

*System Office of Risk Services*  
Phone: (907) 450-8150  
Fax: (907) 450-8151



UNIVERSITY  
*of* ALASKA  

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*Many Traditions One Alaska*

Butrovich Building  
910 Yukon Drive, Suite 001  
PO Box 755240  
Fairbanks, AK 99775-5240  
[www.alaska.edu/risksafety](http://www.alaska.edu/risksafety)

# **SYSTEM OFFICE OF RISK SERVICES**

## **REPORT TO BOARD OF REGENTS**

**December 8-9, 2011**

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## **I. Overview of Risk Services**

The System Office of Risk Services is comprised of the following five units: Claims Management, Emergency Management, Health, Safety and Environmental Management, Insurance, and Risk Management. Our mission is to:

“Assist the University in achieving its primary goals of education, research, and service with minimal disruption from adverse events.”

Toward this end, the front-line programs, Emergency Management, Health, Safety and Environmental Management, and Risk Management, are geared as proactive functions to eliminate, reduce, or minimize loss. When losses do occur, we have responsive programs within our Insurance and Claims Management areas.

In early FY12, Chief Risk Officer Baecker and President Gamble reviewed the structure of the department and services offered. To further the objective of greater campus responsibility and accountability for the safety and risk issues under their purview, the existing division of responsibilities was revised and distributed to the chancellors for feedback and internal restructuring at each campus. Claims and insurance remain centralized with the system office. The campuses will have functional responsibility for safety, risk management, and emergency management.

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## **II. Enterprise Risk Management**

Over the last year, Risk Services and Internal Audit have continued to focus efforts on Enterprise Risk Management (ERM) as a more robust and comprehensive approach to identifying and managing risk at the University of Alaska.

The primary objectives of ERM include the following:

- Help align risk appetite and strategy
- Enhance risk response decisions (select among alternatives such as risk avoidance, reduction, sharing and acceptance)
- Reduce operational surprises and losses
- Identify and manage multiple and cross-enterprise risks (inter-related impacts and integrated responses)
- Seize opportunities
- Improve allocation of capital
- To have a formal, documented method to demonstrate that risks are known, ranked, any mitigating controls are considered, and the high-risk areas are dealt with or that the risk is accepted by management
- To be able to present the consolidated risk assessment (or risk register) to the Board of Regents

- To have the risk assessment results available for use during strategic planning sessions and operating reviews
- To facilitate the development of the annual audit plan based on risks identified by the campuses; present the audit plan to the Board of Regents Audit Committee demonstrating the linkage to the high-risk areas.

The second annual executive level risk assessments took place at each MAU in 2011. The president, chancellors and their staff reviewed and updated risks from the year before and conducted a new risk assessment, selecting up to five high priority risks for which a risk management plan will be developed.

## Enterprise Risk Management 2011 Risk Register

Attached is a tabular summary of the top risks identified by each MAU. The risks have been ranked and prioritized according to the Level of Concern for each Issue.

The scoring matrix is as follows.

Level of Concern for Issue	Current Level of Mitigation or Action
5 VERY concerned	5 SATISFACTORY
4 SOMEWHAT concerned	4 SOMEWHAT satisfactory
3 MODERATELY concerned	3 AVERAGE
2 MINIMALLY concerned	2 BELOW Average
1 NOT concerned	1 UNACCEPTABLE

All risk assessments are dynamic and subject to reassessment at the Risk Owner's discretion. Reporting to the Board of Regents will occur on an annual basis, at which time, updates on prior year risks will be given and any new risks noted.

### Definitions

**Risk** - the threat or possibility that an action or event will adversely or beneficially affect an organization's ability to achieve its objectives

**Raw risk** - the level of risk faced by an organization before any internal controls are applied.

**Residual risk** - the level of risk faced by an organization after internal controls have been applied.

**Internal controls** - the processes, policies and procedures used to govern the University's work or any additional controls or mitigating actions taken to deal with a particular situation.

**Risk owner** - an individual staff member, who is closely involved with the risk, is able to monitor the risk, initiate action if the risk becomes more serious, or escalate to senior management if necessary.

**Risk tolerance** - the amount of risk an organization is prepared to tolerate before action is required.

**Risk indicators** - provide the risk owner with early warning that action may be required to mitigate that risk through stronger internal control or, if it is outside the University's control to be aware of it and closely monitor. These indicators should be measurable and underpinned with data.

<b>UAA Risk Register</b>	<b>Executive Level Risk Assessment</b>	<b>Conducted August 17, 2011</b>		
<b>Risk Number</b>	<b>Risk</b>	<b>Risk Owner</b>	<b>Issue Value</b>	<b>Current Level of Mitigation</b>
<b>01-2011 UAA</b>	<b>Weak Public Identify</b>	<b>Chancellor</b>	<b>4.25/5</b>	<b>2.75/5</b>
<b>02-2011 UAA</b>	<b>Resource Weakness</b>	<b>Chancellor</b>	<b>4.00/5</b>	<b>2.0/5</b>

<b>UAF Risk Register</b>	<b>Executive Level Risk Assessment</b>	<b>2011</b>		
<b>Risk Number</b>	<b>Risk</b>	<b>Risk Owner</b>	<b>Issue Value</b>	<b>Current Level of Mitigation</b>
<b>01-2011 UAF</b>	<b>Inability to timely replace the heat and power plant with a cost effective solution including federal regulatory requirements</b>	<b>Chancellor</b>	<b>5.00/5</b>	<b>2.56/5</b>
<b>02-2011 UAF</b>	<b>Declining federal funding due to issues associated with the federal deficit.</b>	<b>Chancellor</b>	<b>4.44/5</b>	<b>2.29/5</b>
<b>03-2011 UAF</b>	<b>Antiquated residence halls, lack of modern residence halls, and residence hall losses</b>	<b>Chancellor</b>	<b>4.38 - 4.44 (Combined 3 &amp; 5)</b>	<b>2.38-2.71/5</b>
<b>04-2011 UAF</b>	<b>Facilities failure due to general age in repair need of the facilities/R&amp;R, with a specific note to Fire Station structural integrity</b>	<b>Chancellor</b>	<b>4.00 - 4.44/5 (Combined 4 &amp; 8)</b>	<b>2.00-2.38/5</b>
<b>05-2011 UAF</b>	<b>Oil production decline</b>	<b>Chancellor</b>	<b>4.13/5</b>	<b>1.00/5</b>

<b>UAS Risk Register</b>	<b>Executive Level Risk Assessment</b>	<b>May 25, 2011</b>		
<b>Risk Number</b>	<b>Risk</b>	<b>Risk Owner</b>	<b>Issue Value</b>	<b>Current Level of Mitigation</b>
<b>01-2011 UAS</b>	<b>Organizational Identity and Stature</b>	<b>Chancellor</b>	<b>4.5/5</b>	<b>2.375/5</b>
<b>02-2011 UAS</b>	<b>Enrollment management over next decade</b>	<b>Exec team</b>	<b>4.25/5</b>	<b>3.625/5</b>
<b>03-2011 UAS</b>	<b>Business continuity planning</b>	<b>Exec team</b>	<b>3.125/5</b>	<b>2.75/5</b>
<b>04-2011 UAS</b>	<b>Long term capital investment plan</b>	<b>Exec team</b>	<b>3.875/5</b>	<b>2.75/5</b>

