

*System Office of Risk Services*

Phone: (907) 450-8150

Fax: (907) 450-8177



UNIVERSITY  
*of* ALASKA  

---

*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 6-7, 2012**

# Table of Contents

---

<b>Section</b>	<b>Contents</b>	<b>Page</b>
<b>I</b>	<b>Overview of System Office of Risk Services</b>	<b>3</b>
<b>II</b>	<b>Enterprise Risk Management</b>	<b>4</b>
<b>III</b>	<b>Prevention and Loss Control</b>	
	Emergency Management	<b>6</b>
	Environmental Health & Safety (HSE)	<b>9</b>
<b>IV</b>	<b>Risk Transfer and Loss Mitigation</b>	
	Insurance	<b>25</b>
	Claims Management	<b>28</b>
<b>V</b>	<b>Working Together in FY13</b>	<b>31</b>

---

## I. Overview of System Office of Risk Services

The System Office of Risk Services includes the following functions:

- Risk Management
- Insurance
- Claims Management
- Emergency Management
- Health, Safety & Environmental Management

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

As we discussed last year, in early FY12, the division of responsibilities between Statewide Risk Services and the campuses was revised.

SYSTEM RISK retains responsibility for **establishing guidelines and standards** and serving as **resources and consultants** to the campuses. Claims and insurance remain centralized with the system office. The practices within Risk Services interact to build risk advocacy system-wide:

### **Insurance management**

builds risk advocacy by ensuring funds for loss recovery, and risk transfers for catastrophic loss. Each opportunity to provide service is a chance to provide a wider insight into risk planning.

### **Claims management**

builds risk advocacy by providing immediate service when loss is sustained and by helping to identify and assess causes of loss. Each claim is an opportunity for a department, college or division to build new risk mitigation strategies.

### **Emergency management**

builds risk advocacy by instilling confidence that individuals and the university have planned to meet the challenge of an emergency through training, exercises and coordination with first responders.

### **Health Safety & Environmental**

builds risk advocacy by encouraging individuals, colleges and divisions to engage in practices that improve their lives and their safety records, and fulfill their compliance with state and federal regulations.

THE MAUs maintain functional responsibility for safety, risk management, and emergency management. The MAUs are the primary contact with departments, divisions and programs, and local authorities. They provide training, coordination, communication and response in all areas. The MAUs provide initial analysis, review, ensure compliance, timely reports. The MAUs are responsible for providing support for system-wide standards and practices, including participation in the development and dissemination of these standards.

In 2012, Risk Services changed leadership. Julie Baecker, the former Chief Risk Officer, retired in February, 2012. A new Chief Risk Officer, Nancy Spink, joined Risk Services in late June, 2012.

---

## II. Enterprise Risk Management

The University of Alaska begins its third year of an Enterprise Risk Management (ERM) approach to managing risk. In 2010, the Chief Risk Officer and the Director of Audit led teams from the three universities and Statewide in a risk identification and scoring process. In 2011, the teams wanted to lead their own efforts at ERM. Throughout most of 2012, the teams continued with their own efforts.

In September, 2012, at the national risk management conference, the University of Alberta noted these primary objectives of ERM:

- Assist the institution in reaching its objectives
- Make more informed decisions
- React more rapidly to threats and opportunities
- Provide oversight and collaboration system-wide
- Support best practices
- Efficiently allocate limited resources
- Safeguard institutional reputation
- Improve organizational resilience

Risk is the effect of uncertainty on objectives

- ISO 31000 standard

In October 2012, the new Chief Risk Officer conducted a “Risk Summit” for the newly appointed Risk Management officers of the universities to begin discussing both strategic and operational risk management. At the Risk Summit, the group began discussing the ERM risk management program at the University of Alaska, and improvements that could be made to reach best practices in ERM. These discussions will continue in 2013. Improvements might include better process definition, a system-wide risk register, ERM documents, communication of process, and tools for risk assessments at operational levels.

### 2012 MAU Risk Register

On the following page are the Risk Registers for UAS, UAA and UAF. All risk assessments are dynamic and subject to reassessment at the Risk Owner’s discretion. Reporting to the Board of Regents occurs on an annual basis. Scoring and mitigation values have been produced by the MAUs. The scoring matrix is on a 1 – 5 scale, as shown below:

#### Level of Concern for Issue

- 5 VERY concerned
- 4 SOMEWHAT concerned
- 3 MODERATELY concerned
- 2 MINIMALLY concerned
- 1 NOT concerned

#### Mitigation or Action

- 5 SATISFACTORY
- 4 SOMEWHAT satisfactory
- 3 AVERAGE
- 2 BELOW Average
- 1 UNACCEPTABLE

## Definitions

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

**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.

UAA				
#	Risk	Risk Owner	Issue Value	Mitigation
1	Weak Public Identity	Chancellor	4 – 4.5	2.5 - 3
2	Resource Weakness	Chancellor	4	2

UAF						
#	Risk	Risk Owner	Impact	Probability	Rank	Mitigation Level
1	Inability to timely replace the heat and power plant with a cost effective solution	Chancellor	4.8	3.2	4.0	3.2
2	Declining federal funding to the University	Chancellor	3.8	4.1	4.0	3.0
3	Lack of diversified economy for the state specifically state revenue dependence on oil production and oil prices	Chancellor	3.7	4.1	3.9	1.0
4	Funding process not addressing an increase in fixed costs	Chancellor	3.5	4.2	3.9	2.5
5	Increased cost of living due to higher energy costs	Chancellor	3.1	4.3	3.7	1.0

UAS				
#	Risk	Risk Owner	Issue Value	Mitigation
1	Federal Spending on Student Financial Assistance	Exec team	4	2
2	Achieving enrollment management targets for retention and completion	Exec team	4	3
3	Uncertainty in State Appropriation	Exec team	3	3
4	Need for improved business analytic and reporting tools	Exec team	4	1
5	Continued, predictable funding to address deferred maintenance	Exec team	3	3

---

### III. Prevention and Loss Control Programs

#### A. Emergency Management

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 public safety and campus-based emergency management needs are critical to ensuring the highest level of preparedness and incident 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 campuses the incident management tools and confidence necessary to prepare for, respond to, and recover from all-hazard incidents.

The University of Alaska’s EMP is **compliance focused** and practices are based upon the following source references: National Incident Management System, National Response Framework, Department of Education-Higher Education Opportunity Act, and the Homeland Security Exercise and Evaluation Program.

Campuses **MUST** continue to prepare to respond to incidents that could compromise the safety of campus populations as well as for any incident that could jeopardize the continuation of essential services, to include academics and most importantly UA’s reputation for public safety.

#### 2012 Milestones

##### Enhancement of Response *Capabilities*;

- UA Alert
  - Ongoing implementation of Alert Notification System-Blackboard Connect (BBC)
  - Across the system over 30 staff are working to support a “successful” implementation; tiered testing and evaluation is scheduled; striving for real-time EM alerting and information sharing
- UA Ready
  - Implementation of Continuity of Operations (COOP) practices (critical for identification and evaluation of UA essential-functions during any disruption/incident)
  - Implementation of Quali READY (Higher Ed Mission Continuity software tool)
  - Long term goal is to synchronize with all compliance tracking (Enterprise Risk Management)

##### Engaged *Partnerships*;

- Training Cadre of subject matter experts conducted Incident Command System (ICS) courses; trained over 110 responders and campus staff on ICS for Expanding Incidents; training the campus communities on response protocols
- Co-Partner for State Conference promoting Higher Ed/K-12 Community Preparedness
  - UA/EM accomplishments praised by Governor Parnell in open ceremony remarks
  - Largest attended conference in State of Alaska history since 2004; 233 attendees
  - UA/EM had representation from 13 campuses; State Division of Homeland Security/Emergency Management (DHS & EM) funded travel for 15 UA staff members
- Strengthen and expand regional collaboration with partners and stakeholders
  - Conducted Multiple Preparedness/Readiness Workshops across the System; DHS & EM Director Madden and staff attended UAA Workshop
- Regional Higher Education impact: asked to co-facilitate Disaster Resilient University Pacific Northwest Summit and share best-practices with University’s within FEMA Region X
- UAA, UAF, UAS brokering regional partnerships for Medical Stations and Community Shelters

- Established a UA Readiness Committee; comprised of EM/IMT personnel representing all MAU's

#### Promote Tiered **Response/Recovery**;

- Development of UA System All-Hazards Incident Management Team (IMT) concept (FEMA Type-3); IMT concept is delivered with each workshop and explained as “framework” of response capability from most remote campus up through largest MAU location
  - IMTs are responsible for **executing** the campus EOP. Campus IMT members' duties and responsibilities relate closely to their normal authority and functions. In the event of a crisis, however, **coordination and organization** of all operations at the campus shall be directed by the IMT. IMT members implement the **strategy and planning** of the preexisting preparedness activities, response, and recovery actions. IMT responsibilities include, but are not limited to; **activate** the Emergency Coordination Center as required, identify the emergency and determine its **impact**, decide the necessary level of response required to **manage the incident**, be prepared to facilitate a multi-unit response or recovery, exercise **control** over emergency operations and **provide guidance** on matters of policy and decision-making authority, authorize the evacuation and/or closing of campus facilities as required, and coordinate the release of all **official information** and instructions to the public

