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Introduction

Be Smart About Safety (BSAS) was initiated by the University of California, Office of the President, Risk Services (OPRS) on July 1, 2006. The program was originally designed to increase employee safety awareness and provide a funding mechanism that would allow the campuses and medical centers to invest in loss prevention programs to reduce the number and severity of employee injuries. Since the inception of BSAS, the campuses and medical centers have been investing BSAS dollars into both prevention and loss control, and as a result, the Workers’ Compensation program has experienced a decrease in the frequency of new claims and an overall reduction in workers’ compensation rates.

Because of the initial success of BSAS reflected in the injury prevention and workers’ compensation costs, OPRS expanded the program to address safety, risk, and loss exposures in other risk management programs. These include auto, employment practices liability, general liability, and property.

Definitions

Loss prevention (LP) is the act of taking proactive measures to prevent or abate an identified risk. This can take the form of improved safety and training programs; implementation of new, less hazardous processes; programs/projects to reduce injuries and property loss; engineering controls; and general safety enhancements.

Loss control (LC), also referred to as loss management, is the act of reducing loss severity by identifying the factors that magnify or prolong a loss and taking proactive measures to lessen the effects of those factors.

Program Intent

Each year, OPRS allocates a percentage of its total budget to fund proactive LP and LC projects at the campuses and medical centers. This funding is awarded for projects intended to reduce the frequency and severity of potential loss in the areas of workers’ compensation, automobile liability and physical damage, employment practices liability, general liability, and property.

Note: Based on a systemwide review of losses, the mitigation efforts that would have the greatest impact on reducing the frequency of losses has the greatest impact on reducing the severity (fiscal costs) of our total losses.
Procedures

Steps to Apply for Funding

UC locations must complete a BSAS proposal online at ehs.ucop.edu/bsas to submit their project proposals. Proposals can be submitted by anyone from any department. Emergency planning, police chiefs, housing and dining and facilities are especially encouraged to apply.

For a detailed flowchart of the application process refer to Attachment A - BSAS Application and Approval Flowchart.

Local Approvals

Each campus has a specific process for determining which proposals should be submitted to OPRS for consideration. The proposal must be reviewed and approved by Environment, Health and Safety (EH&S) Director, Workers’ Compensation Manager and the Risk Manager at your location. You must also obtain the approval of the head of your administration or finance department and must also comply with any location-specific requirements that may be in place.

Completing the BSAS Proposal Online Application

Step 1

- Log in to ehs.ucop.edu/bsas using your UC Single Sign-On credentials.
- Select the “Start New Application” button.
- Complete the applicant contact information.
- In the “Short Project Description” field, define the problem and develop a proposal to mitigate the risks (up to 500 characters). The short description should provide a clear and succinct executive level summary that describes the proposal and its scope. The short description will be used for generating annual reports about the BSAS program.
  
  Do not simply state “See detailed report.” Proposals with this will be returned for revision.
  
- Attach a detailed project proposal by clicking the “Add Attachments” button. Proposals should be well-developed and demonstrate direct or indirect savings that will be realized as a result of implementing the LP/LC Plan. Proposals that do not meet this requirement may be denied or returned to the applicant for additional information or relevant justification.
○ Review your plan with your supervisor or appropriate department representative to assure that management will support your plan and provide any additional funding that may be necessary if the plan exceeds the BSAS funding limit.

- Add any supporting documents as attachments
- Using the provided field, note whether the proposal is department specific. If so, include the department(s) name(s)

Step 2

- Using the dropdowns, identify all Unsafe Conditions and Prior Losses

  ○ Because funding is limited, proposals should be solidly based on statistical loss history or a defensible risk assessment, which includes mitigation of the locations' top risks. OPRS tracks loss history for all of the University locations and can produce specific loss reports upon request. For example, if you want to determine how many motor vehicle accidents have occurred when employees have been backing up a vehicle, OPRS can produce a report with that data.

  ○ Contact your local EH&S, Workers’ Compensation or Risk Management office for assistance in developing an LP/LC Plan, to receive a copy of your loss history, or to schedule a Risk Assessment evaluation if needed. Your EH&S, Workers’ Compensation or Risk Management representative can also assist you in determining if your proposal is appropriate for BSAS LP/LC funding.