<b>SW Risk Register</b>	<b>Executive Level Risk Assessment</b>	<b>Conducted August 18, 2011</b>		
<b>Risk Number</b>	<b>Risk</b>	<b>Risk Owner</b>	<b>Issue Value</b>	<b>Current Level of Mitigation</b>
<b>01-2011 SW</b>	<b>Lack of student centeredness; student unfriendly processes and culture; cultural resistance to quantifying workload for the purpose of actively managing towards institutional goals; faculty/staff indifference to serving students.</b>	<b>President</b>	<b>3.93/5</b>	<b>2.29/5</b>
<b>02-2011 SW</b>	<b>Escalating health care costs and regulations</b>	<b>Chief Human Resource Officer</b>	<b>4/5</b>	<b>2.60/5</b>
<b>03-2011 SW</b>	<b>Availability of future funding, direct and indirect, federal, state, private, tuition, including base closures</b>	<b>President</b>	<b>4.06/5</b>	<b>2.69/5</b>
<b>04-2011 SW</b>	<b>Threat of continual productivity improvements due to lack of investment and inability to bring on new technology and management techniques; merger of Banner and Datatel and possible move to new enterprise system</b>	<b>Chief Information Officer</b>	<b>3.64/5</b>	<b>2.31/5</b>
<b>05-2011 SW</b>	<b>Achieving a healthy balance of UA system control versus unique MAU independence. Perceived obstacles (real or imagined) that programs or departments see in changing or transforming their programs to meet future needs. Resistance to reallocate or reprioritize resources. Difficulty in making change in university bureaucracy “quickly”. Increased cost and administrative complexity due to lack of system approach.</b>	<b>President Chancellors Provosts</b>	<b>3.67/5</b>	<b>2.33/5</b>
<b>06-2011 SW</b>	<b>Lack of succession planning; supervisors failing to assess performance before critical issues arise; lack of formal management training program.</b>	<b>President</b>	<b>3.38/5</b>	<b>2.27/5</b>

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### III. Prevention and Loss Control Programs

#### A. Emergency Management

In late 2006, the System Office of Risk Services hired the university's first emergency management professional. Over the last five years, the program has flourished throughout the UA system. We incubated two additional staff positions which have since transitioned, after three years of training and development, to the UAA and UAF campuses. A UAS Emergency Management position will be filled prior to the next fiscal year. These professionals, along with the campus police chiefs, compose an effective team that continues to build capabilities within our communities.

Emergency Management (EM) is responsible for the overall planning, coordination, execution, and sustainment of an all-hazard Emergency Management Program (EMP). Continuous EMP review and enhancement of our public safety and campus-based emergency management needs are critical to ensuring the highest level of preparedness and readiness.

UA EM plans and programs are developed in collaboration and coordination with the surrounding communities and partners from the state/local community, government, public safety, and public health entities. This "stakeholder" approach builds and maintains capability; while giving our campuses the incident management tools and confidence necessary to prepare for, respond to, and recover from all-hazards.

The University of Alaska's EMP is compliance focused and practices are based upon the following source references:

*National Incident Management System (NIMS)*. NIMS provides a **consistent template** enabling all jurisdictions to work together to prepare for, prevent, respond to, recover from, and mitigate the effects of incidents regardless of cause, size, location, or complexity.

*Homeland Security Exercise and Evaluation Program (HSEEP)* is a common exercise policy and program guidance that constitutes a **national standard** for exercises.

*Higher Education Opportunity Act (HEOA)*: Federal Register /Vol. 74, No. 208 /Thursday, October 29, 2009 /**Rules and Regulations** § **668.46** (a) *Test*: Regularly scheduled drills, exercises, and appropriate follow through activities, designed for assessment and evaluation of emergency plans and capabilities. (b) Beginning with the annual report in October, 2010. (c) Timely warning and emergency notification capability and procedures. (d) A list of the titles of the person or persons or organization or organizations responsible for carrying out the actions described in your (e) Emergency Response and Evacuation Procedures.

*UA/Emergency Management Training/Exercise Policy (pending organizational review, coordination and Office of the President approval):*
















## **Program Strategic Direction**

Maintain current course of a building block approach to Emergency Management Program with goals for sound community preparedness and public safety. Maintain Campus Incident Management Team (IMT) philosophy and direction while establishing a sustainable UA framework of incident response and recovery capability. Recent State and International incidents have reinforced the need for the IMT framework. This framework builds and maintains capability, while giving our campuses the incident management tools and confidence to prepare for, respond to, and recover from all-hazards. Additionally it allows for essential situational awareness of all incidents for our Executives and Policy makers.

On the near horizon:

- Emergency Management will establish a quarterly Readiness Committee. The committee will be comprised of the current SW/IMT members and will incorporate representatives from all three campuses
- Procurement of a system-wide alert notification system is in process
- Procurement of a system-wide Academic/Business Continuity of Operations Tool is in process

# University of Alaska Emergency Management Readiness and Compliance report card

Grade		<b>Campus Incident Management Team (IMT)</b> 	<b>Communication Capability and Plans</b> 	<b>Campus Community Emergency Response Team</b> 	<b>Exercise Program</b> 
	<b>System</b> 	<ul style="list-style-type: none"> <li>✓ First-SW/IMT meeting attended by President</li> <li>✓ Three SW/IMT members attending State funded training</li> </ul>	<ul style="list-style-type: none"> <li>✓ System Alert Notification capability to be in place by 1 March 2012</li> </ul>	<ul style="list-style-type: none"> <li>✓ Butrovich has trained team members</li> <li>✓ Bragaw building is scheduling a course by end of yr</li> </ul>	<ul style="list-style-type: none"> <li>✓ UA System partner for AS2012 (Feb) Exercise-IMT/EOC, Business Continuity based</li> </ul>
		<ul style="list-style-type: none"> <li>✓ No FEMA IMT personnel training; but several trained CRT with exercise experience</li> <li>✓ ICS 300/400 scheduled on Campus over next reporting period</li> </ul>	<ul style="list-style-type: none"> <li>✓ Minimal Alert-Not. Capability and no Txt messaging capability for students</li> </ul>	<ul style="list-style-type: none"> <li>✓ 6 of 6 locations trained</li> </ul>	<ul style="list-style-type: none"> <li>✓ Alaska Shield Feb12</li> </ul>
		<ul style="list-style-type: none"> <li>✓ Two IMT members attending State funded training</li> </ul>	<ul style="list-style-type: none"> <li>✓ Minimal Alert-Not. capability with Txt messaging but needs additional support; which SW initiative will bring</li> </ul>	<ul style="list-style-type: none"> <li>✓ 1 of 6 trained</li> </ul>	<ul style="list-style-type: none"> <li>✓ Alaska Shield Feb12</li> </ul>
		<ul style="list-style-type: none"> <li>✓ No FEMA IMT personnel trained; but several trained Campus IMT with exercise experience</li> <li>✓ ICS 300 scheduled</li> <li>✓ EM Position to be hired over next 6-9 months</li> </ul>	<ul style="list-style-type: none"> <li>✓ Minimal Alert-Not. capability with Txt messaging but needs additional support; which SW initiative will bring</li> </ul>	<ul style="list-style-type: none"> <li>✓ 3 of 3 locations trained</li> </ul>	<ul style="list-style-type: none"> <li>✓ Alaska Shield Feb12</li> <li>✓ FSE planned for 2 location</li> <li>✓ UAS Main Campus</li> <li>✓ Ketchikan Campus</li> </ul>

Grading Scale: None Compliant:  
Standards



On-going or Implementation:



Satisfactory:



Above Industry



## **B. Health, Safety and Environmental Management**

The University of Alaska is required by federal, state and local governmental agencies to comply with numerous guidelines, regulations, and standards. In the system office, our primary service is to develop and implement a system-wide compliance management framework, tools, processes, and resources. The system office also conducts periodic compliance audits at the campuses, provides quarterly reports to the Board of Regents, president, chancellors, and campus directors on compliance status, and manages a loss prevention program.

