

Bay Cities Joint Powers Insurance Authority Risk Management Fund Program Guidelines POLICY

Purpose:

The purpose of the Risk Management Fund Program is to provide a mechanism for BCJPIA members to fund expenditures that support their safety and risk management programs. These additional resources serve as incentives to encourage safety programs tailored to agencies individual needs, and will allow Members to contend with city procedure barriers, city funding shortfalls and other challenges.

Funding:

Annually each participating Member's Liability Program Deposit Premium will include \$5,000 for its individual Risk Management Fund account. Those Members who choose not to participate in the Program must submit their intent in writing to Bickmore by (date). Bickmore Staff will ensure that all such Program Deposits are included in the final budget submitted to the Governing Board for approval. Program Deposits will be accounted for separately.

A participating Member's Program Deposit will be for that Member's account only. The Risk Management Fund accounts will be non-interest bearing. Any funds remaining in a Member's account at the end of a fiscal year will be carried over to that Member's account in the following fiscal year. The carryover of unused account balances will continue until the account balance reaches \$25,000. No additional Program Deposits may be made until the Member's account balance falls below \$25,000.

Should a Member withdraw from the Pool, the balance of their Risk Management Fund account will be returned within 90 days of the effective date of the Member's withdrawal.

Use Guidelines:

Program funds will be used to reimburse Member expenditures for the following:

1. Controlling or minimizing risks that could result in injury, illness, and/or claims filed against the Member
2. Development, implementation, and maintenance of safety and risk management programs.
3. Emergency and disaster preparedness.
4. Purchase of equipment, items or improvements that enhance safety of employees or the public.
5. Special expenditures permitted by the BCJPIA Safety & Loss Prevention Committee and/or the BCJPIA Risk Control Manager.

Program funds will not be used to fund:

1. Deferred maintenance,
2. "Wear and tear" repair or replacement,
3. Operating supplies, materials, or equipment that are normally addressed in another department's budget
4. Monetary fines resulting from regulatory citations.

Reimbursement Process:

1. Each Member will designate a person authorized to submit requests for reimbursement from its Risk Management Fund account.
2. The Member's authorized representative will submit a completed request form to the BCJPIA Risk Control Manager.
 - i. "Proposals for Purchase" submission will include a quote from the vendor, including the vendor's name and address.
 - ii. "Requests for Reimbursement" will include proof of payment and full description of the service or product.
 - iii. The BCJPIA Risk Control Manager will be responsible for reviewing the proposals and requests, and initiating the payment or reimbursement process.
3. When a "Proposal for Purchase" is approved:
 - i. The check will be made payable to the vendor designated on the request form and delivered to the requesting member for completion of the purchase.
 - ii. The member will provide the BCJPIA Risk Control Manager with a copy of the "paid" invoice once the purchase has been made to confirm the purchase.
 - iii. BCJPIA accounting staff will combine this documentation with the documentation from the original purchase proposal as complete record of the transaction.
 - iv. If a copy of the paid invoice is not received by BCJPIA, no further disbursements will be made until the required documentation of finished transaction is provided.
4. When a "Request for Reimbursement" is approved, the check will be made payable to the member and sent to the normal mailing address for that member unless as otherwise directed by the member's authorized representative.
5. The BCJPIA Risk Control Manager will contact Members to discuss submissions that do not appear to meet BCJPIA guidelines.
6. A Member may appeal denied requests to the Safety & Loss Prevention Committee.
7. BCJPIA Accounting Staff will process reimbursements in accordance with the internal controls established by BCJPIA.
8. BCJPIA Accounting Staff will notify members that no further fund contributions will be accepted when their account balance has reached the allowed maximum \$25,000.
9. The BCJPIA Accounting Manager will prepare quarterly reports of Risk Management Fund balances. The BCJPIA Risk Control Manager will prepare an annual report of how the funds were used. Both reports will be made to the Safety & Loss Prevention Committee.

**Bay Cities Joint Powers Insurance Authority
Risk Management Fund Program
Use of Funds Request**

City:		Date:	
Name of Authorized City Representative:		Title:	
Signature:			
Phone No:		Email address:	
Make check payable¹ to:			
Deliver the check to:			
Use of Funds Description			Amount Requested
			\$
<input type="checkbox"/> Supporting documentation attached.			Total
<i>Email request and support documents to BCJPIA Risk Control Manager: Joe Costamagna at jcostamagna@bickmore.net.</i>			\$
Distribution of funds contingent on available fund balance.			
Approved _____ Denied _____ Copy Rian Potvin _____ Signature _____ Date: _____ BCJPIA Risk Control Manager			

¹ Use a separate form for each vendor.