#### Maintaining **Readiness**;

- Exercise Cadre; FEMA Certified Master Exercise Practitioners/functional subject matter expertise
- Participant in Statewide Exercise-Alaska Shield 2012; used exercise to leverage training resources to deliver campus community with IMT framework for regional response and recovery collaboration; IMT's at all three MAU's participated as well as Kodiak, PWSCC, Bethel, and Ketchikan Campuses
- Ketchikan Community Campus Active-Shooter Full-Scale Exercise; 11-agencies/over 300 participants
- Logistical Section Chief (UAF) assisted University of Oregon to manage 2012 US Track/ Field event
- Striving for “standardization”; UAF EMP conducted benchmark assessment for leadership to view
  - National Fire Protection Association (NFPA-1600)

### Program Strategic Direction














These days sustained readiness for all hazards is a cost of doing business. Enhance Capabilities, Engage Partnerships, Tiered Response/Recovery, and Maintain Readiness-It's no coincidence that these are the pillars of the National Response Framework. Continued focus in **tangible training and exercise programs**, along with response/recovery capability enhancements for IMT's will maintain a high state of readiness. This approach gives the members of an IMT the opportunity to work as a team, and learn the knowledge and skills needed to perform effectively in a “learning” environment under stressful, dynamic conditions. Going forward, this vector will give this program more opportunity to upgrade its **readiness posture** with the following events;

- AK Shield 2014 (Initial Planning Conf scheduled for January 22-25, exercise in March 2014)
- UAS EM position to be hired and trained;#1 candidate from last round of interviews declined offer; leadership is considering next option

Preparedness is not a place one get to...but a **process** we must maintain. The EMP will continue to build core capabilities to confront any challenge. It will continue its “peak” performance and sustainability towards readiness growth with focus towards preparing for disruption management of all UA essential functions. With an increased importance put on the following;

- IMT activation, response procedures, and coordination of resources for expedient recovery
- Continued facilitation of Campus Preparedness Workshops; emphasizing command and general staff functions, interagency coordination protocols, and crisis management skills
- Communication (**alerting, coordinating** with internal/external response and recovery efforts)
- Public Information Officer training

**University of Alaska Emergency Management  
Readiness and Compliance\* Report Card (2012 BOR Report)**

Grade		<b>All-Hazards Incident Management Team (IMT)</b> 	<b>Communication Capability and Plans</b> 	<b>Training</b> 	<b>Exercise Program</b> 
		<i>Type-3 All-Hazard /IMT</i> <ul style="list-style-type: none"> <li>• Activate to assist and coordinate any UA incident response and recovery effort that goes beyond campus capabilities/ resources</li> <li>• Continued testing and evaluation of IMT role</li> <li>• State/Fed Stakeholder to ANY regional unified command response</li> </ul>	<i>Blackboard Connect Alerting System Implementation</i> <ul style="list-style-type: none"> <li>• Ongoing marketing strategy and testing</li> <li>• Continued training and evaluation of Campus staff and alerting protocols</li> </ul>	<i>IMT (Higher Ed-All-Hazards), FEMA ICS and CCERT Trainers</i> <ul style="list-style-type: none"> <li>• NIMS, ICS, OSHA, and HEOA Training policy in development</li> </ul> <i>UA Training Cadre</i> <ul style="list-style-type: none"> <li>• Command/General Staff</li> <li>• ICS and CCERT</li> </ul>	<i>UA/EM will be planner for Alaska Shield 2014</i> <ul style="list-style-type: none"> <li>• Target IMT readiness, UA Ready (COOP), and UA Alert for validation</li> </ul>
<b>Establishing UA Policy/Min. Standards (ECD: Jun13)</b>					
		<i>IMT and Policy Group personnel attended workshop with AK DHS Director and Staff; outlining strategic direction and milestones leading up to Alaska Shield 2014</i>  <i>Preparedness Workshops</i> <ul style="list-style-type: none"> <li>• Anchorage</li> <li>• Mat Su Campus</li> <li>• PWSCC</li> </ul> <i>250-Bed AK Medical Station partnership</i>  <i>Hired Emergency Management Assistant</i>	<i>24/7 Dispatch Capability</i>	<i>CCERT trained</i>  <i>IMT Trained</i>  <i>Participated in Great AK "ShakeOut"</i>	<i>Several functional exercise planned to evaluate IMT and communication effectiveness leading up to AS2014</i>
		<i>Significant IMT expertise and capability</i>  <i>Preparedness Workshop</i> <ul style="list-style-type: none"> <li>• Bethel</li> </ul>	<i>24/7 Dispatch Capability</i>	<i>CCERT trained</i>  <i>IMT Trained</i>	
		<i>Ongoing EM hiring process</i>  <i>Preparedness Workshops</i> <ul style="list-style-type: none"> <li>• Ketchikan</li> <li>• Juneau</li> <li>• Sitka (pending)</li> </ul> <i>Orchestrating Community shelter partnership with Student Rec Center</i> <ul style="list-style-type: none"> <li>• UAS, AK Guard, City/Borough EM, and Red Cross</li> </ul>	<i>No dispatch entity</i> <ul style="list-style-type: none"> <li>• Partnering with Ketchikan Dispatch for combined MOU of support to campus</li> </ul>	<i>CCERT trained</i>  <i>IMT Trained</i>	<i>Community Active Shooter Exercise on Ketchikan Campus (LE, MTF, Fire, Director)</i>  <i>Chancellor requested exercise on main campus with <u>faculty</u> involvement</i>

\*Compliance references: NIMS, HEOA, and OSHA

<b>Grading Scale: Non-Compliant: Standards</b> 	<b>On-going or Implementation:</b> 	<b>Satisfactory:</b> 	<b>Above Industry</b> 
---	---	---	--



## **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.

### **2012 Highlights**

#### **HSE Program Reviews:**

The University of Alaska HSE Program Review process commenced in August 2011; there have been 5 reviews conducted to date. The 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.

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

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

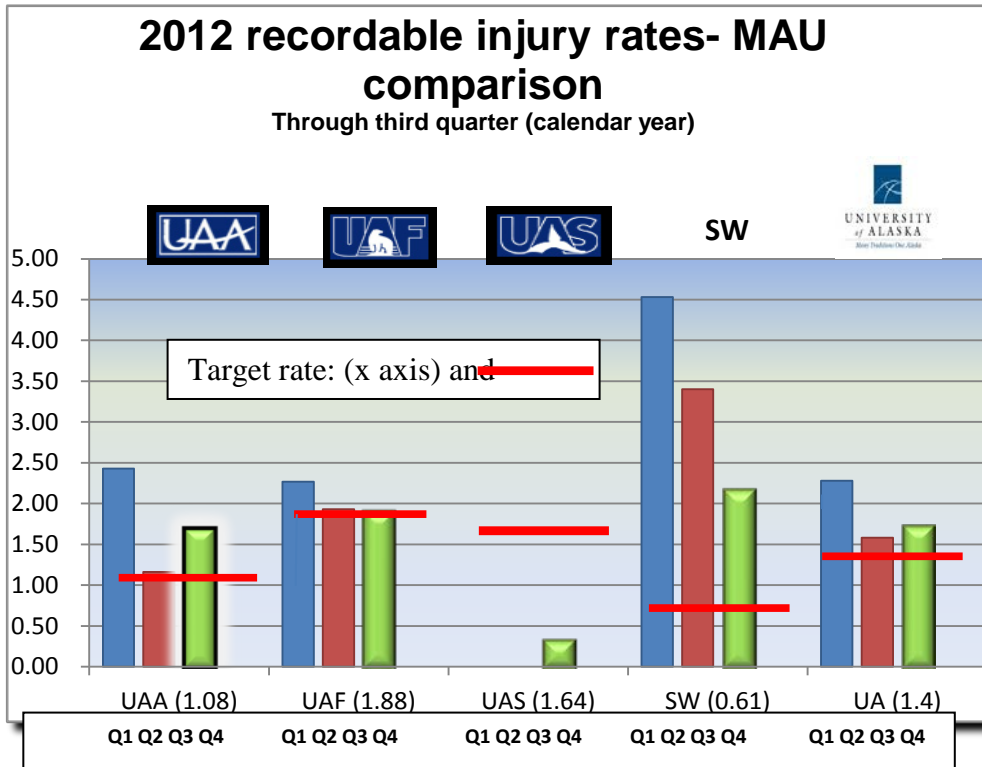
#### **Loss Prevention:**

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 is now provided annually. Training on hazard communication, safe lifting/back injury prevention, electrical safety, and emergency response will satisfy Federal and State OSHA regulations requiring that all employees receive such training.