### 2011 Highlights

#### **Program Review:**

The University of Alaska HSE Program Review process commenced in August with a review of the UAF Utilities Services department. The final report has been issued and the closures of findings are being tracked. The second program review took place at UAA in October at the Anchorage and Mat-Su campuses. The preliminary report of findings will be issued in November. The new internal review process is collaborative, including participation of EHS professionals throughout the University system, allowing for the sharing of best practices and cross training. The process includes an opening meeting, daily briefings with the host campus EHS staff, a review of preliminary findings at a closing meeting, and a commitment meeting that formalizes the findings and sets responsible persons, target dates, and signature/date from the host MAU Vice Chancellor of Administration.

#### **Student Accidents & Injuries:**

Employee injuries are easily trackable through the workers' compensation system. However, incidents and injuries to students present a challenge. SW and the campus EHS Directors agree on the need for a system that allows the university to capture this information. A review of the data will enable an understanding of the causes of student incidents and injuries and better allow the university to take aggressive corrective and preventive actions.

#### **Root Cause Analysis:**

A tool for conducting root cause analysis has been provided to EHS staff throughout the University system. This tool, for the investigation of OSHA recordable employee injuries, assists the investigator in arriving at the *true* root causes so that proper corrective *and* preventative actions can be undertaken.

#### **Electronic Incident Report:**

A new electronic incident report form is under development to replace multiple paper, fax, and electronic forms currently in use throughout the UA system. This form will also assist in capturing reported student injuries.

#### **Contaminated Soil Remediation:**

UAF and SW EHS Directors collaborated with SW land SW land Management to lead an environmental remediation project at a newly acquired real estate parcel adjacent to the downtown Fairbanks CTC facility. The area will be utilized to expand parking at the Center. An old buried fuel oil tank was pulled by environmental contractors earlier this

summer, revealing soil contamination in the area surrounding and underneath the removed tank. All contaminated soils were analyzed and properly disposed; the project terrain has been cleared and graded and will be ready for improvement next year.

#### Loss Prevention:

Evaluation of the injury data presented in this report will allow the UA EHS Directors to focus efforts on preventative action in areas that are consistently represented as a high percentage in recordable rate and workers compensation claims. “Slips, trips and falls outside” of buildings is a significant causal area that is being revisited. While the “Spikies” program under loss prevention facilitated by SORS has undoubtedly helped lower the rate of occurrence, the rate does remain high enough to warrant further attention and action.

#### Statewide Training:

Regulatory compliance training sessions for all Statewide employees has commenced in November. Training on hazard communication, safe lifting, and emergency response will satisfy Federal and State OSHA regulations requiring that all employees receive such training. In addition, the Emergency Action Plan for the UAF Butrovich building has been updated, with modifications including accountability for evacuated employees, a feature that was inadequate in previous versions of the plan. The updating process has included several iterations, as lessons learned during building evacuations this past summer provided valuable information that was utilized in the rewrites.

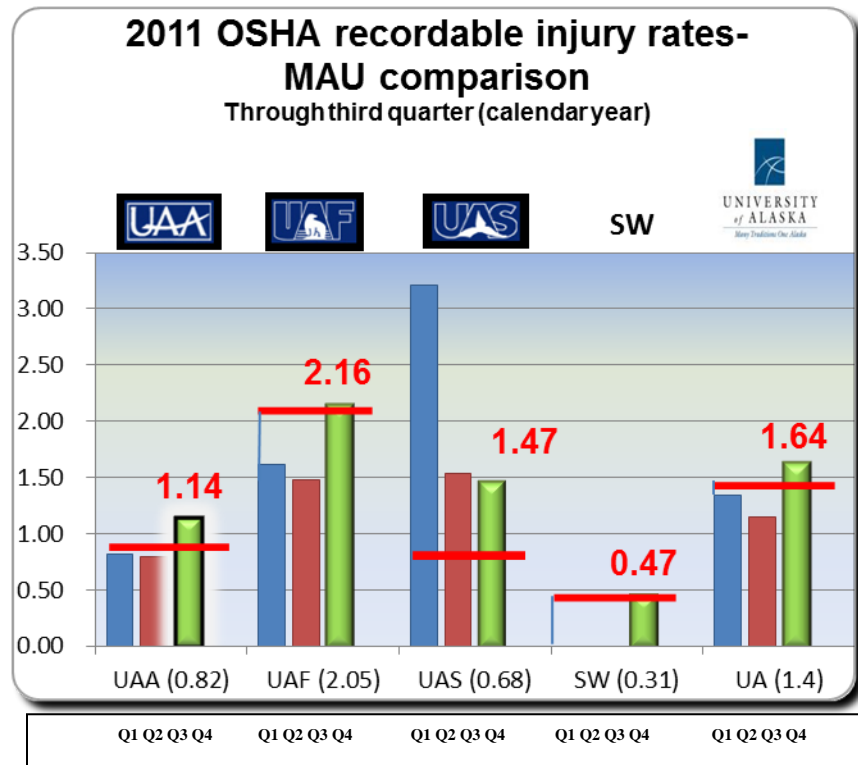
### Employee Safety- OSHA Recordable Injury rates

(Annualized rates- represent the number of recordable injuries per 100 employees).

Data is presented for calendar year 2011 as standard practice for OSHA compliance.

Numbers in parenthesis next to each MAU on the horizontal axis represent the calendar year 2011 target rate- **not to be exceeded**. For each MAU, this is a 10% reduction over the year end 2010 rate.

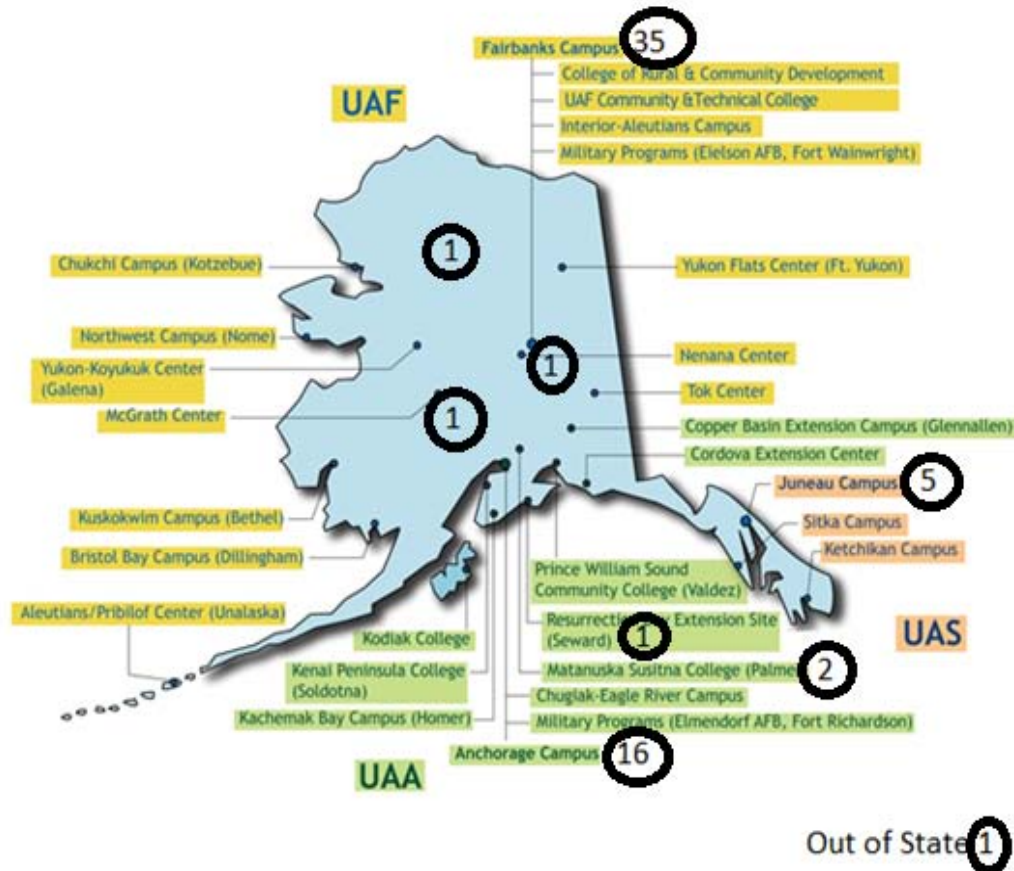
The target is also represented by the horizontal bar ( ) in the plot area for each MAU.



