



**State of Hawaii
Risk Management
Office**

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Risk E-Notes

Message from the Risk Management Office

We have been very busy this past quarter! A summary of our key accomplishments are:

Intranet Web Site:

We have an intranet web site that contains all of our information, forms, instructions, newsletters and training.

<http://www.higov.net/portal/Members/dagsrmo>

If you have difficulty in logging on to this location please let us know.

You can also locate our forms and instructions at Forms Central – Internal Forms.

Quarterly Reports:

On October 18, 2007, we transmitted our first quarterly reports of claim activity to your department head and a more detailed listing of claims received to the departmental risk management coordinator.

We look forward to your comments and suggestions.

Training:

Risk Management had its final neighbor island training on Kauai, Aug. 23, 2007.

The meeting covered two topics: 1) insurance and certificates of insurance, and 2) economical loss control techniques.

We had 18 attendees for the insurance portion of the training and 10 for the economical loss control session.

We also conducted “*Understanding Insurance Requirements for Contracts*” class, partnering with State Procurement Office, on October 24, 2007 and again on November 1, 2007. Our attendance for the October 24th class was 48 and 20 for the November 1, 2007 class. We plan on continuing this class and broadening it to include more general information regarding insurance.

Staffing:

We wish farewell and good luck to Noreen Kikawa, our clerk. She has moved to Department of Taxation, with a promotion to secretary, as of October 18, 2007.

As you know, Noreen, was the contact person for updating the auto inventory with the Risk Management Office. You can fax your updates to 586-0553.

Property Losses:

We've had 2 large property losses as of this issue. The property insurance has a \$1 million per occurrence deductible that will apply to these losses.

Message from Risk Management Office (continued)

UH – Edmondson Hall

A fire on 10-20-07 damaged one office, however, the fire also melted a copper pipe which then resulted in flooding into 2 other offices.

The loss will be close to \$1 million and, therefore, within the State's property insurance deductible. That means that the Risk Management Office will fund the entire loss.

Nanakuli High School

A fire on 10-21-07 damaged the Administration Office and building office. The loss will be about \$400,000 to the building and \$100,000 to contents.

Again, this will be below the State's deductible and therefore funded by the Risk Management Office.



Comptroller Memorandum 2007-24, "General Liability and Automobile Insurance Requirements for Contracts", was issued October 23, 2007. The intent of this memorandum is to establish standard limits for general liability and automobile insurance Statewide.

You can find a copy of this memorandum attached at the end of this newsletter.

CLAIMS OVERVIEW

As of 11/05/07

	TORT		POTHOLE		% OF TOTAL	
	6/30/07	9/30/07	6/30/07	9/30/07	6/30/07	9/30/07
FY 08		160		19		12%
FY 07	677		168		25%	
FY 06	981		399		41%	
FY 05	1107		496		45%	

	AUTO		PROPERTY	
	6/30/07	9/30/07	6/30/07	9/30/07
FY 08		85		76
FY 07	374		267*	
FY 06	366		146	
FY 05	320		105	

*621 buildings damaged by 10/15/06 earthquake.



Calendar of Events

October 2007

- 24th - SPO Training – Certificates and Contract Language (Downtown)
- 31st - Halloween

November 2007

- 1st - SPO Training – Certificates and Contract Language (Pearl City)
- 9th - Quarterly newsletter distributed
- 12th - Veteran's Day
- 22nd - Thanksgiving

December 2007

- 1st - Insurance Program renewal
- 25th - Christmas Day

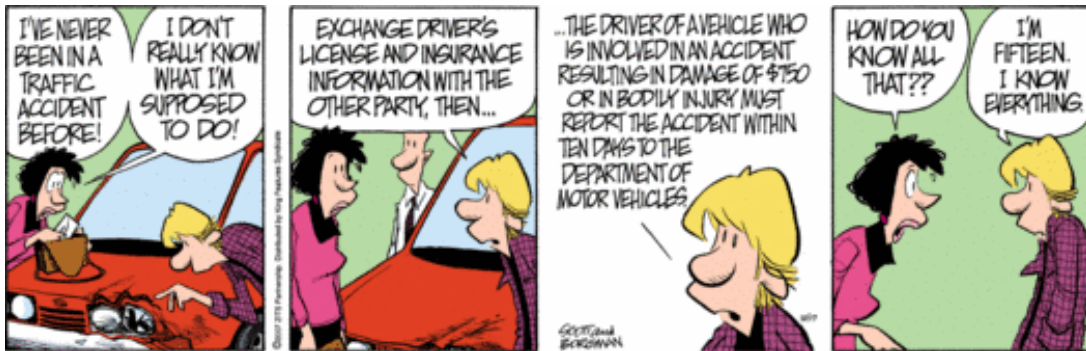


When you back up your computer – keep your storage diskette/disk in a safe place. Do you know that most people we asked kept it next to their computer? In the event of a fire, flood or hurricane, your computer may be damaged. If it is damaged – then your back-up diskette is also damaged!

