



Loss Prevention Guidelines and Information

Introduction:

The University of Alaska maintains a safety and loss prevention program through the System Office of Risk Services. The program is designed to increase awareness of safety and to provide a funding mechanism allowing the campuses to pro-actively invest in loss prevention projects to reduce injuries and losses.

Program Intent:

Each year, the University of Alaska, System Office of Risk Services, budgets a small amount of its total budget allocation to fund proactive loss prevention (LP) projects. The goal is to provide funding for projects that might not otherwise receive attention given the limitations of general operating budgets. The university is self-insured (we act as our own insurance company and pay claims out of our own funds) to very high limits, typically spending over one million dollars per year on claims costs. Loss prevention projects focus on reducing the frequency and/or the severity of claims funded by the university's self-insurance program. All campuses contribute to the self-insurance pool so that our claims can be paid. Therefore, successfully reducing the amount of money we spend on injuries and damages means that the university can better use this money to fund program development and provide better service to our university community. Loss prevention projects can be based on reducing any of the self-insured claims areas, but we have defined below the areas where we typically have spent the most in claims; workers' compensation, liability, auto, and property. Loss prevention projects should have a broad focus inclusive of the diverse population of the university community, faculty, staff, students, and visitors.

The System Office of Risk Services tracks loss history for all of the University of Alaska campuses and produces a quarterly "Cause of Loss" report. Because funding is limited, proposals solidly based on statistical loss history (as found in the Cause of Loss report) or a defensible risk assessment will receive priority consideration. A defensible risk assessment is a very proactive, comprehensive analysis of an area that has yet to sustain a loss, but where exposure is felt to be significant enough, without statistical support, to warrant LP funding.

Loss reports specific to an area of interest can be produced upon request. For example, it is possible for Risk Services to provide a report showing the number of motor vehicle accidents occurring when employees have been backing up a vehicle, which departments sustain the highest number of workers' compensation injuries, which or kinds of injuries or loss to UA property are the most common.

Loss Prevention Funding Exclusions:

The LP program is not intended to be a regulatory compliance tool or funding mechanism. It is the responsibility of departments to plan for, implement, and sustain the appropriate health, safety and security requirements necessary for their specific operations. This includes safety supplies, personal protective equipment, and the startup, maintenance, and replacement of the equipment necessary for new and existing programs. Many of UA's operations are highly regulated and have associated best management practices. If regulatory compliance is a concern, please contact your campus EHS/RM office for assistance in determining minimum requirements.

1. Loss Prevention funds cannot be used as an ongoing supplement to program budgets. The program does not cover replacement of general operating supplies, safety and personal protective equipment required by law or regulation (exceptions can be made for new laws passed within prior 6 months), deferred maintenance expenses, or travel costs.
2. Major capital improvements (where the total project cost is over \$5,000) will not be funded.
3. Activities which require reimbursement to university employees except for labor costs associated with established university service providers, e.g., physical plant, telephone service, printing.

Loss Prevention – Definitions and Examples:

Loss prevention is the act of taking proactive measures to prevent or abate identified risks which, if left unmitigated, may result in university claim expenditures. The areas of highest cost to the university are described below along with examples of qualified loss prevention projects:

- **Workers Compensation** covers wages and medical benefits for injuries arising out of work.

Loss Prevention Example:

As the manager of expediting services, you have experienced 2 employee work injuries in the last six months and multiple complaints about lifting heavy boxes. You discover a great new lifting device that will reduce the injury potential for your employees and a local resource that can come do injury prevention training for your employees.

- **University Property** refers to all kinds of building contents but loss prevention typically focuses on items such as computers and other small pieces of equipment which are common targets for theft.

Loss Prevention Example:



Prior projects have included surveillance cameras where frequency of theft is high, lock down devices for computers, and could include costs in creating a marketing program to mitigate these and similar losses.

- **Automobile Liability** refers to costs that the university would be responsible for (bodily injury and/or property damage) in the event of an auto accident.

Loss Prevention Example:

A review of loss reports shows, over the last several months, a series of accidents where university employees have backed into parked vehicles. Research reveals successful loss reduction results from the installation of back-up warning devices or rear-view cameras.

- **Employment Practices (Personnel) Liability** provides coverage for a broad range of employment related claims including sexual harassment, workplace discrimination, and breach of contract.

Loss Prevention Example:

After experiencing several complaints of sexual harassment, the loss prevention applicant may want to propose awareness training for human resource employees, such as info on the latest trends in employment practices law suits, as well as providing a training program for supervisors to help with claims prevention.

- **General Liability** is a type of claim that members of the public file if they feel that the university has been negligent by an action and/or by an omission and that action or omission results in their sustaining bodily injury and/or property damage.

Loss Prevention Example:

Although the university is diligent in maintaining safe premises, the most common complaint, due to our lengthy snow and ice seasons, arises out of slips and falls. A loss prevention project idea may include additional floor mats to absorb melting snow for high traffic building areas. Other loss prevention ideas may entail warning signs for risks such as snow sliding off roofs, etc.