MAU	Previous year		2011 YTD # of OSHA recordable injuries	2011 Target rate	2011 OSHA recordable Injury rates by calendar quarter			
	2010 #	2010 Rate			Q1	Q2	Q3	Q4
UAA	18	0.91	16	0.82	0.82	0.79	1.14	
UAF	62	2.28	42	2.05	1.61	1.48	2.16	
UAS	3	0.76	4	0.68	3.21	1.54	1.47	
SW	1	0.34	1	0.31	0	0	0.47	
UA	84	1.56	63	1.4	1.34	1.15	1.64	

**As of September 30, all MAUs and the University of Alaska as a whole experienced OSHA recordable injury rates that are above the 2011 target rates**

# **OSHA recordable Injuries (employees) in the University of Alaska System – totals and geographical locations** *January 1, 2011 through September 30, 2011*



*Note: This chart shows the rough geographical distribution of OSHA recordable injuries within the University of Alaska system, without specific attribute to any particular MAU. Several of the injuries occurred at field stations or while traveling.*

## Recordable injuries (UA employees) in the University of Alaska system – with specific location

**January 1, 2011 through September 30, 2011 - Injuries that are highlighted resulted in lost work days**

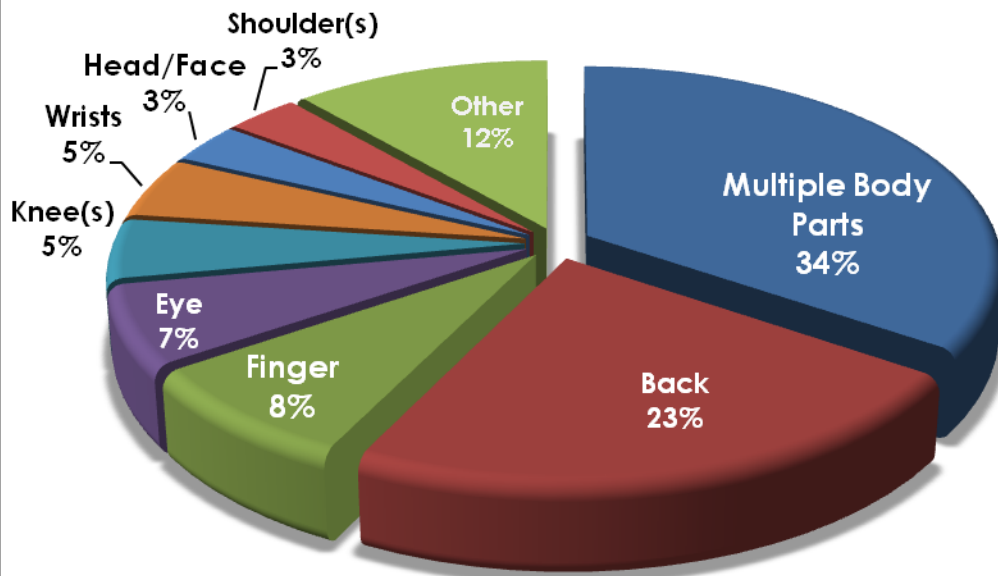
Date of Injury	Type of Injury	Cause of Injury	MAU	MAU Campus	Location on Campus
1/11/2011	Lower back pain	Lifting and twisting	UAF	Fairbanks	Power Plant
2/22/2011	Dislocated knee	Material Handling (Snow)	UAF	Fairbanks	North Tanana Drive by Kuskokwim Way
2/24/2011	Muscle spasms	Kneeling	UAF	Seward	SMC-Warehouse
2/17/2011	Back and shoulder strain	Unknown	UAF	Juneau	Lena Point Lab
3/14/2011	Shoulder strain	Lifting	UAF	Fairbanks	Signers Hall
3/2/2011	Back strain	Slip	UAF	Fairbanks	Between Chiller Bldg and Maint Shop
3/11/2011	Back pain	Lifting and twisting	UAF	Fairbanks	Birch Lane
2/23/2011	Laceration to finger	Sharp Object (exhaust shield) & Slip	UAF	Fairbanks	Vehicle Shop
3/16/2011	Seizure	Unknown	UAF	Fairbanks	Station II UAF Fire Dept.
3/18/2011	Upper leg and lower back injury	Wrestling	UAA	Anchorage	East Hall Room 217
3/25/2011	Back pain	Lifting and twisting	UAA	Anchorage	ADT Tool Room
2/18/2011	Knee Injury	Fall	UAA	Anchorage	Diplomacy Bldg
2/28/2011	Bruises, stiff back	Vehicular Accident	UAA	Traveling/Field Work	Mile 171 Glenn Hwy
3/30/2011	Muscle Strain	Lifting and twisting	UAF	Fairbanks	Over extended time period, no specific location
4/4/2011	Back pain	Slip	UAF	Fairbanks	Parking lot west of AHRB
4/4/2011	Fingertip broken	Pinch Point	UAF	Fairbanks	Agricultural and Forestry Experiment Station (AFES)
4/8/2011	Dislocated shoulder	Fall	UAF	Fairbanks	Basketball courts
2/21/2011	Back strain	Material Handling (Snow)	UAS	Juneau	Sidewalk near Chancellor's Office
3/4/2011	Back and ribs injury	Fall	UAS	Juneau	Sidewalk between Soboleff and Hendrickson Annex
3/21/2011	Broken ankle	Fall	UAS	Juneau	Parking lot, near Hendrickson
4/20/2011	Trauma to Multiple Body Parts (knees, left shoulder, left arm, and forehead)	Fall	UAF	Fairbanks	Irving Bldg
4/12/2011	Back and shoulder strain	Incorrect ergonomics (posture)	UAA	Anchorage	ADT Bldg
4/7/2011	Bruising, muscle and joint pain to right hip and knee	Fall	UAA	Anchorage	King Career Center
4/20/2011	Head, shoulder, hip pain	Fall	UAF	Fairbanks	T228 Bam
4/27/2011	Inflamed lungs	Smoke inhalation	UAF	Fairbanks	1567 Farmers Loop Rd
4/27/2011	Laceration to finger	Sharp Object (Broken glass)	UAA	Anchorage	CPIB near RM 314
5/31/2011	Eye irritation	Unknown (Metal in eye)	UAF	Fairbanks	Power Plant
6/1/2011	Laceration to finger	Pinch Point	UAF	Fairbanks	RAT Lab
6/25/2011	Laceration to forehead	Striking Object (Diving)	UAF	North Pole	Westcott Pool
6/17/2011	Contusions to whole body, + back pain	Vehicular Accident	UAF	Traveling/Field Work	Traffic Light Chicago, IL

