces an Annual Report and provides it to Finance Management. It contained the Safety Contacts, RM accomplishments, RM expenses for past 3 years, cost of risk, Schedules of Insurance for current and prior 3 years, and 3 year comparisons of the lines of coverage for workers' compensation, auto, and general liability costs by department showing paid, reserves and total incurred. Notes discussed limited observations of higher cost departments and the problem with lag times. The six large departments have been given two copies of the quarterly reports, one for them and one to be shared with their management. We will add Claim Type, Body Part, Injury Cause, and Injury Nature details for the six large departments.</i>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Chief of Risk Management		Nov 2013
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		NA
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
5	Allocate appropriate resources to conduct the annual claims audit.	Y	<i>RM will need to budget \$20,000 annually for each Claims Audit.</i>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Chief of Risk Management		Oct 2013
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		NA
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
6	Implement a citywide return to work policy.	Y	<i>We follow a process that has been in place for many years. A policy has been drafted, reviewed, and submitted for approval and implementation.</i>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Chief of Risk Management		Sep 2013
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		NA
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
7	Finalize a more comprehensive policy and procedures manual that includes best practices.	Y	<i>The Safety &amp; Health Manual was developed in 2005. This manual will be updated to include references to best practices. Also, any existing forms/policies included in Finance and Administrative Regulations will be referenced in the manual.</i>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Chief of Risk Management		Dec 2013
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		NA

**MANAGEMENT RESPONSE FORM**  
**Risk Management Operational Analysis 2014-01**

#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
8	Update the Risk Management intranet webpage to enable easy access to all risk management related materials.	Y	<i>The Bureau will work with DIT to update the intranet page to make all RM related material accessible by links to the documents.</i>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Chief of Risk Management		NA
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		NA
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
9	Establish proper risk and safety performance measures for the Bureau and the departments of Public Works and Police.	Y	<p><b><i>Risk Management :</i></b> <i>RM will propose meaningful performance measures for RM and get approval for them from Finance Management. Results will be monitored monthly and feedback will be provided to the Appointing Authority. Audit has indicated Police and Public Works will supply their own.</i></p> <p><b><i>Police :</i></b> <i>The Richmond Police Department has established risk &amp; safety performance measures to include the following:</i></p> <p><i>1.(Performance measure) Identifying &amp; repairing eight (8) facility related issues annually. (Strategic initiative) Conduct facility inspections once per quarter.</i></p> <p><i>2. (Performance Measure) Reduce preventable police vehicle accidents by 15%. (Strategic Initiative) Add corrective action (to include driver-retraining) upon a 2nd preventable police vehicle accident</i></p> <p><i>3. (Performance Measure) Increase amount of training addressing diversity, professionalism, interpersonal communications &amp; safety compliance by 50% (Strategic Initiative) Conduct 2 Use of Force Training Sessions per year with 100% of all eligible sworn employees attending.</i></p> <p><b><i>Public Works :</i></b> <i>The Department of Public Works will work with the Bureau of Risk Management to establish measures which are consistent with other reporting agencies.</i></p>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Chief of Risk Management		Sep 2013
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		NA
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
10	Report departmental performance measures to the Bureau for reporting to executive management and publishing on their webpage.	N	<i>RM does not control the operating departments reporting. RM will request the cooperation of the departmental safety staff in providing feedback on their performance measures.</i>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
			Sept 2013
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
			NA

**MANAGEMENT RESPONSE FORM**  
**Risk Management Operational Analysis 2014-01**

#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
11	Post the TPA quarterly report on the Bureau's webpage.	Y	<i>RM will work with the DIT to post a link on the RM intranet webpage.</i>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Chief of Risk Management		Sept 2013
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		NA
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
12	Require the City Safety Officer to complete safety inspections of all City facilities that are currently occupied and supported by the Bureau at least annually.	N	<i>Although there is no OSHA requirement to inspect buildings. RM has an inspection program that is compliant with OSHA standards for locations. The frequency of inspections of buildings will be based on the type and use of the structure.</i>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Chief of Risk Management		Oct 2013
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		NA
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
13	Require the Fire Department to conduct safety inspections of all Fire facilities.	N	<i>The recommendation is outdated. The report covers FY12, as indicated within the report, the departemnt self-recognized this need in FY13 and successfully implemented an inspection process. While the original goal was to have the program 'go live' in FY14, the department exceed expectations and was able to implement the program mid-year FY13. During the audit, the auditor requested and was provided, with five separate inspections. The function is already in place and therefore, not an actionable recommendation, as we intend to continue the program annually.</i>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	NA		NA
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		NA
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
14	Mandate mitigation of deficiencies found in the safety inspections.	Y	<i>Inspection reports will be amended to require the facility manager to update the corrections to deficiencies every 30 days until all corrections are made. The City Safety Officer will reinspect to verify deficiencies have been corrected.</i>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	City Safety Officer		Aug 2013
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		NA



**MANAGEMENT RESPONSE FORM**  
**Risk Management Operational Analysis 2014-01**

#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
15	Formalize procedures to conduct safety inspections in the facilities heavily used by the public.	Y	<i>Although there is no OSHA requirement to inspect buildings. RM has an inspection program that is compliant with OSHA standards for locations. The frequency of inspections of buildings will be based on the type and use of the structure.</i>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Chief of Risk Management/City Safety Officer		Oct 2013
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		NA
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
16	Require the Bureau to provide support to the Sheriff's Office for safety and risk management matters.	Neutral, not a new recommendation.	<i>RM supports and will continue to support the Sheriff in matters related to safety and risk management.</i>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Chief of Risk Management		Aug 2013
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		NA
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
17	Require all City departments to verify that driver's licenses of all the employees required to drive City vehicles are valid and current, as required by the Bureau of Fleet Services Citywide Policies and Procedures manual.	N	<i>This is a DPW fleet policy and they are responsible for its enforcement.</i>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	NA		NA
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		NA
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
18	Require all City departments to verify City employees' driving records to identify driving violations.	N	<i>This is a DPW Fleet policy and they are responsible for its enforcement.</i>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	NA		NA
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		NA
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
19	Establish a Citywide Accident Review Committee for the departments supported by the Bureau.	Y	<i>The Draft Policy will be reviewed, approved and implemented.</i>
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Chief of Risk Management		Sept 2013
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
	NA		NA

**MANAGEMENT RESPONSE FORM**  
**Risk Management Operational Analysis 2014-01**

#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
20	Consider civilianizing the 40 hour-a-week Lieutenant and Fire Captain positions in the EMS/Safety Unit.	N	<i>Collectively the position of both Lieutenant and Captain address safety issues within a hot zone at emergency scenes. Accordingly, these responsibilities entail certification at a minimum of Firefighter II.</i>
	<b>TITLE OF RESPONSIBLE PERSON</b>		<b>TARGET DATE</b>
	NA		NA
	<b>IF IN PROGRESS, EXPLAIN ANY DELAYS</b>		<b>IF IMPLEMENTED, DETAILS OF IMPLEMENTATION</b>
	NA		NA