

# GUIDELINES FOR THE RISK MANAGEMENT LOSS PREVENTION PROGRAM

## **SECTION 1: Purpose**

5 MSRA Section 1728-A specifies the “Powers and duties of the director” of Risk Management Division. One of these duties is (E.) *To establish and promote safety and other loss prevention programs.* 5MSRA Section 1731 states the following: *With the approval of the Commissioner, the fund may be used for loss prevention programs administered by either the Risk Management Division or the Bureau of Human Resources. The total amount of the fund provided for loss prevention programs in any given year may not exceed 5% of the fund as of July 1<sup>st</sup> of that fiscal year.* The purpose of these guidelines is to implement these sections.

## **SECTION 2: Definition of Loss Prevention Program**

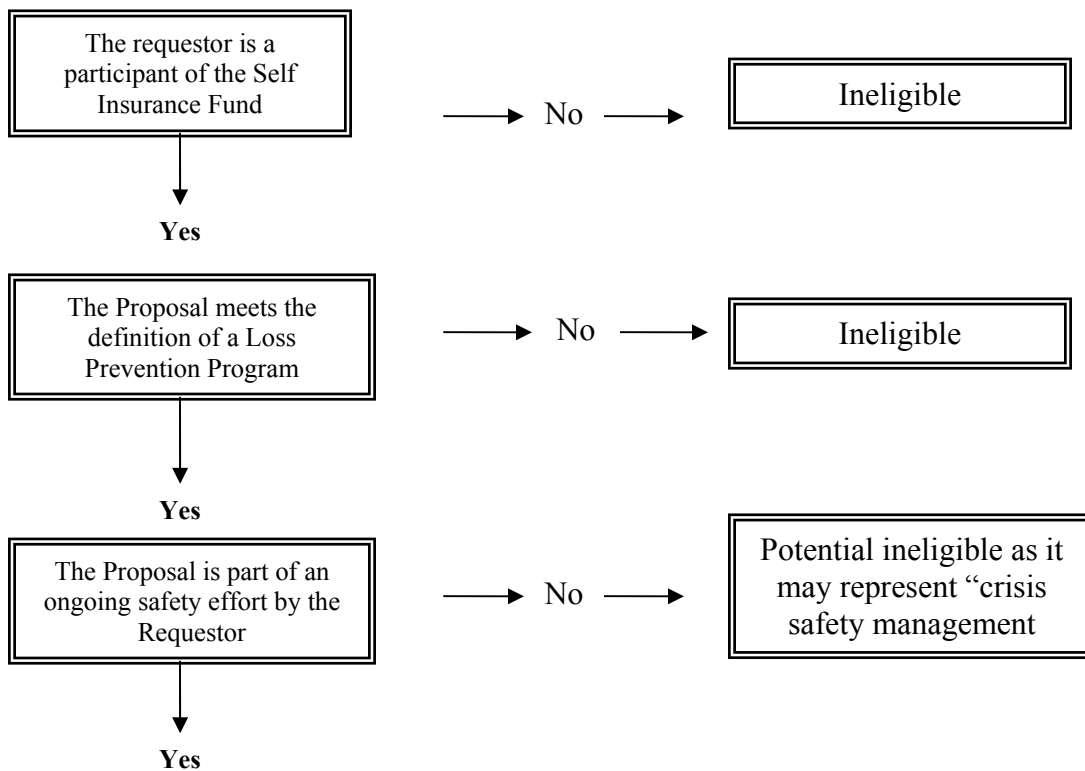
A loss prevention program shall:

- (1) Prevent or reduce the State’s Liability exposure, or
- (2) Prevent or reduce loss to the State’s property, or
- (3) Prevent or reduce injury/occupational illness, or
- (4) Enhance risk control.

Loss prevention may encompass training programs, safety committees, research, equipment supplies or temporary personnel.

## **SECTION 3: Minimum Eligibility Guidelines**

Determination of potential eligibility shall be determined by a “flow chart” process as follows:



Meets Minimum Eligibility Guidelines. Is eligible for further evaluation and consideration.

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#### **SECTION 4: Program Evaluation**

Factors that may be taken into consideration during the evaluation process include, but may not be limited to, the following:

##### Problem

- Identification of the hazard (unsafe condition or act) or peril being addressed as well as the method or data used to identify it.
- Measurement of the hazard or peril – the extent/seriousness of it and the number of employees or property at risk.

##### Solution

- Identification of the method used to decide how best to address the identified problem. Were other control methods considered and evaluated? Why is the proposed solution considered the solution of choice?
- Measurement of cost (total expected cost, requestor's contribution, RMD's contribution)
- Measurement of effectiveness of solution: Is this considered a "complete" solution or "part of the solution?" If part of the solution, what planning exists to address the rest? What measurement of effectiveness will be used? How will results be measured, evaluated, and communicated to RMD?

#### **SECTION 5: How to Apply for a Loss Prevention Grant**

Ask yourself the following questions:

- (1) Will my request meet the Minimum Eligibility Guidelines noted in Section Three?
- (2) If yes, write or send our office an e-mail outlining both your problem and your proposed solution. Use the information in Section Four as a guideline of what information we will need. If you have questions, feel free to call us.

You can expect to hear back from us in a very short time. Unlike a lot of grants, it is our desire to make this process as simple as possible!