RiskWise

A Guide to Controlling Risk

Loss Control Inspection

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Loss Control Inspection

In 2019, state agencies reported approximately $9.2 billion in state owned property. The Department of Administrative Services - Risk Management (DAS RM) and the state's commercial insurers partner with agencies to mitigate potential property risk. DAS RM coordinates state owned facility loss control inspections which identify natural hazard exposures, occupancy exposures and other property hazards that may lead to loss, damage or business interruption. This RiskWise outlines the process used for state property loss prevention inspections.

DAS RM coordinates with agencies and the loss Control inspector to schedule, explain, set up and request needed documentation for the inspections.

Inspection Process

Preparation	Inspection	Inspection Report
DAS RM sets up a date and time with the agency for facility visit by the inspector	DAS RM, inspector, and agency hold an Introduction meeting	Inspector produces inspection report within 3 - 4 weeks
Inspector sends agenda letter for the visit	DAS RM, inspector, and agency tour of the facility	Inspector sends report to the agency and to DAS RM
Agency prepares for loss control inspection	DAS RM, inspector, and agency hold exit meeting to discuss findings and recommendations	Inspection report contains recommendations not requirements

Agency Preparation

Prepare the following documentation for review:

- Business continuity plan
- Equipment testing, maintenance and inspection records
- Other documentation may be asked for in the agenda letter

Ensure access for Inspector to the following areas:

- Sprinkler valve room
- Building incoming gas main
- Server/computer rooms
- Storage rooms
- Equipment/generator rooms

What to Expect During the Inspection

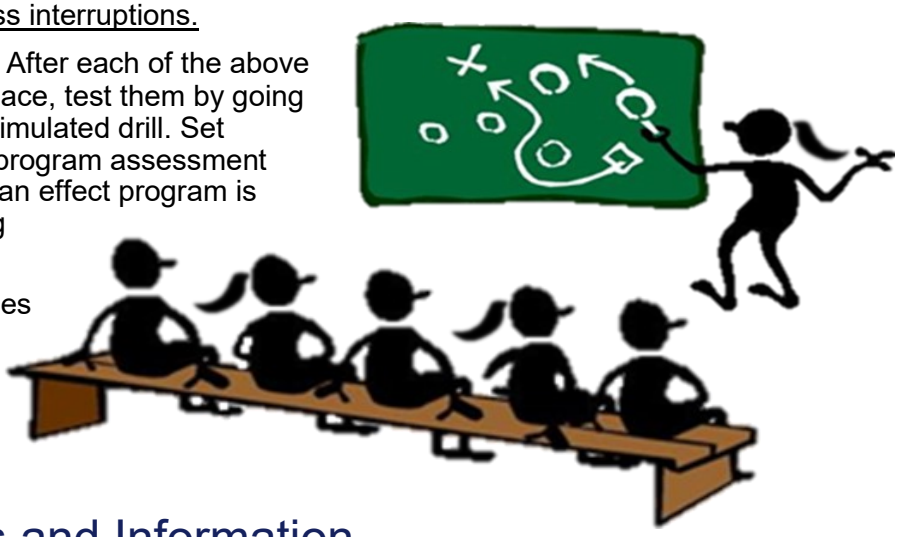
The inspection duration depends on the size of the facility and the complexity of site operations. The inspection consists of the following parts:

- Introduction Meeting - this allows the inspector to better understand the site/business operations and any concerns. A review of fire protection systems and equipment records (e.g. testing, maintenance, inspection) will also occur.
- Facility Tour - Agency site personnel with knowledge of the facility and existing procedures will host the inspector. The inspector will inquire about procedural items such as hot work management, emergency response plan, business continuity plan, fire protection impairment, equipment management and contractor management.
- Exit Meeting - The inspector presents their findings, suggests solutions and obtains feedback from agency site personnel. Suggested solutions are not mandatory but recommended as they help mitigate risk for the agency. They may also have impact on the state's commercial insurance premiums and the agency's risk charges.

Best Practices

DAS RM recommends the following basic safety practices and procedures should be in place at all locations. These are the practices and procedures that the inspector will want to review.

- Business Continuity Plan - A well vetted Business Continuity Plan helps ensure critical business functions and public services continue under any condition. Business Continuity Plan Tools
- Emergency Evacuation Planning - The first few minutes when responding to an emergency may mean the difference between a minor incident and a major disaster. Use the DAS RM's Emergency Response Plan tool to develop a written plan for your location. Emergency Evacuation Planning Toolkit
- Hot Work Procedures - Hot Work is any temporary operation involving open flames, producing heat or creating sparks. The Hot Work Permit, provided by the National Fire Protection Association (NFPA) , provides guidelines to reduce the risk of a fire during this type of work. NFPA - Hot Work Permit
- Fire Protection Equipment Impairment Program - This program's actions minimize risk of a fire when a fire protection system is out of service (e.g. inspection, testing, maintenance, repair). Here's an example Fire Protection Equipment Impairment Program used by the Oregon Employment Department.
- Fire Protection Equipment Inspections - These inspections verify fire protection equipment is in working order and being used properly. It verifies that control valves are open, and that alarms are operating appropriately. As an example, on an annual basis (or as otherwise required by Oregon Fire Code) fire protection control systems should be physically inspected and tested by trained individuals to ensure proper working order.
- Thermography Testing (aka Infrared Scanning or Thermal Imaging) - This proactive property maintenance technique inspects equipment and electrical areas for defective components or connections. It helps minimize maintenance costs, detects hot spots which may lead to fires and reduces unscheduled outages.
- Property Equipment Inspections and Maintenance - Regularly inspect and maintain critical property equipment such as boilers, generators and HVAC systems on a regular basis. This minimizes maintenance costs and can prevent unplanned business interruptions.
- Ongoing Assessment and Reevaluation - After each of the above listed items listed are developed and in place, test them by going through a dry run, table top exercise, or simulated drill. Set predetermined opportunities for ongoing program assessment (such as quarterly or annually) to ensure an effect program is adaptable or may be updated to changing dynamics such as:
  - new leadership or incoming employees with key roles
  - new or revised requirements
  - changes in work locations



Additional Resources, Links and Information

- DAS Risk Management - Risk Assessment Toolkit (Risk Identification and Evaluation, Risk Control Methods and Measures, and Risk Assessment Form)

DAS RISK MANAGEMENT

www.oregon.gov/das/Risk/Pages/index.aspx

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We commit to be KNOWLEDGEABLE, RESPECTFUL AND RESPONSIVE in business and interactions.

- Oregon OSHA Employer Resources:
  - Emergency Action Plan,
  - Hot Work, Welding, Cutting, and Brazing
  - Fire Protection
  - Electrical Safety
- NFPA Standards for inspection, testing, and maintenance of sprinklers and fire alarms.
- National Fire Sprinklers Association (NFSA)

[https://www.oregon.gov/das/Risk/Pages/PubsToolsRes.aspx]