6/12/2011	Strain to multiple body parts (not identified)	Material Handling (Lifting chairs, tables, bins & table cloths)	UAA	Anchorage	Consortium Library
6/29/2011	Left upper knuckle sprain	Falling object	UAF	Fairbanks	Power Plant
7/8/2011	Sprained ankle	Slip/trip/fall	UAF	Fairbanks	CES Building garage/parking lot
7/13/2011	Sprained wrist	Slip/trip/fall	UAF	Fairbanks	Tanana Valley Fair Grounds
7/22/2011	Fractured fingers	Caught between	UAF	Fairbanks	Front stairs to Artic Health Building
7/14/2011	Wrist pain	Overstressing wrist	UAA	Mat-Su	Library
7/21/2011	Foreign object in eye	piece of debris in eye	UAA	Anchorage	Arts Boiler Room
7/27/2011	Twisted left knee and arch of right foot	Slip/trip/fall	UAF	Fairbanks	Fine Arts Bldg
7/25/2011	Lower back pain	Lifting and twisting	UAF	Fairbanks	Red Musk Ox Barn
8/1/2011	Lacerations to wrist and fingers	Broken mirror	UAF	Fairbanks	Facility Services
7/27/2011	Foreign object in eye	piece of debris in eye	UAF	Fairbanks	Gaalee'ya Spirit Camp Howard Luke -- across Tanana river
7/28/2011	Strain	Lifting and twisting	SW	Anchorage	Bragaw
7/28/2011	Back strain	Lifting and twisting	UAA	Anchorage	Bragaw
7/25/2011	Pain in knee-cap, including bleeding and swelling	Slip/trip/fall	UAF	Middle-of-Denali National Park	Denali National Park
8/8/2011	Broken leg	Slip/trip/fall	UAA	Mat-Su	Palmer Agricultural Farm
7/26/2011	Lower back pain	Torn Discs	UAA	Anchorage	Boiler Room in SSB
8/4/2011	Carpal tunnel	Repetitive motion injury	UAF	Fairbanks	Various places
8/9/2011	Back pain	Lifting and twisting	UAA	Anchorage	UAA EM1
8/15/2011	Burns to face and bruises	Steam	UAF	Fairbanks	Power Plant
8/8/2011	Neck Pain	Unknown	UAA	Anchorage	Grounds
8/9/2011	Wrist pain	Shooting exercises	UAA	Anchorage	Shooting Range
8/19/2011	Cracked wrist and toe	Slip/trip/fall	UAF	Fairbanks	Gruening
8/15/2011	Stitches to arm	Knife cut	UAF	Fairbanks	OIT
8/15/2011	Sprained wrist	Slip/trip/fall	UAA	Anchorage	Consortium Library Parking lot
8/25/2011	Back Pain	Lifting and twisting	UAA	Anchorage	ENG Cold Room
9/7/2011	Middle of Back pain	Repetitive motion injury	UAF	Fairbanks	Signers Hall
9/14/2011	Sprained ankle	Slip/trip/fall	UAF	Fairbanks	IARC
9/7/2011	Swollen knee	Lifting	UAF	Toolik	Toolik Field Station
9/16/2011	Finger cut	Laboratory work	UAS	Juneau	Anderson Bldg.
9/20/2011	Debris in eye	Wind blew debris	UAF	Fairbanks	Nenana Lot
9/30/2011	Upper back pain	Lifting and twisting	UAF	Fairbanks	Alaska Fire Training Center
9/22/2011	Lower back pain	Excessive sitting	UAF	Fairbanks	UAF Patrol Vehicle



