



RISK MANAGEMENT'S TOP 3 OBSERVED EXPOSURES

Following are the TOP 3 risk exposures that have been observed recently by the IMIP risk management team. If you feel that your organization has an exposure in any of these areas and you are uncertain as to how to mitigate or implement corrective action please contact your sales agent or your risk management representative for assistance. Uncertain as to who to contact, then you may submit a request to have someone contact you either by:

- Telephone 1 (800) 249-5268 x 1923
- Website www.indianamip.com/contact.html
- Email RiskManagement@indianamip.com

The **TOP 3 Exposures** observed have been:

- Playground safety and general maintenance
- Failure to review Motor Vehicle Record (MVR) checks on employees on a regular basis
- Incomplete or outdated Employee Personnel manuals

What makes each of these three exposures so potentially dangerous for both the general public and public entities?

In the case of playgrounds, this is one of the most used activities by the general public and yet it is one that seems to be most often overlooked for general maintenance and repair activity and adherence to national safety standards. From failure to replace a 50 cent S-hook on a swing set that resulted in a \$500,000 claim for two brain surgeries for a teen-age girl to sharp edges on a broken merry-go-round causing severe lacerations on a young child's legs when she slipped and fell under the revolving unit. In these tough financial times, parks and recreation departments are being hit with shortages of both funds and manpower. While there are strong immunities for public entities there is **NO** immunity for negligence! A public entity **MUST** remember, ***IF you are going to provide an activity, you then have an obligation to provide a SAFE activity!*** While there are not any specific laws that govern playground safety, there are two resources that are recognized as the leading sources of playground safety. They are:

- The Consumer Product Safety Commissions (CPSC) Handbook for Public Playground Safety , publication # 325
- The American Society for Testing & Materials (ASTM) Standard F1487-01

You may ask yourself the question, "Why is checking the MVRs of my employees who drive a vehicle in the performance of their job duties important?" Imagine if you will, one of your employees is in an accident on

public roads while driving an entity vehicle in the performance of job related duties. Your employee is 'at-fault' in the accident and innocent individuals are seriously injured or worse. In addition, it is discovered after the fact that your employee has had some combination of traffic moving violations and driving under the influence (DUI) citations over the last three years. Think **DEEP POCKETS!** Think winning the **LOTTERY!** Not for you the entity but for the victim or victims and/or their families. The entity is not defensible in this scenario. You are responsible for your employees! And part of this responsibility is to know whether or not they are a potential threat to the public.

Finally, why are Employee Personnel manuals and/or handbooks important to you? They are important because they are the primary way that you the entity/employer have to communicate to your employees how you expect them to behave and conduct themselves. From hiring to firing, from promotion to demotion, from available benefits, to specific behavior both in an employee's assigned job responsibilities to other areas such as use of entity owned property, electronic use policies, dress code , etc. You cannot expect a certain behavior from your employees if you have not shared with them your expectations, rules, policies, procedures and the ramifications if this expected behavior is not met. Over the last two years, the incidences of employment liability claims and lawsuits have risen dramatically. A well written employee manual, which has been communicated and shared with your employees (you should require each employee to sign an acknowledgement annually that they have been presented with and read your employee manual), will go a long way in your defensibility in the event an employee alleges some form of un-fair behavior on your part as the employer.

By Bill Balmat, Director, Risk Management Services



For further information, please contact your IMIP Risk Management representative.