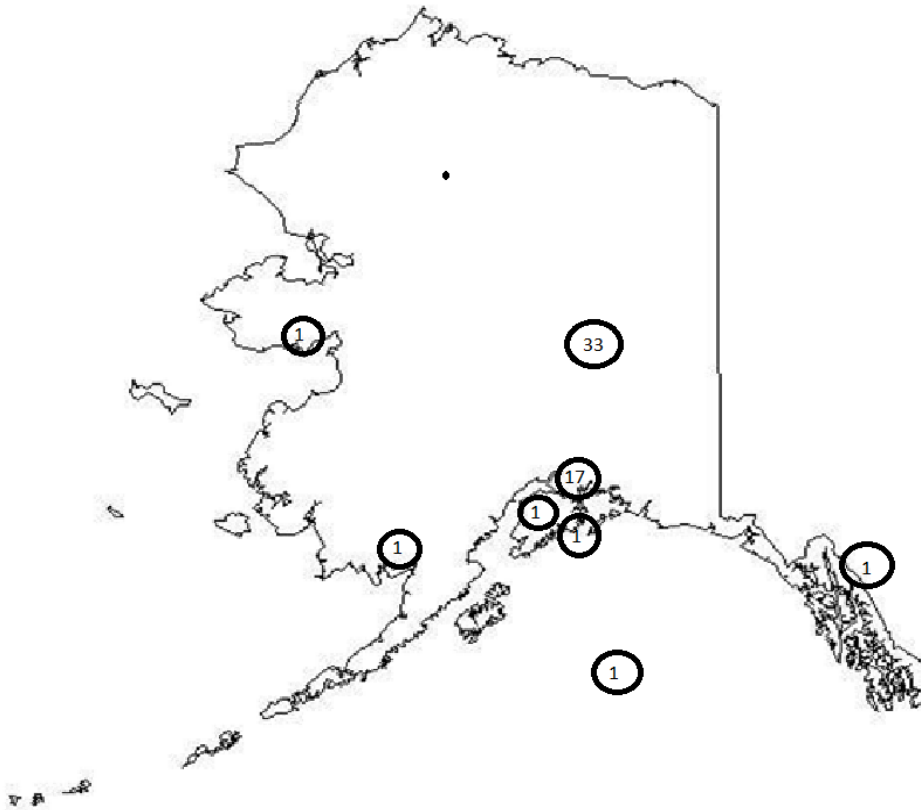
## CY 2012 through 3Q (September 30<sup>th</sup>, 2012)



MAU	Previous year		2012 YTD # of OSHA recordable injuries	2012 Target rate	2012 OSHA recordable Injury rates by calendar quarter			
	2011 #	2011 Rate			Q1	Q2	Q3	Q4
UAA	24	1.2	26	1.08	2.43	1.16	1.7	
UAF	56	2.09	39	1.88	2.27	1.93	1.92	
UAS	7	1.82	1	1.64	0.00	0.00	0.34	
SW	2	0.68	5	0.61	4.53	3.4	2.18	
UA	89	1.66	71	1.49	2.28	1.58	1.74	

# OSHA recordable Injuries (employees) in the University of Alaska System – totals and geographical locations

January 1, 2012 through September 30, 2012



*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 (employees) in the University of Alaska system – by specific location

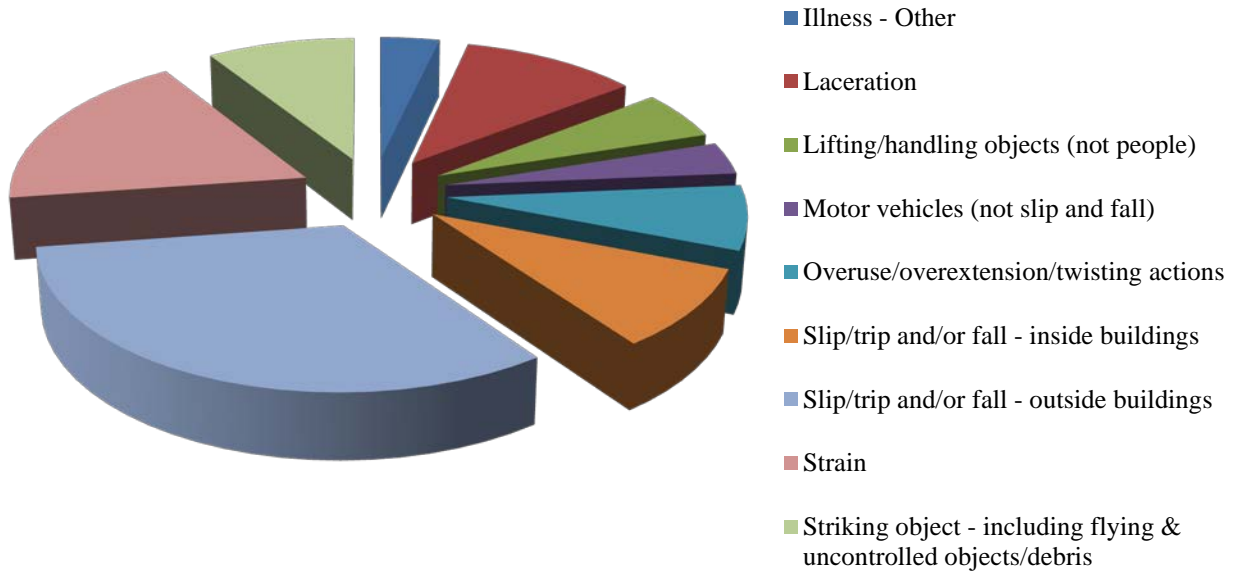
January 1, 2012 through September 30, 2012

Date of Injury	Type of Injury	Cause of Injury	MAU	MAU Campus	Location on Campus
9/24/2012	Twisted right knee	Slip/trip/fall	UAF	Fairbanks	175 Blue Fox Run, Fairbanks
9/23/2012	Broken nose	Struck by Frisbee	UAF	Fairbanks	West Valley Field
9/15/2012	Soft tissue injury to left knee	Slip/trip/fall	UAF	Fairbanks	SRC
9/13/2012	Sprained right toe	Slip/trip/fall	UAA	Anchorage	Central Parking lot
9/12/2012	Irritated eye	Dust/Debris	UAF	Fairbanks	Gruening
9/4/2012	Pain in right arm	Repetitive motion	UAA	Anchorage	ISB Lobby
8/25/2012	Scrape on elbow	Slip/Trip/Fall	UAA	Anchorage	Wendy Williamson Stairs
8/24/2012	Infection on right calf	Infected gear	UAF	Seward	Alaska Sea life Center
8/22/2012	Allergic Reaction	Bee Sting	UAA	Anchorage	Admin Entrance
8/12/2012	Irritated eye	Ash contamination	UAF	Fairbanks	Power Plant
8/09/2012	Pulled muscle on right side	Pulling object	UAF	Fairbanks	CT1 Greenhouse
8/01/2012	Cut finger	Cut	UAF	Fairbanks	Bonanza Creek Experimental Forest Site
7/26/2012	Right Shoulder	Ran into employee	UAF	Fairbanks	HVAC shop
7/24/2012	Reinjured disc	Repetitive motion injury	UAA	Anchorage	UAA Campus – outdoors
7/16/2012	Elbow strain	Repetitive motion injury	UAA	Anchorage	UAA Campus – outdoors
7/06/2012	Pain/muscle spasms in forearm, upper arm, shoulder, neck, and upper thoracic region	Repetitive use	UAF	Fairbanks	268 Artic Health Bldg
6/20/2012	Laceration- right index finger	Caught in-between	UAF	Fairbanks	IAB
6/11/2012	Multiple body parts	Slip/trip/fall	UAF	Fairbanks	Gruening parking lot
5/15/2012	Laceration to right hand	Caught in-between	UAF	Fairbanks	University Park
5/14/2012	Lower back strain	Over-exertion	UAF	Fairbanks	Business Office
5/9/2012	Contusion and concussion to head	Slip/trip/fall	UAF	Fairbanks	Hutchison HS
5/7/2012	Laceration to left ear	Falling object	UAF	Fairbanks	O'Neill
5/5/2012	Fracture to right hand	Caught in -between	UAF	Gulf of Alaska on board R/V Tiglax	
4/26/2012	Exposure	Formaldehyde splash in eyes	UAF	Fairbanks	O'Neill
4/16/2012	Puncture to left leg	Splinter from wood benches	UAF	Fairbanks	Wood center Food Court
4/14/2012	Cumulative trauma- left wrist	Repetitive data entry via keyboard	UAF	Fairbanks	Yukon Drive
4/13/2012	Bruises and scrapes to left leg	Slip/trip/fall	UAF	Fairbanks	Butrovich Parking lot
3/23/2012	Fracture to foot	Slip/trip/fall	UAA	Anchorage	Stairs, Technology Bldg
3/22/2012	Knee contusion	Slip/trip/fall	UAA	Anchorage	NE corner ISB
3/15/2012	Lower back strain	lifting	SW	Out of state	Out of state
3/9/2012	Stitches to thumb	Cut	UAA	Anchorage	West Hall in Housing
3/22/2012	Injured knee	Slip/Trip/Fall	UAA	Anchorage	Northeast Corner ISB
3/23/2012	Fractured foot	Slip/Trip/Fall	UAA	Anchorage	Stairs in Technology Building
1/4/2012	Injured shoulder, arm	Slip/Trip/Fall	UAF	Fairbanks	Walking back to Facilities shop
1/19/2012	Nose bleed	Slip/Trip/Fall	UAF	Fairbanks	Akasofu Building
1/20/2012	Laceration/contusion/swelling to left knee cap	Slip/Trip/Fall	UAF	Fairbanks	Stairs between O'Neill and WRRB on North Side