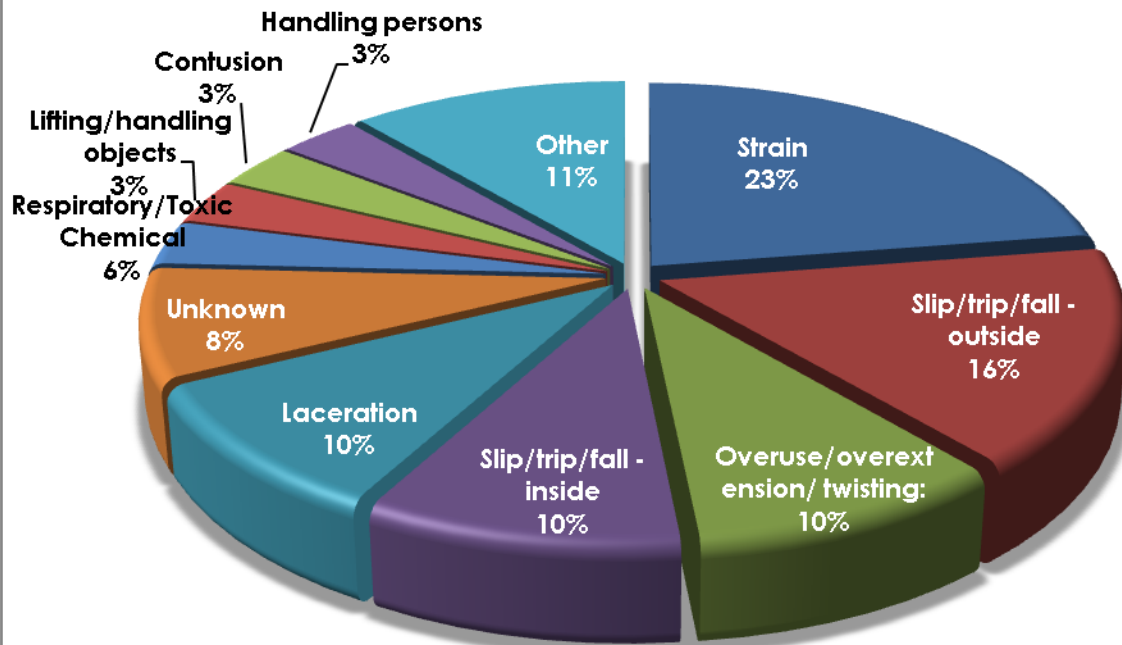
## Recordable Injuries - By Body Part

1/1/2011 - 9/30/2011



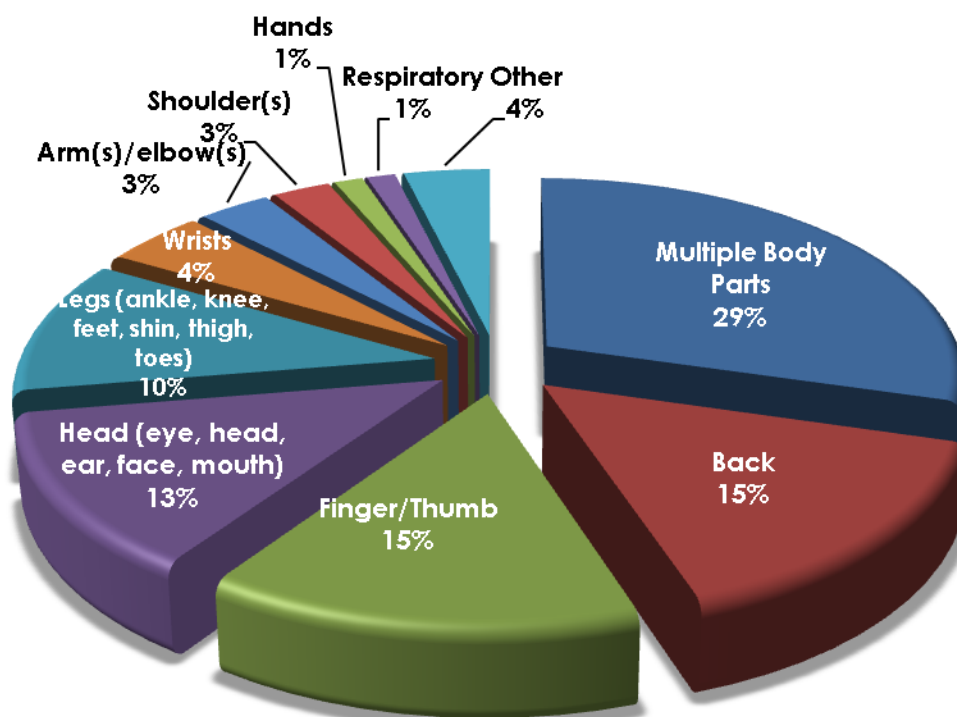
## Recordable Injuries - By Cause

1/1/2011 - 9/30/2011



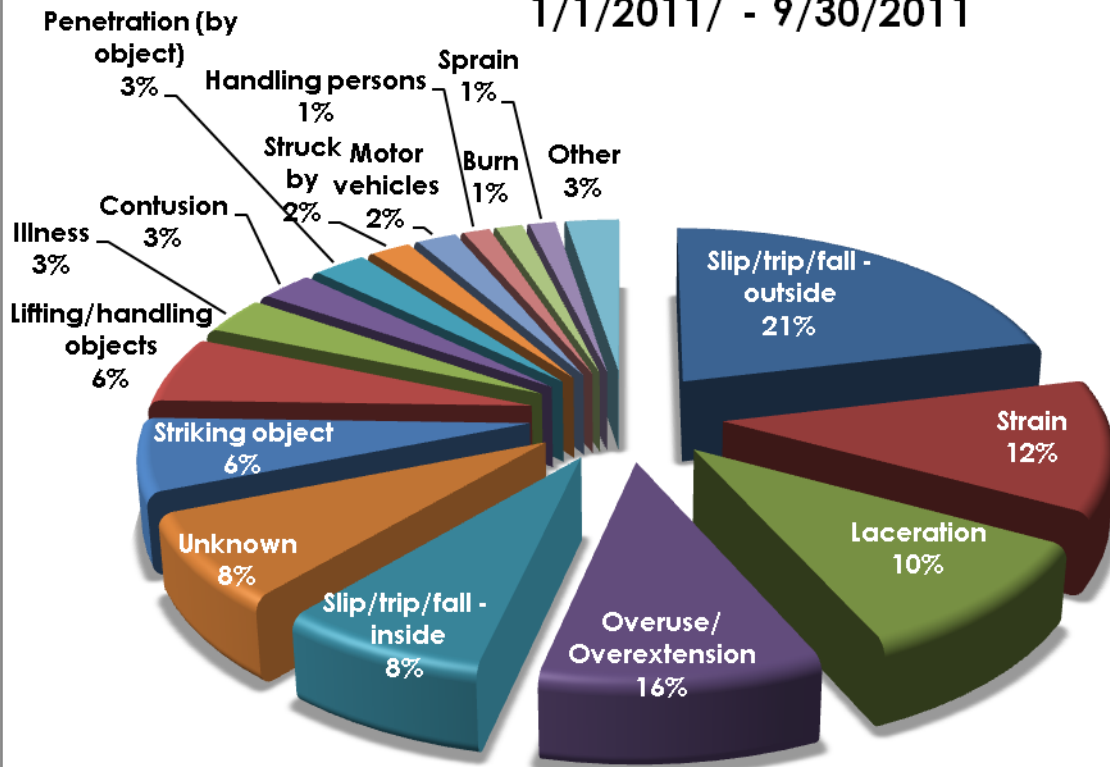
## Total Injuries - By Body Part

1/1/2011 - 9/30/2011



## Total Injuries - By Cause

1/1/2011/ - 9/30/2011



## UA HSE Program Review Scorecard

### Closure progress of finding requirements vs. committed dates

*Scorecard legend for the Progress column*

ON TRACK	CAUTION	COMMITMENT DATE MISSED	CLOSED ✓
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Review/Date	Finding Number	Compliance Element	Finding Requirements (summary)	Main Target Completion Date	Progress	Comment
UAF Utilities Services/August 2011	2012-01	Personal Protective Equipment	1) Conduct hazard assessments 2) Evaluate respiratory hazards	Mar 1, 2013	ON TRACK	
Requirement #/ Milestone #		Milestone Requirement		Milestone Target Dates	Progress	Comment
Requirement # 1 Milestone 1		Standardize job hazard assessment forms; train supervisors and personnel		Nov 15, 2011	ON TRACK	
Requirement # 1 Milestone 2		Identify and document tasks requiring hazard assessments		Dec 1, 2012	ON TRACK	
Requirement # 1 Milestone 3		Complete hazard assessments identified in milestone 1		Dec 1, 2012	ON TRACK	
Requirement # 2 Milestone 1		Identify by applicable job class requirement for and complete air sampling for respirable dust, silica, and metals		Jan 15, 2012	ON TRACK	
Requirement # 2 Milestone 2		Complete additional air sampling for “dusty” tasks identified during job hazard analysis of the department		Mar 3, 2013	ON TRACK	

Review/Date	Finding Number	Compliance Element	Finding Requirements (summary)	Main Target Completion Date	Progress	Comment
UAF Utilities Services/August 2011	2012-02	Occupational Noise exposure	1) Measure sound levels 2) Develop a noise monitoring program	Jan 15, 2012	ON TRACK	
Requirement #/ Milestone #		Milestone Requirement		Milestone Target Dates	Progress	Comment
Milestone 1		Identify locations and conduct sound level measurements for work areas in the department to determine areas over 85 dBA		Oct 31, 2011	CLOSED ✓	
Milestone 2		Complete noise dosimetry measurements for a representative sample of employees from each job classification		Jan 15, 2012	ON TRACK	

Review/Date	Finding Number	Compliance Element	Finding Requirements (summary)	Main Target Completion Date	Progress	Comment
UAF Utilities Services/August 2011	2012-03	Machine and Machinery Guarding	Develop a procedure for the evaluation and upgrade of all machine guarding at Utilities Services	Mar 2, 2012	ON TRACK	
Requirement #/ Milestone #		Milestone Requirement		Milestone Target Dates	Progress	Comment
Milestone 1		Complete procedure		Sep 30, 2011	CLOSED √	
Milestone 2		Add daily inspection to Fireman's First Round inspection checklist; complete annual inspection and identify list of equipment requiring guards or upgrades to guards		Oct 31, 2011	CLOSED √	
Milestone 3		Correct deficiencies found in the annual inspection		Mar 2, 2012	ON TRACK	

Review/Date	Finding Number	Compliance Element	Finding Requirements (summary)	Main Target Completion Date	Progress	Comment
UAF Utilities Services/August 2011	2012-04	Hazard Communication	1) Evaluate all container labeling and relabel as necessary 2) Train employees per the requirements of the rule	Mar 15, 2012	ON TRACK	
Requirement #/ Milestone #		Milestone Requirement		Milestone Target Dates	Progress	Comment
Requirement # 1 Milestone 1		Add daily inspection to Fireman's first round inspection checklist		Sep 30, 2011	CLOSED √	
Requirement # 1 Milestone 2		Develop SOP and complete annual inspection; correct deficiencies within 5 working days		Oct 20, 2011	CLOSED √	
Requirement # 2 Milestone 1		Complete site-specific training for all employees; record information covered and document personnel attendance by completing the signed form		Oct 31, 2012	ON TRACK	
Requirement # 2 Milestone 2		Determine methodology to ensure that when new substances are introduced into the workplace, training is completed and documented		Mar 15, 2012	ON TRACK	

## **EHS Regulatory Inspection and Enforcement Activity**

### **UAA**

- The Nuclear regulatory Commission conducted an inspection at the UAA campus on August 9; there were no citations.
- The USDA conducted an inspection of research animal facilities on August 31; there were no citations.
- An indoor air quality investigation was conducted by AKOSH on September 14. Pending receipt of the alleged violations, UAA will request a conference with AKOSH to discuss the case.