Holiday Safety in the Workplace

Decorating the workplace adds to the joy of the approaching holiday season. Remember to use these safety guidelines when decorating.

- Note that, regardless of their combustibility, no decorative materials are permitted in exit corridors, nor placed in such a manner as to obstruct view of exit signs, fire alarm pull stations, fire extinguishers, or hose cabinets.
- Best locations for decoration include: reception areas, lobbies, foyers, and break rooms. And remember; don't hang anything from fire sprinklers!
- Choose artificial greenery made of fire retardant materials for office decorating. All decorative materials should be either noncombustible (not all artificial trees are!), inherently flame retardant (the label will say so), or have been treated with a flame retardant solution by a licensed treatment vendor.
- If individual tree lights are to be used, examine them carefully for broken or frayed wires or loose connections. If you find any of these conditions, do not attempt to repair it. Discard the lights immediately. The cost of new equipment is small compared to the increased risk of fire from damaged (even if repaired) wiring.
- Open flames and candles should not be used as decorations in the workplace.
- Use of extension cords is discouraged; but if they are used, make sure they are in good condition. The extension cord wire should be equal to or larger than the wire you plug into it. If in doubt, use a heavy-duty cord.
- Never tack or staple an extension cord to the wall or woodwork--it could damage the cord and present a fire hazard. Make sure cords do not dangle from counters and table tops where they can be pulled or tripped over.



Seattle Post-Intelligencer 10-17-07

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Car Accident Tips

What to do if you are in an accident

Car accidents can be very stressful. Read the tips below to learn what you should do if you're involved in a car accident.

Stay Calm. Keeping a normal demeanor helps you stay in control of the situation.

Make sure you and your passengers are OK. Move as far off the roadway as possible, but stay at the scene of the accident. Warn oncoming traffic by activating your hazard warning lights and/or setting flares.

Call the police to report the accident.

Contact your supervisor and complete the Accident Report form. The sooner Risk Management knows about the accident, the sooner they can start working to resolve your claim.

Report the Accident to the Risk Management Office, at 586-0547, as soon as possible. If you are using your own vehicle, then report the accident to your own auto insurance company.

Forms and Instructions are on the DAGS – Risk Management Intranet site and on Forms Central – Internal Forms.

Do not admit fault for the car accident or discuss the car accident with anyone other than the police.

Exchange vital information with the other driver involved in the car accident. Write down the name, address, phone number and license number for all drivers and witnesses, particularly those who were not riding in a vehicle involved in the accident. Ask for the insurance companies and policy numbers for drivers involved in the car accident.

IDA LINGLE
GOVERNOR



RUSS K. SAITO
COMPTROLLER

BARBARA A. ANNIS
Deputy Comptroller

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October 23, 2007

COMPTROLLER'S MEMORANDUM 2007-24

TO: Heads of Departments and Agencies

FROM: Russ K. Saito
State Comptroller *Russ K Saito*

SUBJECT: General Liability and Automobile Insurance Requirements for Contracts

Standardizing the insurance requirements for Request for Proposals (RFP), Invitation for Bids (IFB), and contract notices will provide consistency for all State contracts and provide adequate liability protection for the State. To achieve this standardization, effective immediately, we are requiring that the contractual requirements for general liability (GL) be no less than \$1 million per occurrence and \$2 million in the aggregate (the maximum amount paid for claims during a policy term). In addition, automobile (auto) insurance shall be no less than \$1 million per accident.

Departments should review the potential risk exposure and may require higher insurance limits, if warranted by specific contracts.

If deemed appropriate by individual agencies for particular contracts, limits below the minimum standard requirements may be established subject to approval by the Risk Management staff before issuing the RFP, IFB, or contract notice. If Risk Management approval is not obtained, the department or agency will be financially responsible for the difference between the contractual insurance requirements established by the department or agency and the amount set forth in this memorandum.

If you, or your staff, have any questions, please call Ms. Julie Ugalde, Risk Management Officer, at 585-0550.