1/25/2012	Multiple fingers cut	Caught between objects	UAF	Fairbanks	UPCC Cultural Center
2/3/2012	Separated Shoulder	Twisting	UAF	Fairbanks	1855 Marika Road, Mail Room, Front Doors
2/8/2012	Burned arm	Extreme heat	UAF	Fairbanks	Boiler #3
2/17/2012	Fracture of back ribs	Slip/Trip/Fall	UAF	Fairbanks	Iron Stairs near Wood Center
2/21/2012	Left knee, arm, and neck contusions/strain	Slip/Trip/Fall	UAF	Fairbanks	East Entry of Fine Arts, Facing Tanana Loop
2/22/2012	Sprained right ankle	Slip/Trip/Fall	UAF	Fairbanks	HMF Facility
2/24/2012	Hit head and shoulder on ground	Slip/Trip/Fall	UAF	Fairbanks	Parking Lot behind Reichardt Bldg
2/27/2012	Lower back, right shoulder, leg bruised	Slip/Trip/Fall	UAF	Dillingham	Stairs to Parking lot
3/7/2012	contusions to head, shoulder, hip	Slip/Trip/Fall	UAF	Fairbanks	Handicapped Ramp between Eielson and Gruening
3/26/2012	Right "side" of body bruised	Slip/Trip/Fall	UAF	Fairbanks	Rasmussen Library Room 235
4/2/2012	Elbow, ankle, hand, hip	Slip/Trip/Fall	UAF	Fairbanks	Sidewalk to Artic Health
1/11/2012	Lower back muscle inflammation	Slip/Trip/Fall	SW	Nome	Parking lot of Nacier Vocational School
2/27/2012	Sprained tailbone	Slip/Trip/Fall	SW	Fairbanks	Butrovich Parking Lot
1/22/2012	Smashed finger	Dropped object	UAA	Anchorage	Wells Fargo Sports Complex Fitness Center
2/3/2012	Smashed and split finger	Caught between objects	UAA	Anchorage	Parking area at GHH
2/3/2012	Strained lower back	Lifting and Twisting	UAA	Anchorage	GHH Loading Dock
2/4/2012	Strained back	Lifting and Twisting	UAA	Homer	Multiple Locations
2/7/2012	Strained lower back	Subduing a person	UAA	Anchorage	SSB 221
2/9/2012	Right knee strain, left shoulder bruising, and left hand bruising	Car ran over	UAA	Anchorage	Bookstore Entrance
2/15/2012	Neck injury	Car Collision	UAA	Anchorage	West Campus by PSB

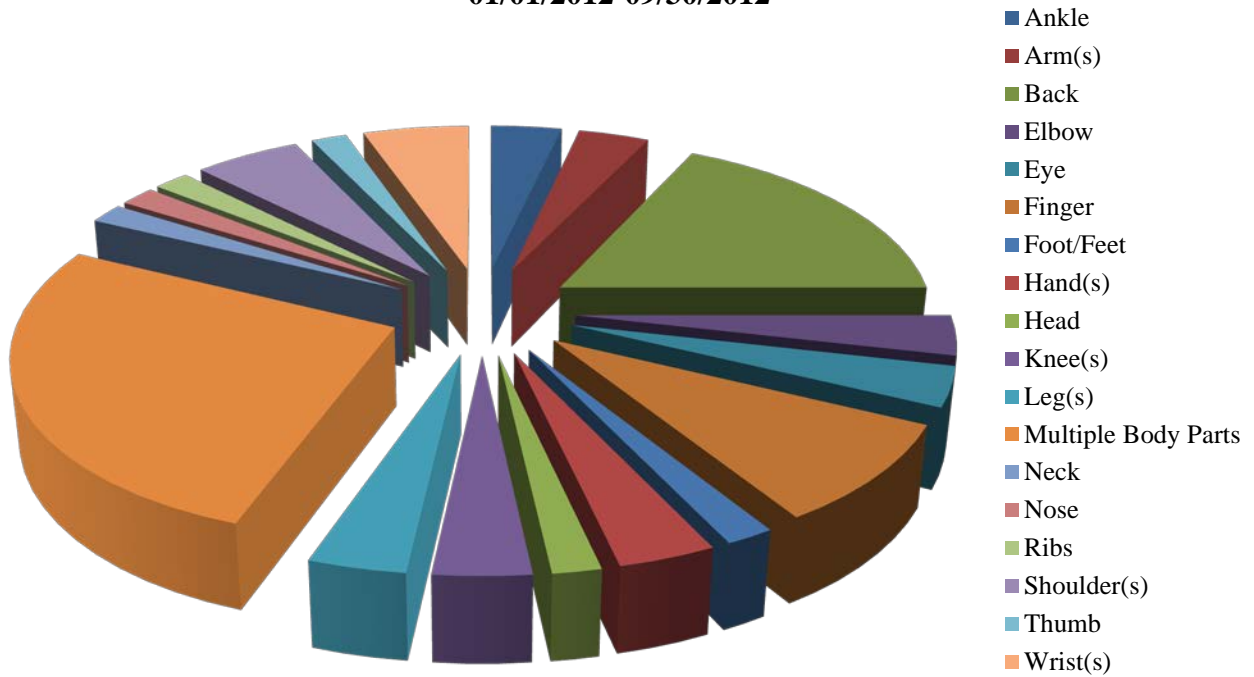
# OSHA Recordable Injuries

By Cause  
01/01/2012-09/30/2012



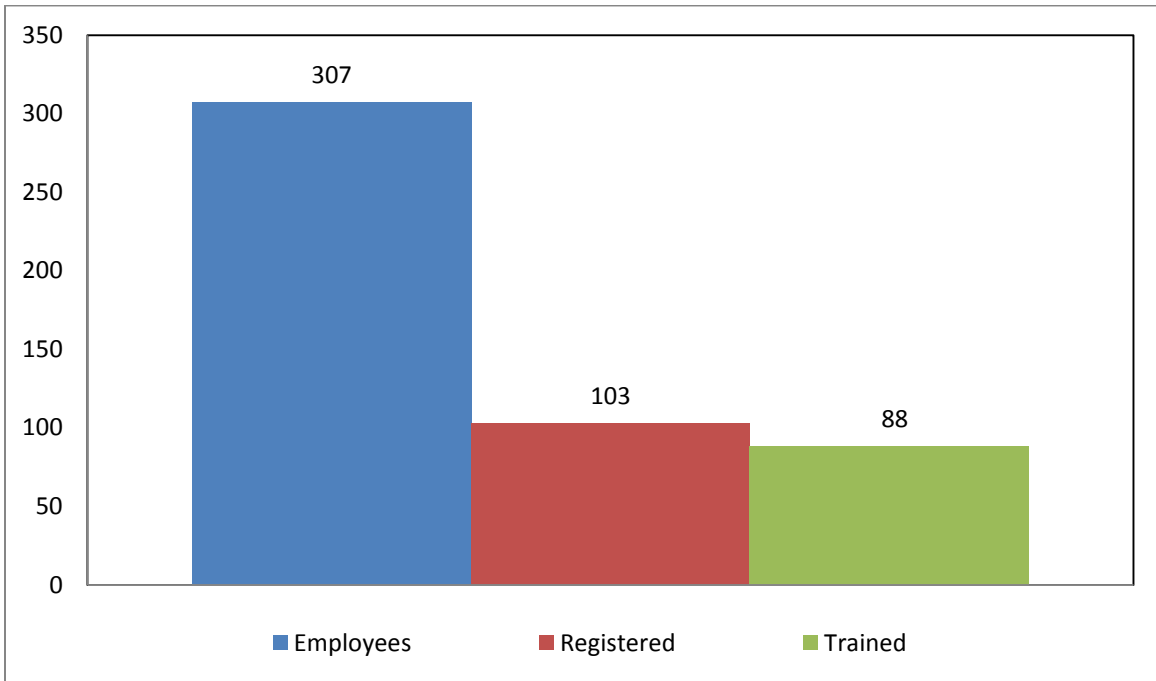
# OSHA Recordable Injuries

by Body Part  
01/01/2012-09/30/2012



# Safety Training Year-to-Date 2012

---



\*\*Numbers are based on average Number of Employees, average Employees that registered for safety training and the average number of Employees that attended safety training (29% Trained)

\*Some training requirements were satisfied by attending a previous training or by third party vendor

## 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 ✓
----------	---------	------------------------	----------

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 PPE needs and respiratory hazards	Extended to Mar 3, 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		Extended to June 1, 2012	CLOSED ✓	
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	CLOSED ✓	
Requirement # 2 Milestone 2		Complete additional air sampling for “dusty” tasks identified during job hazard analysis of the department		Mar 3, 2013	ON TRACK	

#### FINDING CLOSED

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	CLOSED ✓	
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	CLOSED ✓	



**FINDING CLOSED**

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	June 30, 2012	CLOSED √	
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		June 30, 2012	CLOSED √	