### **UAF**

- The Alaska Department of Environmental Conservation, Air Quality (ADEC) regulators visited UAF August 19, 2011 and again September 19, 2011 for a full compliance evaluation for Air Quality Permit AQ 0316TVP02. The initial visit provided a walk around of the power plant to view emission units in the plant and gain an understanding of operations, as well as a site visit to each of the permitted emission units. The second visit was to review and discuss the continuous opacity monitors install on the coal fired boiler stacks and opacity associated with the bypass operations. The visit supported completion of ADEC's compliance evaluation. UAF continues to process the application for renewal of the Title V air emissions permit.
- The State of Alaska, Department of Labor and Workforce Development participated in a consultation visit with Kiewit Building Group, contractors for the new Life Sciences building. The visit resulted in a one year exemption from general scheduled inspections for the project.
- UAF responded to a letter from EPA regarding a RCRA inspection that was completed in September 2010. There were 8 notices of violations. All violations were addressed within 24 hours with the exception of updates to the contingency plan that is required by 40 CFR 262.34.
- On April 4, 2011, an OSHA full service safety survey occurred on the construction site of the new Life Sciences building. OSHA determined that the existing program is effective and has proper documentation. The contractors are operating in an environment where all recognized hazards are controlled.
- The Alaska DEC conducted a "Food Establishment Inspection" on April 22 at the Lola Tilly Commons on the UAF campus. There were minor deficiencies noted related to temperature.

### **UAS**

- Update on June 9 AKOSH enforcement inspection: An Informal Settlement Agreement was signed on October 19, after holding an "informal conference" between UAS representative Dan Garcia (EHS Manager, UAS) and AKOSH Chief of Enforcement, Steven Standley. During this conference, Mr. Garcia described the training conducted with maintenance staff directly after the June inspection for compliance with the OSHA rule on excavation and trenching and confined space entry. In addition, UAS also described the HSE Program Review process as a means of internally verifying compliance with OSHA standards. Mr. Standley was very complimentary and encouraging of the UAS efforts, and he ultimately agreed to reduce the original penalty (proposed as a result of the June inspection) by 50%. As a result, the total monetary penalty for the AKOSH citation has been reduced to \$962.50.

- On June 8, 2011 OSHA conducted an unannounced enforcement inspection of a worksite on the UAS Auke Lake campus. Facilities Services workers had uncovered buried conduit and a culvert with a backhoe, but failed to cease operations when the digging exceeded the OSHA trenching and excavation standard threshold of 5 feet. The OSHA inspector noted that the excavation was too were lacking. The OSHA inspector stated that a formal citation and fine are forthcoming, but to date they have not yet been received.



## IV. Risk Financing Programs

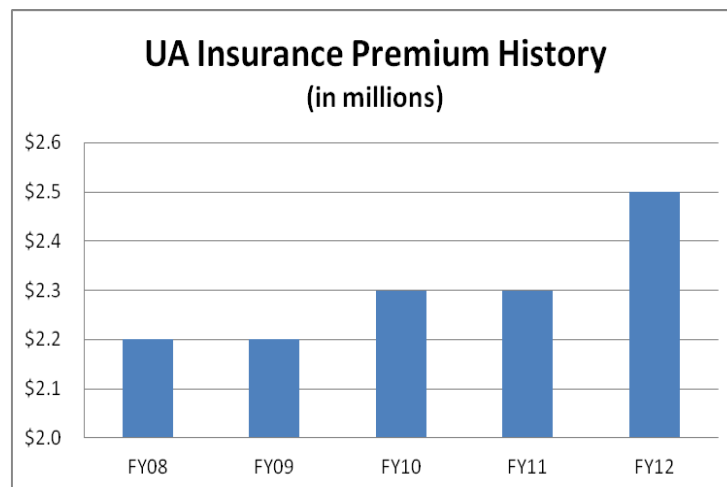
Insurance – the university is highly self-insured for major coverages such as general liability, auto, workers' compensation, and, to a lesser degree, property. UA participates in broker selection with the State of Alaska and markets its property, marine and aviation in conjunction with the State.

### A. Insurance

Our goal is to balance the cost/benefit of insurance programs. As world insurance markets change, or our internal environment transitions, we work with our broker to revise and restructure programs where it makes sense.

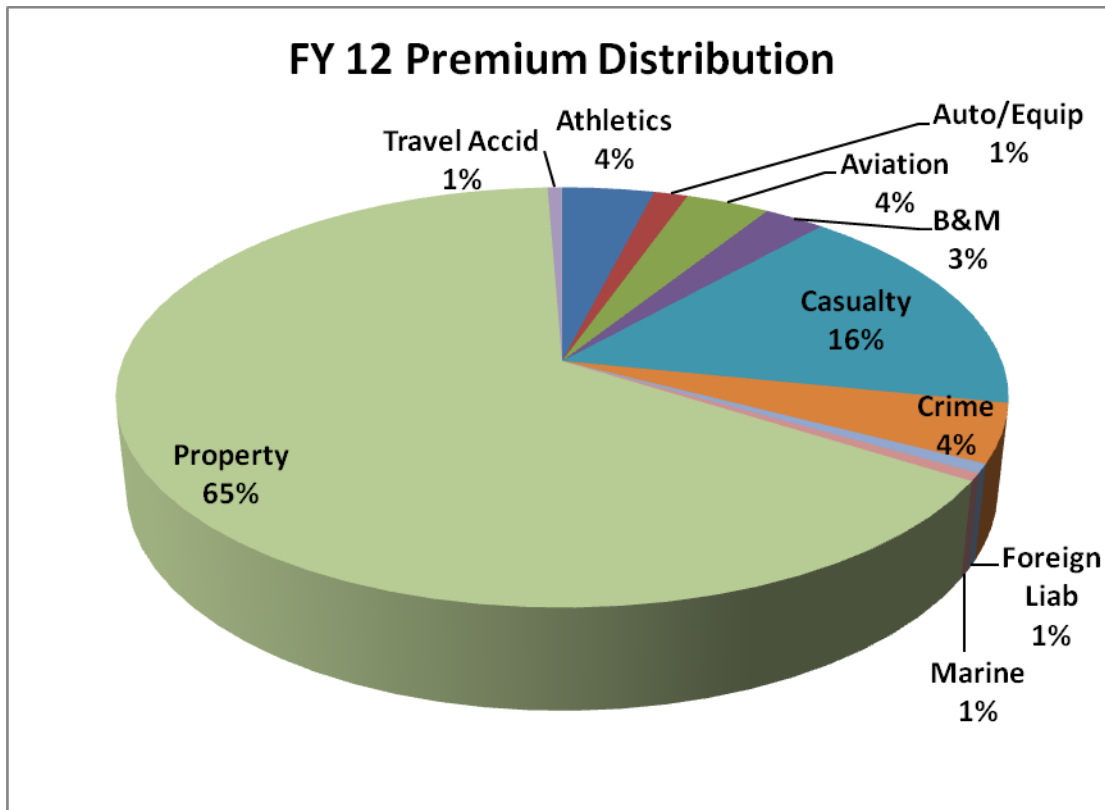
In FY12, we found that worldwide catastrophic losses hardened the insurance market resulting in an increase in premiums. This was reflected primarily in our property insurance premiums, which increased nearly 21%.

The area of cyber liability is an example of where the benefit has finally reached the point of outweighing the cost. Several years ago, when we first began analyzing the exposures and available products, the insurance contracts did not offer much benefit and were extremely costly. Finally, in FY12, it appears we have the opportunity to access a product that offers a broad range of protection for a reasonable price. In today's world of ever increasing cyber attacks and increased identity protection requirements; the prudent next step is to add this layer of specialty protection to our program.



Students can also access affordable insurance coverage through the System Office of Risk Services. Coverages include:

- Student accident insurance – can be used for field trips, travel, on-the-job training, classroom, aviation, construction, etc.
- Student personal property – can be purchased to insure personal property in university housing
- Student professional liability – used by students in the allied health fields: nursing, dentistry, counseling, etc.
- Study abroad – this coverage includes medical, worldwide emergency assistance services, evacuation, etc.



