
Recommendations in Summation

To improve risk management processes, we recommend department management:

- Document the methodology for determining the total funding amounts for casualty and worker's compensation. "Leveling" should be considered when appropriate.
- Develop procedures to ensure management maintains adequate supporting documentation related to the funding for casualty and worker's compensation. This is particularly important when management deviates from their standard methodology.
- Develop and document clear criteria for determining the subjective risk factors used which contribute in calculating each department's allocated amount.
- Formally regularly evaluate the allocation calculation and subjective factors used in the allocation calculation. An example of a subjective factor used in the allocation calculation is the risk adjustment factor.
- Implement procedures or verify procedures are implemented by other departments to ensure the allocated amount requested is received and received to the appropriate cost center.
- Develop a system to effectively track claim approvals and ensure documentation associated with those approvals is readily available (i.e. County Counsel, County Administrator, and the Board of County Commissioners).
- Implement review procedures to ensure the third party administrator providing casualty claims administration is billing the County the appropriate and accurate amount.
- Consider allocating vehicle liability (insurance) costs separately from casualty insurance.