**FINDING CLOSED**

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 re-label as necessary 2) Train employees per the requirements of the rule	Oct 31, 2012	CLOSED √	
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	CLOSED √	
Requirement # 2 Milestone 2		Determine methodology to ensure that when new substances are introduced into the workplace, training is completed and documented		Extended to June 1, 2012	CLOSED √	

**FINDING CLOSED**

Review/Date	Finding Number	Compliance Element	Finding Requirements (summary)	Main Target Completion Date	Progress	Comment
UAA Anchorage campus October 2011	2012-05	Spill Prevention, Control, and Countermeasures Plan (SPCC)	See milestones below and refer to the final report FY2012-02 for details	Oct 1, 2013	CLOSED √	
Requirement ID/ Milestone #	Milestone Requirement		Milestone Target Dates	Progress	Comment	
a	Security - Fencing is required at all outdoor tank locations		Oct 1, 2013	CLOSED √		
b	Written Plan Sec. 5.4- Plan requires that a UAA rep is present at all tank deliveries		July 1, 2012	CLOSED √		
c	Lighting – Install lighting at all tank locations that is adequate to discover spills and prevent vandalism		Oct 1, 2013	CLOSED √		
d	Physical Barriers – Install physical barriers at all tank locations to prevent delivery vehicles from departing prior to disconnection of transfer line		Oct 1, 2013	CLOSED √		
e	Written Plan; Diagrams - the written plan does not include connecting piping on the diagrams that show tank location		Oct 1, 2012	CLOSED √		

Review/Date	Finding Number	Compliance Element	Finding Requirements (summary)	Main Target Completion Date	Progress	Comment
UAA Anchorage/Mat-Su Campuses October 2011	2012-06	The Control of Hazardous Energy (Lockout/Tagout)	See milestones below and refer to the final report FY2012-02 for details	Oct 1, 2015	ON TRACK	
Requirement ID/ Milestone #	Milestone Requirement		Milestone Target Dates	Progress	Comment	
a	Equipment –Specific Procedures- Need to be written for equipment with multiple energy sources		Oct 1, 2015	ON TRACK		
b	Lockout Devices – To be singularly identified		Oct 1, 2012	CLOSED √		
c	Training - to include the recognition of applicable hazardous energy hazards		Oct 1, 2012	CLOSED √		
d	Training – train on the limitations of tags		Oct 1, 2012	CLOSED √		
e	Training – all affected employees are to be notified of the removal of LO/TO devices		Oct 1, 2012	CLOSED √		
f	Procedures – include how the site addresses the isolation of stored, residual, or reaccumulation of energy		Dec 1, 2012	CLOSED √		
g	Lockout device removal – all affected employees need to be notified of the removal of LO/TO devices		Oct 1, 2012	CLOSED √		
h	Lockout device removal – plan does not match practice for long term locks		Dec 1, 2012	CLOSED √		
i	Contractors – ensure that UAA employees follow the restrictions and prohibitions of the contractor LO/TO plan		Dec 1, 2012	CLOSED √		
j	Shift Change - develop a procedure for shift or personnel changes to ensure the continuity of LO/TO protection		Dec 1, 2012	CLOSED √		

## FINDING CLOSED

Review/Date	Finding Number	Compliance Element	Finding Requirements (summary)	Main Target Completion Date	Progress	Comment
UAA Anchorage/Mat-Su Campuses October 2011	2012-07	Walking/Working Surfaces	See milestones below and refer to the final report FY2012-02 for details. Specific locations are identified with photos in the report for each line item.	Oct 1, 2014	CLOSED √	
Requirement ID/ Milestone #	Milestone Requirement		Milestone Target Dates	Progress	Comment	
a	UAA – Floor/wall openings- guards		Oct 1, 2012	CLOSED √	FP&C Contractor work underway	
b	UAA – Stairways-railings		Oct 1, 2013	CLOSED √	FP&C Contractor work underway	
c	UAA – Stairways-top and intermediate rails, vertical height of posts		Oct 1, 2014	CLOSED √	Resolved Internally	
d	UAA – Stairways - vertical height from tread to top rail		Oct 1, 2013	CLOSED √	FP&C Contractor work underway	
e	UAA – Handrails- smooth surfaces		Oct 1, 2013	CLOSED √		
f	UAA – Handrails- height ad alignment with risers		Oct 1, 2013	CLOSED √	FP&C Contractor work underway	
g	UAA – Handrails-diameter		Removed			
h	UAA – Stairways- slip resistance of tread		Removed			
i	UAA – Portable ladders-inspection program needed		Oct 1, 2012	CLOSED √		
j	Mat-Su- Floor/Wall openings-door or gate needs to open to a platform		Oct 1, 2012	CLOSED √	Resolved Internally	

Review/Date	Finding Number	Compliance Element	Finding Requirements (summary)	Main Target Completion Date	Progress	Comment
UAS Juneau March 2012	2012-08	Personal Protective Equipment	See milestones below and refer to the final report FY2012-03 for details	Nov 30, 2012	ON TRACK	
Requirement ID/ Milestone #	Milestone Requirement		Milestone Target Dates	Progress	Comment	
a	Noise Exposure – personal dosimetry to be performed for specified tasks		Nov 30, 2012	ON TRACK	Extended. Original target date Sep 3, 2012	
b	Training- conformance to all program requirements		Nov 9, 2012	ON TRACK	Extended. Original target date Aug 31, 2012	
c	Respiratory Protection Program – clearance and fit test record form (model # needed)		Aug 31, 2012	CLOSED √		
d	Hazard Assessments and Equipment Selection- written certification statement		Aug 31, 2012	CLOSED √		
e	PPE Usage – cleaning and maintenance		July 31, 2012	CLOSED √		
f	Hand Protection – access to gloves		July 31, 2012	CLOSED √		
g	Respirators – written program, emergency conditions		Aug 31, 2012	CLOSED √		

<b>h</b>	<b>Respirators</b> – Written program needs to address voluntary use	Aug 31, 2012	<b>CLOSED</b> √	
<b>i</b>	<b>Respirators</b> – practice matching written program	Aug 31, 2012	<b>CLOSED</b> √	
<b>j</b>	<b>Respirators</b> – written program needs procedure for regular evaluation of effectiveness	Aug 31, 2012	<b>CLOSED</b> √	
<b>k</b>	<b>Respirators</b> - written program does not designate a program administrator	Aug 31, 2012	<b>CLOSED</b> √	

Review/Date	Finding Number	Compliance Element	Finding Requirements (summary)	Main Target Completion Date	Progress	Comment
<b>UAS Juneau March 2012</b>	<b>2012-09</b>	<b>Permit-required Confined Spaces</b>	See milestones below and refer to the final report FY2012-03 for details	Dec 31, 2012	<b>ON TRACK</b>	
<b>Requirement ID/ Milestone #</b>		<b>Milestone Requirement</b>		<b>Milestone Target Dates</b>	<b>Progress</b>	<b>Comment</b>
<b>a</b>		<b>General Requirements</b> – workplace evaluation		Removed		
<b>b</b>		<b>General Requirements</b> –Written plan; several technical changes are necessary to meet the requirements of the standard		Nov 2, 2012	<b>ON TRACK</b>	Extended. Original target date Aug 31, 2012
<b>c</b>		<b>Entry Permit</b> – Acceptable entry conditions are not included on the permit		Aug 31, 2012	<b>CLOSED</b> √	
<b>d</b>		<b>Entry Permit</b> - Initial and periodic tests are not listed on the permit		Aug 31, 2012	<b>CLOSED</b> √	
<b>e</b>		<b>Entry Permit</b> - Rescue and emergency services contact phone numbers are not listed on the permit		Aug 31, 2012	<b>CLOSED</b> √	
<b>f</b>		<b>Entry Permit</b> – The means to contact rescue and emergency services is not listed		Aug 31, 2012	<b>CLOSED</b> √	
<b>g</b>		<b>Entry Permit</b> – Communication procedures are not listed on the permit		Aug 31, 2012	<b>CLOSED</b> √	
<b>h</b>		<b>General Requirements</b> – Access to permit space is not controlled		Dec 15, 2012	<b>ON TRACK</b>	Extended from Sep 28, 2012
<b>i</b>		<b>General Requirements</b> – Reclassification of spaces is not performed in accordance with the standard		Aug 31, 2012	<b>CLOSED</b> √	
<b>j</b>		<b>Written Program</b> – Fields to enter acceptable entry conditions are not listed on the permit		Aug 31, 2012	<b>CLOSED</b> √	
<b>k</b>		<b>Entry Permit System</b> – Availability of completed entry permit to all authorized entrants		Aug 31, 2012	<b>CLOSED</b> √	
<b>l</b>		<b>Duties of Authorized Entrants</b> –Duties of authorized entrants are not communicated prior to entry		Aug 31, 2012	<b>CLOSED</b> √	
<b>m</b>		<b>Duties of Entry Supervisors</b> – Duties of Entry Supervisors are not communicated prior to entry		Aug 31, 2012	<b>CLOSED</b> √	
<b>n</b>		<b>General Requirements</b> - Missing or non-compliant signage/markings of permit-required confined spaces		Aug 31, 2012	<b>CLOSED</b> √	
<b>o</b>		<b>Written Program</b> – Missing procedures for summoning rescue and emergency services		Aug 31, 2012	<b>CLOSED</b> √	
<b>p</b>		<b>Rescue and Emergency Services</b> – training of rescue and emergency services personnel is non-compliant		All of these findings relate to emergency services. After careful evaluation, UAS has determined that rescue and emergency services will be provided by off-site Capitol City Fire and rescue		
<b>q</b>		<b>Rescue and Emergency Services</b> – training of affected employees to perform assigned rescue duties is non-compliant or missing				