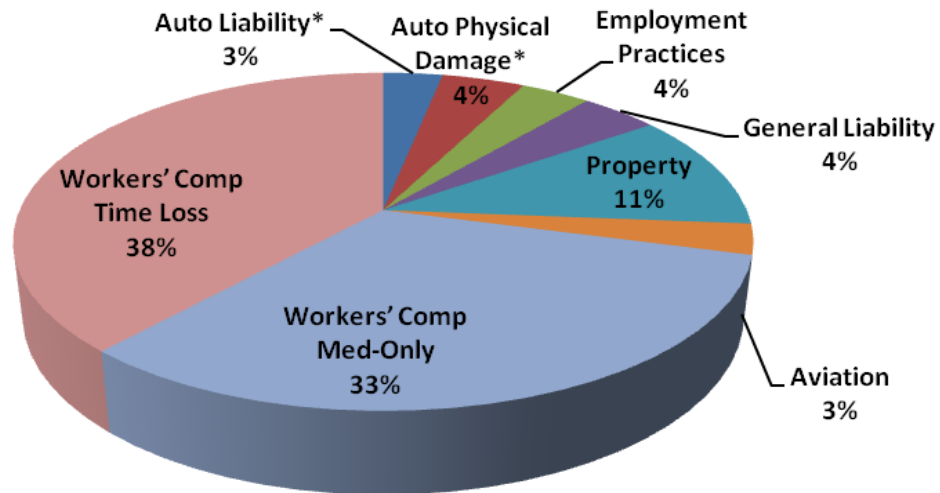
## B. Claims Management

The University of Alaska's claims management program operates on the philosophy that, while not all losses can be prevented, claims can be effectively managed to protect the University's human and financial resources. The Risk Services staff of licensed claims professionals evaluates and adjusts claims arising out of the University's operations. Major lines include:

- Workers' Compensation
- General Liability
- Auto
- Employment Practices
- Property
- Marine
- Aviation

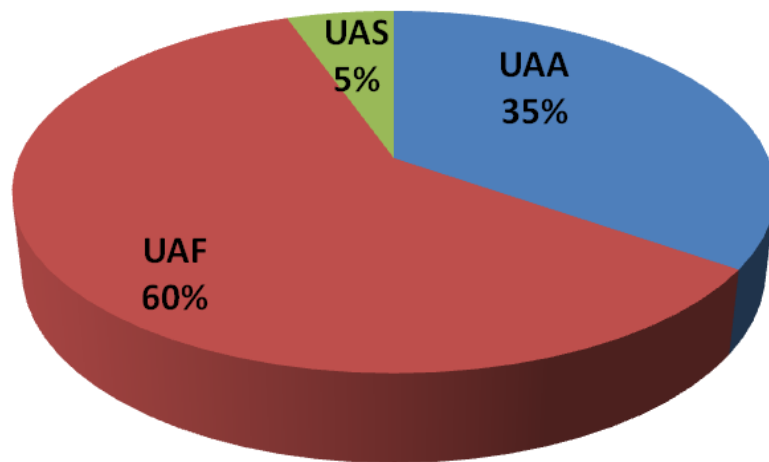
## Claims Distribution by Type

for the 3rd quarter ending 9-30-11



## Claims Distribution by MAU

for the 3rd quarter ending 9-30-11



In addition to handling the claims and litigation that arise, the claims management unit develops and manages loss control programs in workers' compensation, our highest loss area. Proactive return to work programs, partnerships with medical case managers, referrals for ergonomic evaluations, and medical bill auditing are some of the tools used to reduce our workers' compensation costs.

We work cooperatively with all the campus Health, Safety & Environmental offices to pinpoint and track the causes of injury and loss. This information sharing and cross-reporting allows Claims to investigate incidents more quickly and effectively, and gives HSE the data necessary to analyze the causes and develop effective strategies for reducing future losses.

### 2011 Highlights

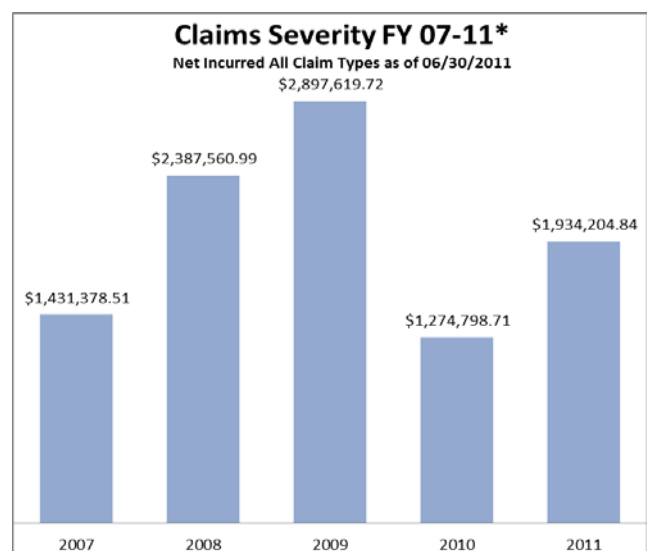
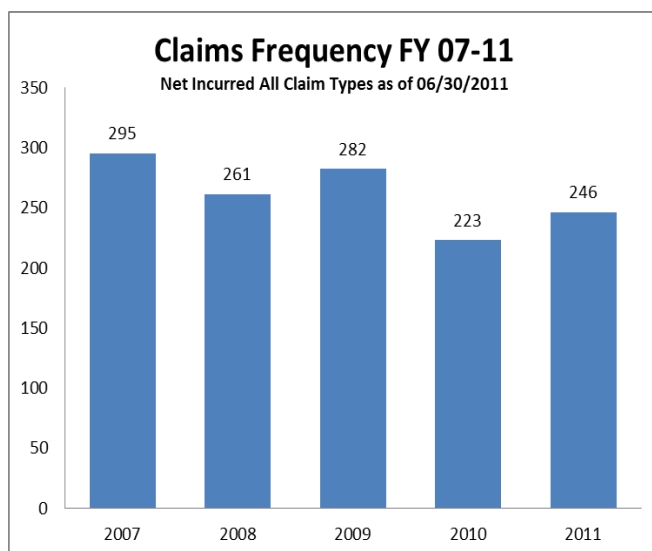
#### State Legal Developments:

The claims manager is responsible for monitoring the legal and insurance environment at national and state levels for developments affecting claims programs. One of the ways we keep our ear to the ground for new developments is through participation on the board of directors of the Workers' Compensation Committee of Alaska. Last legislative session, we monitored several workers' compensation bills, including a firefighter presumption bill, and a medical fee bill.

HB13 was signed into law in October, adjusting the allowable medical fees for workers' compensation. It features significant increases in hospital and other medical expenses and applies to medical services on or after 01/01/2011. There is no provision in the law to prohibit medical providers from charging retroactively at the higher rate, creating concern that providers may submit supplemental charges on bills we paid many months ago. We are monitoring this situation closely to determine whether re-evaluation of our medical reserves is warranted.

#### Federal Legal Developments:

The Medicare Secondary Payer reporting requirements for workers' compensation and liability claims became effective in 2011. This federal law mandated that all insurers and self-insureds report claim settlements paid to Medicare recipients. The claims unit was able to make major programming revisions to its Risk Management Information System (RMIS) to create the necessary electronic transmittal system to bring us into 100% compliance with the new federal Medicare reporting requirement.



\*In 2008, UA had five losses greater than \$200,000 each (three workers' compensation, one employment practices, and one aviation). Over half of the FY 2009 net incurred loss was attributable to just one case, a workers' compensation cancer death claim (\$1,470,000). In that claim, installment recoveries from the Alaska Second Injury Fund totaling \$862,000 are anticipated over the next four years.

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## **V. Afterword**

Ultimate success in managing risk services requires a true team approach. We are proud to count so many champions of safety and risk management within our university community. The System Office of Risk Services strives to assist all MAUs succeed through identifying and prioritizing issues, establishing realistic expectations and time lines for risk management initiatives, help develop well defined roles and responsibilities, facilitate appropriate internal training, and identify objective benchmarks to monitor progress.