<b>r</b>	<b>Rescue and Emergency Services</b> – non-entry rescue is non-compliant		
<b>s</b>	<b>Rescue and Emergency Services</b> – Practice rescue is not performed at least every 12 months		
<b>t</b>	<b>Fixed Ladders</b> - Confined Space access (ladders) for Seawater pit and Mourant Bldg are non-compliant with the rule	Dec 31, 2012	<b>ON TRACK</b>
<b>u</b>	<b>Protection of Floor Openings</b> - The access opening to the seawater permit required confined space is unguarded and is a fall hazard	Aug 31, 2012	<b>CLOSED</b> √

### FINDING CLOSED

Review/Date	Finding Number	Compliance Element	Finding Requirements (summary)	Main Target Completion Date	Progress	Comment
UAS Juneau March 2012	2012-10	Machine and Machinery Guarding	To close this finding, UAS must: Develop a written procedure for the evaluation of guarding on all machines in the auto shop and carpenter shop to include, at a minimum, milestone dates for review of the existing guarding, a method of documentation that the review was completed, follow-up methodology to ensure necessary upgrades are completed in a timely manner, and an on-going plan for review of all machine and machinery guarding.	Aug 31, 2012	<b>CLOSED</b> √	

### FINDING CLOSED

Review/Date	Finding Number	Compliance Element	Finding Requirements (summary)	Main Target Completion Date	Progress	Comment
UAS Juneau March 2012	2012-11	Hazard Communication	See milestones below and refer to the final report FY2012-03 for details	Sep 28, 2012	<b>CLOSED</b> √	
<b>Requirement ID/ Milestone #</b>		<b>Milestone Requirement</b>		<b>Milestone Target Dates</b>	<b>Progress</b>	<b>Comment</b>
<b>a</b>		<b>Training</b> – must include site-specific training		Sep 28, 2012	<b>CLOSED</b> √	
<b>b</b>		<b>Training</b> – must address when new hazards are introduced		Aug 31, 2012	<b>CLOSED</b> √	
<b>c</b>		<b>Training</b> – Some records of training are missing or are not current		Aug 31, 2012	<b>CLOSED</b> √	
<b>d</b>		<b>Written Program</b> – Pre-job hazard briefs are not completed as required in the written program		Aug 31, 2012	<b>CLOSED</b> √	
<b>e</b>		<b>Written Program</b> –The written program states the adoption of a color coding system for identifying hazards that is not carried out in actual practice		Aug 31, 2012	<b>CLOSED</b> √	

<b>f</b>	<b>Information</b> – PADS are not site-specific	Aug 31, 2012	<b>CLOSED</b> √			
<b>g</b>	<b>Labeling</b> –A procedure for identifying unknowns is not addressed in the written program	Aug 31, 2012	<b>CLOSED</b> √			
<b>h</b>	<b>Written Program</b> – The written program is not included in the MSDS binders, as described in the written program	Aug 31, 2012	<b>CLOSED</b> √			
<b>i</b>	<b>MSDSs</b> – Missing MSDS for a specific product	Aug 31, 2012	<b>CLOSED</b> √			
Review/Date	Finding Number	Compliance Element	Finding Requirements (summary)	Main Target Completion Date	Progress	Comment
UAF Fairbanks June 2012	2012-12	Personal Protective Equipment	See milestones below and refer to the final report FY2012-04 for details	Nov 16, 2012	ON TRACK	
Requirement ID/ Milestone #	Milestone Requirement			Milestone Target Dates	Progress	Comment
<b>a</b>	<b>Training</b> – develop training plan for PPE training			July 31, 2012	<b>CLOSED</b> √	
<b>b</b>	<b>Training</b> – Complete PPE training for all applicable employees per the training plan			Nov 16, 2012	ON TRACK	

Review/Date	Finding Number	Compliance Element	Finding Requirements (summary)	Main Target Completion Date	Progress	Comment
UAF Fairbanks June 2012	2012-13	Machine and Machinery Guarding	See milestones below and refer to the final report FY2012-04 for details	November 30, 2012	ON TRACK	
Requirement ID/ Milestone #	Milestone Requirement			Milestone Target Dates	Progress	Comment
<b>a</b>	Initiate work request to move the on/off switch of the pedestal grinder from the wall to the front of the grinder			Aug 30, 2012	<b>CLOSED</b> √	
<b>b</b>	Ensure on/off switch is relocated to the front of the pedestal grinder			Nov 30, 2012	<b>CLOSED</b> √	
<b>c</b>	Evaluate and initiate work requests to securely anchor machines(that are designed to be anchored) to the floor			Sep 30, 2012	<b>CLOSED</b> √	
<b>d</b>	Ensure that work requests to securely mount machines to the floor are completed			Nov 30, 2012	ON TRACK	
<b>e</b>	Develop a written procedure for the evaluation of guarding on all machines in the facilities Services physical plant to include, at a minimum, milestone dates for review of existing guarding, a method of documentation that the review was completed, follow-up methodology to ensure necessary upgrades are completed in a timely manner, and an on-going plan for review of all machine and machinery guarding			Sep 30, 2012	<b>CLOSED</b> √	

Review/Date	Finding Number	Compliance Element	Finding Requirements (summary)	Main Target Completion Date	Progress	Comment
UAF Fairbanks June 2012	2012-14	Hazard Communication	See milestones below and refer to the final report FY2012-04 for details	December 31, 2012	ON TRACK	
Requirement ID/ Milestone #	Milestone Requirement		Milestone Target Dates	Progress	Comment	
a	Update the Facilities Services Hazard Communication Plan to reflect that when travel between workplaces takes place, the written program will be kept at the primary workplace facility (physical plant)		Dec 31, 2012	ON TRACK		
b1	EH&S/RM updates the UAF Hazard Communication plan to identify the method used to notify contractors of the labeling system used in the workplace		Nov 31, 2012	ON TRACK		
b2	FS Safety Office updates the Facilities Services Hazard Communication Plan to identify the method used to notify contractors of the labeling system used in the workplace, per the updated UAF hazcom plan		Dec 31, 2012	ON TRACK		
c	Inspect all work areas for secondary containers not properly labeled and marked		Sep 30, 2012	CLOSED √		
d	Post Alaska PADS in all shop MSDS binders		Sep 31, 2012	CLOSED √		
e	Update the FS and shop Hazcom plans to identify the location of the shop-specific Hazcom plans		Dec 31, 2012	ON TRACK		

## Regulatory Inspections and Enforcement Activity

### UAF

Golden Heart Utilities(GHU) Notice of Violation (NOV): UAF was cited for failure to follow their GHU Wastewater Discharge permit by not providing all of the information required during the required notification when a slug discharge from UAF enters the GHU wastewater system which potentially caused a violation of GHU's APDES discharge permit. GHU required UAF to produce a plan that illustrates UAF's ability to keep glycol discharges from entering the waste stream. The plan was submitted to GHU within the 30 day time frame request in the NOV.

Alaska Department of Environmental Conservation (ADEC) Air Quality NOV dated Sept 13, 2012: UAF was cited for failure to permit 12 air quality emission units prior to installation on the UAF campus. UAF is currently in negotiations with ADEC to determine the best course of action for all of the emission units. Currently, an owner requested limit permit application is due to ADEC by November 30, 2012 for three of the units; the requirements for the other nine unpermitted units are still in discussion.

Alaska Department of Environmental Conservation (ADEC) Air Quality NOV dated Sept 28, 2012: UAF was cited for following:

- Reducing visibility through its exhaust effluent that exceeded permit conditions for the two coal-fired boilers and the diesel generator, both located that the central heat and power plant.
- Failing to report excess emissions in a timely manner per permit conditions.
- Failing to install a continuous opacity monitor the meets the performance specifications

ADEC has requested that UAF submit a plan to prevent visible emissions exceedences; how UAF will monitor and timely report any violations; and how we will meet the requirements for installation on the continuous opacity monitors. This plan is due on November 7, 2012.

Wood Center Glycol Spill: Information was submitted to ADEC that UAF completed the required sampling and monitoring on the sites associated with a glycol spill that occurred on June 18, 2012 during a construction project at Wood Center. All sample analysis came back below detection limits. We expect closure of this site.

### Other notable SW HSE activities

The University of Alaska HSE Program Review process continued with the fifth review conducted in October at UAA Anchorage. The review team assessed compliance with powered industrial trucks, and fall protection in the campus theatres.

An electronic incident reporting system is under development to replace multiple paper, fax, and electronic forms currently in use throughout the UA system. This project is in conjunction with the replacement of the Risk Management Information System (RMIS) used primarily for handling worker compensation claims. This system will also allow the University to capture student, employee, visitor, and contractor injuries and property damage information when they are reported, so that we can better understand the nature and root cause of the incidents. Measuring and analyzing this data will allow the University to more effectively manage these incidents.

A draft set of safety *standards* for the University of Alaska has been prepared. A rigorous review process with the EHS professionals within the University system is now underway, followed by submittal to the President's office for review, approval, and signature. Adoption and implementation of the standards, once approved, will be through a 12 to 18 month process.



---

## IV. Risk Transfer & Loss Mitigation

### A. Insurance

The university self-insures a percentage of its property and casualty lines: general liability, educators legal liability, auto, and property. The university self-insures for workers' compensation. UA participates in broker selection with the State of Alaska and markets its property, marine and aviation in conjunction with the State, which generally gives us greater buying power. The university's major insurance partnerships are with the United Educators (excess casualty) and the State of Alaska (all other lines). The Board of Regents should seek to encourage risk planning and decision processes at the University of Alaska that support these critical partnerships.

#### **FY 13 Key concepts include:**

*Risk transfer* – transfer of risk, most commonly through insurance and contracts

*Loss exposure* – What is exposed to loss, i.e., the value of a building, of an aircraft, square footage

*Cost v. benefit* – How much does a risk strategy cost v. benefit to University of Alaska

*Affordability* – is the type of insurance affordable to the University of Alaska?

*Availability* - is the type of insurance readily available in the insurance marketplace? To us?

*Hard market* – insurance market characterized by increased premiums and tight underwriting

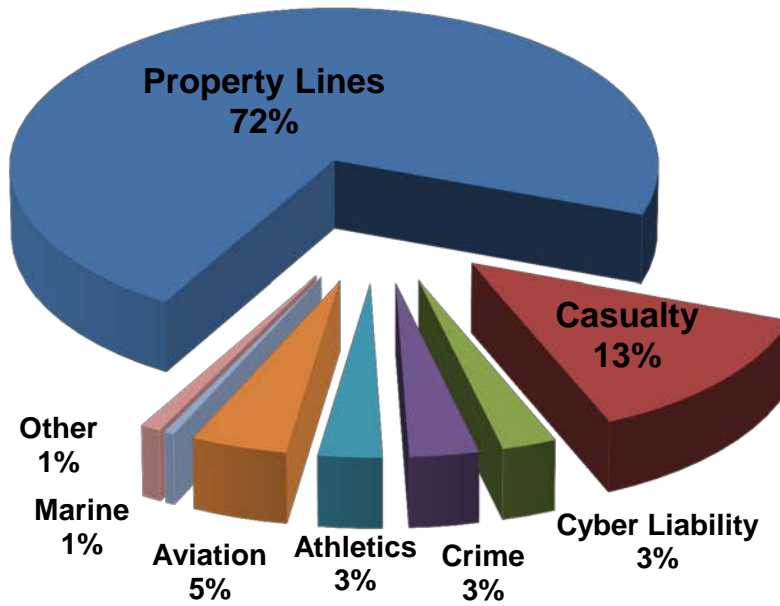
With premiums continuing to increase in a “hard market,” an entity that engages in an enterprise risk approach is at an advantage if it can demonstrate that it is making disciplined and informed risk decisions. Key decision makers will also be able to respond more quickly to the external pressures of a hard market. The University of Alaska experienced a 28% increase in overall premium during the 7/1/12 – 7/1/13 policy period. While several lines were “flat,” there were major increases in Aviation, Property and Workers Compensation. Property in particular was hit by increases due to replacement cost values and earthquake rates. While Marine experienced a flat renewal in FY12, the new ship Sikuliaq comes “online” in FY13, and will affect the Marine premium. We are working with the MAU Risk Managers and fiscal offices on key risk and insurance concepts, and projects to help manage risk in various lines of coverage. Examples include:

- Risk Summit, October 2012 – taught concepts related to insurance, indemnity and certificates, as well as risk assessment
- Property project – working with fiscal, facilities and land management staff to include underwriting data in FY13 renewal submission to help manage property insurance rates
- Aviation project – investigating causes of aviation increases
- Minor Protection project – reviewing ways of improving standards of care; helps with casualty rating

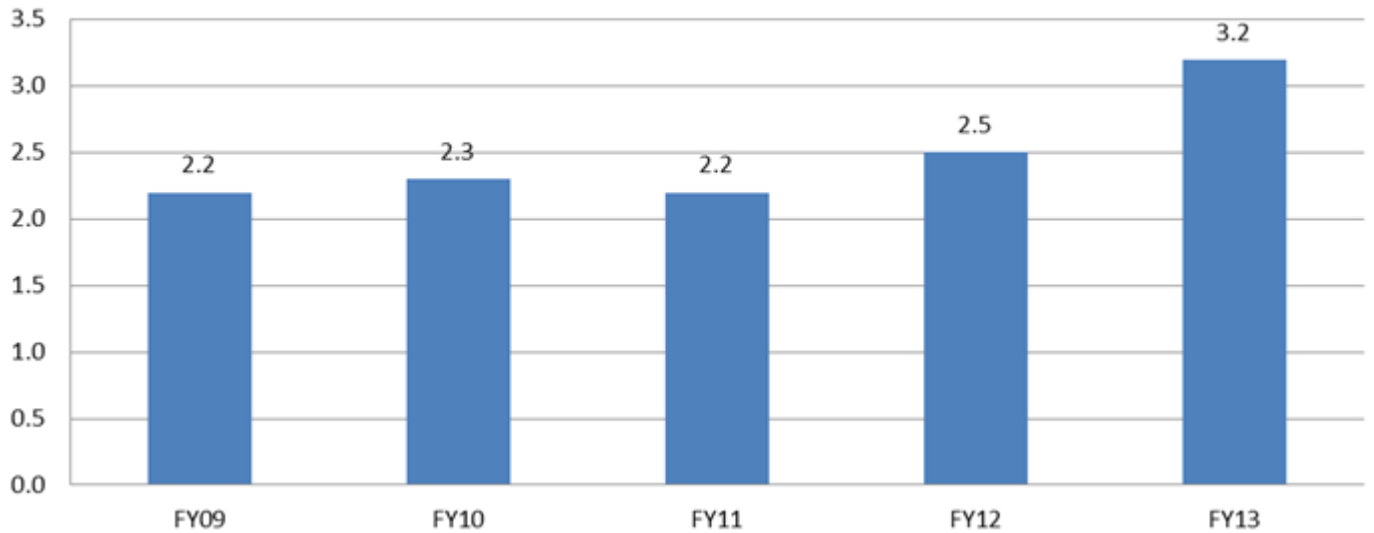
While we cannot guarantee that every effort has an immediate direct dollar impact, the insurance unit continues to look for ways to positively improve the University's affordability and availability of insurance. We also look for insurance decisions that make sense in terms of cost v. benefit (as do our Emergency & Safety units), and which are good “risk transfer” values. Some examples of our thinking might include:

- If we can transfer aviation hull value at 1.30 / 100 value for \$ 6,500, does it make sense to retain a potential \$500,000 of loss?
- If we are spending only \$ 6,500 on foreign liability coverage, but we have an unknown amount of travel throughout the University of Alaska, what should we be doing about it?
- How many minors are accessing our programs? What should we spend to raise our level of care?

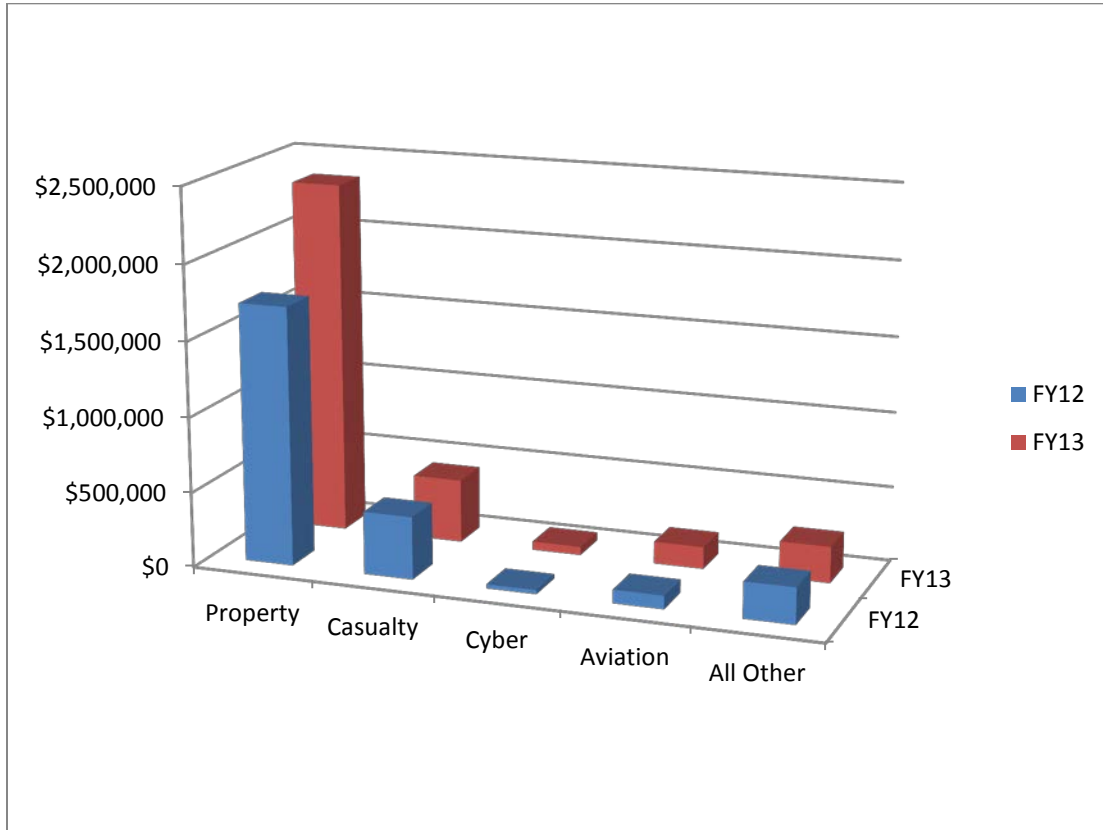
## Insurance Lines of Coverage



## UA INSURANCE PREMIUM HISTORY



## Premium Increases, FY 12 to FY 13



## Premium Detail

Line of Coverage	FY12 Premium	FY13 Premium	% Change
Athletics	\$97,436	\$97,436	Flat
Aviation	\$89,046	<b>\$147,274</b>	65
Auto/Equip	\$36,015	\$36,332	Flat
B&M	\$64,374	<b>\$83,083</b>	29
Casualty	\$410,291	\$416,443	Flat
Crime	\$111,180	\$106,119	-5
Foreign Liability	\$6,797	\$6,797	0
Marine	\$15,000	\$15,000	0
Property	\$1,617,646	<b>\$2,230,910</b>	38
Travel Accident	\$16,450	\$15,553	0
Cyber	\$55,310	\$55,310	0
Worker's Comp	\$1,409	<b>\$8,364</b>	594
<b>TOTALS</b>	<b>\$2,520,953</b>	<b>\$3,218,621</b>	<b>28</b>

## 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:

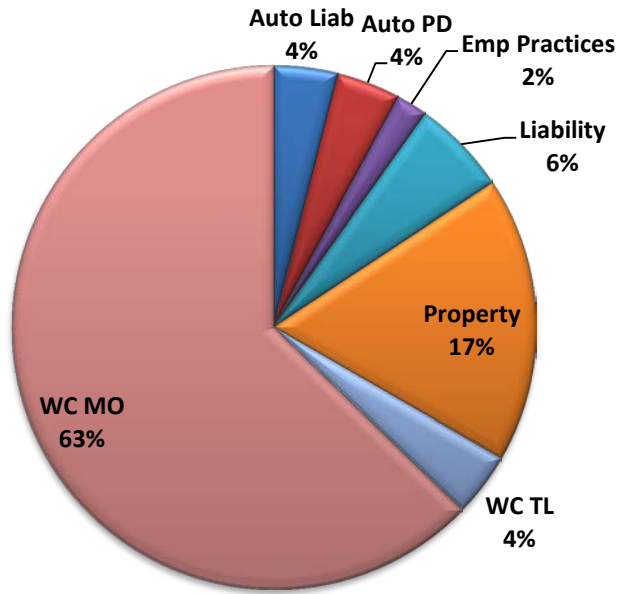
- Workers' Compensation
- General Liability
- Auto
- Employment Practices
- Property
- Marine
- Aviation

Workers' compensation is typically one of the largest loss exposures for any employer, and the University is no exception. Our in-house adjusters are knowledgeable about workers' compensation issues peculiar to the higher education environment and about the special requirements and challenges posed by serving employees in our remote campuses. **Over the past five years, the University's average cost-per-claim has been significantly lower than the average for all Alaskan employers statewide. Proactive management of workers' compensation claims is critical to holding down costs.**

**We also work cooperatively with all the campus Health, Safety & Environmental (HSE) 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.

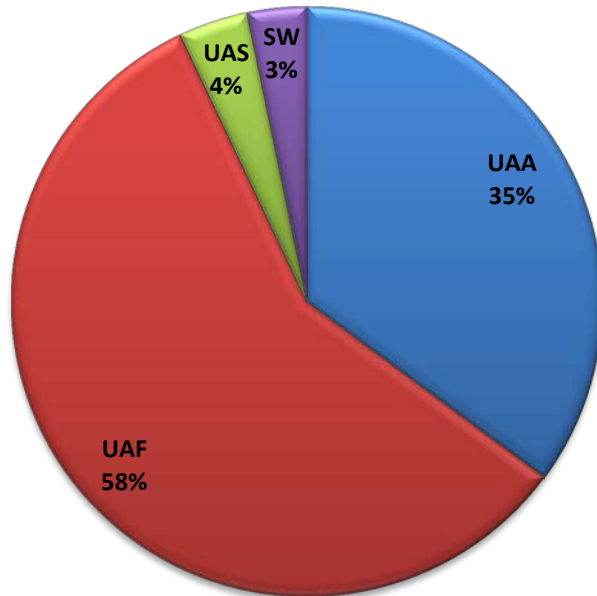
# Claims Distribution by Type

As of 09/30/2012



# Claims Distribution by MAU

2012 Year to Date



## 2012 Highlights

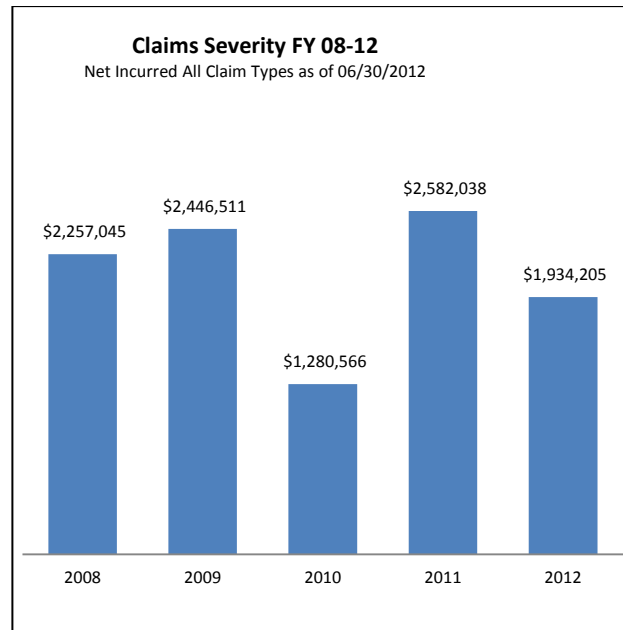
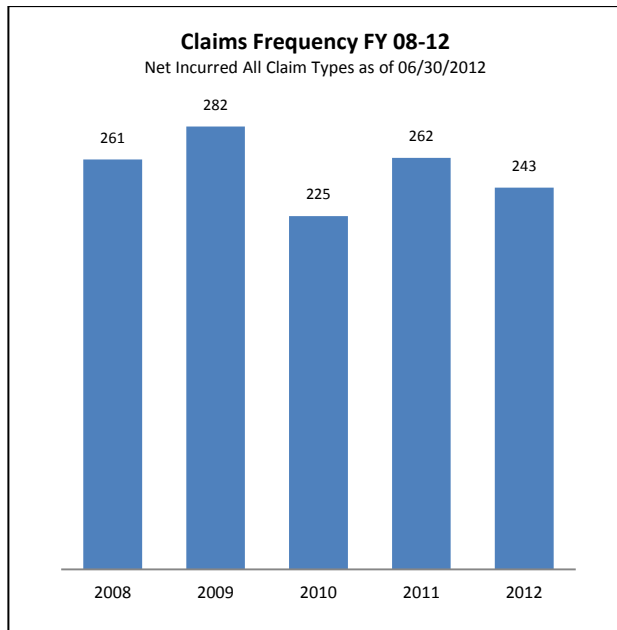
### **State Legal and Regulatory Developments:**

The Alaska Division of Workers' Compensation has announced a move to electronic reporting of claims in 2013. Our current risk management information system does not meet the State's projected compliance requirements and we are working with OIT Project Management Office to identify a cost-effective software solution.

Alaska remains a challenging workers' compensation environment for self-insured employers. Medical benefits continue to expand, but we expect some legislative efforts at cost reduction in the next session. We'll be monitoring this closely to assess any impact on the University's self-insurance program.

### **Federal Legal Developments:**

Federal requirements imposed in 2011 mandated that all self-insured entities electronically report claim settlements paid to Medicare recipients. Although we have been in 100% compliance so far, our risk management information system has required new programming whenever the Medicare reporting rules are changed. Medicare electronic reporting capability will be one of the requirements for the replacement software project, eliminating re-programming costs and providing a more dependable compliance solution.



---

## V. Working together in FY 2013

In 2013, Risk Services will be looking for “shared success” with its partners both at the MAU and outside the university. Success in enterprise risk is by its very nature a shared success. Each unit within Risk Services will be working with its internal and external partners to build shared standards and best practices, to develop risk, insurance, safety and emergency tools for use by the university community, to communicate and train.

We count the Board of Regents as a critical partner in our shared success in enterprise risk.