- In the Loss or Injury Description field, define the problem (up to 500 characters). This short description should provide a clear and succinct executive level summary that describes past experienced losses that the proposal is addressing. This description will be included in an annual report about the BSAS program.

- Add any supporting documents as attachments

- Using the radio buttons, select the level of probable success that this BSAS proposal has of achieving its measurable goal. Be conservative in predicting the degree of success.

- Complete the funding information fields including:
  ○ Amount of funding requested
  ○ Estimate of direct or indirect savings to be realized
  ○ Estimated date to begin spending
  ○ Indicate if this proposal is a continuation from the prior year(s)

Note: For continuing BSAS proposals, applicants must have already submitted their report for the previous year’s proposal report and achieved significant progress towards their previous stated goal.
● Enter into the text field one or more measurable goals for your proposal that meet the SMART criteria (S - specific, M - measurable, A - achievable R - realistic, and T - time-bound). These goals will be used to measure the success of your initiative. Be sure that a defined metric is identified that will be used to determine if this BSAS proposal was successful in LP/LC.

Step 3

● Indicate the funding sources from the following options:
  ○ Auto Liability
  ○ Employment Practices Liability
  ○ General Liability
  ○ Property Liability
  ○ Workers’ Compensation

● Indicate the funding types and amounts of the following options:
  ○ BSAS
  ○ Rebate
  ○ Other

● Enter Transfer Account Numbers

● Complete the contact information for the individual to be notified if the proposal is approved

● Select the Submit button when the proposal is ready for review by your Campus Location Reviewer

OPRS will send a written approval or denial of your LP/LC project proposal to your local EH&S Director, Workers' Compensation Manager or Risk Manager who will notify you of the results.

Note: For FY17/18 OPRS must receive all initial proposals no later than 03/31/2018. This deadline will be advanced each application year until all proposals will be due before the start of the Fiscal Year in which the funds are intended to be spent.

Expenses Not Eligible for BSAS or LP/LC Funds

1. BSAS funds are not intended to supplement program budgets. Expenses such as general operating expenses and supplies, and travel expenses (with a limited exception for train-the-trainer safety education) will not be funded.

   It is the responsibility of departments to plan for and achieve minimum health, safety, and security requirements necessary for their operation. This includes safety supplies and equipment necessary for startup of new programs as well as budgeting for
replacement. Most operations are highly regulated and have associated best management practices that must be adhered to. Your local Worker's Compensation and Risk Management representatives are available to assist you in determining these minimum requirements.

2. Deferred maintenance corrections may be eligible for funding under BSAS if the predominant purpose of the correction is to address an issue of life safety and LP/LC.

3. Capital improvements may be eligible for funding under BSAS if the predominant purpose of the improvement is to address an issue of life safety and LP/LC.

4. The use of BSAS funds to pay salaries or wages for existing positions is discouraged. They may be used to provide seed money for new positions or for positions that were created under previous BSAS funding cycles but in either case, should not be used for funding long-term provisions for a specific position.

Note: In 2008 the use of BSAS funds for existing positions was allowed to maintain effective risk programs when fiscal austerity measures were being implemented across the UC System. Continued use of BSAS funds for salaries and benefits will be reviewed on a case-by-case basis. Ideally, these positions should be moved to permanent funds to allow funding of new LP/LC Projects as described above.

How to Receive Payment

OPRS will reimburse or initially fund your account for approved BSAS project expenses. For specific questions, please refer to Appendix B - BSAS Frequently Asked Questions.

For more information, please contact OPRS at 510-987-9832.
Appendix A: BSAS Application and Approval Workflow

See attached.
Appendix B: BSAS Frequently Asked Questions

Program Overview

1. **What is Be Smart About Safety?**
   Be Smart About Safety (BSAS) is a funding mechanism that allows UC locations to invest their risk management program funds in loss prevention (LP) and loss control (LC) measures to reduce their cost of risk as it relates to employee safety, general liability, employment practices liability, automobile liability and property damage exposures. This program is similar to the mechanism that would be available if the University used a commercial insurance program.

2. **Why should my location participate in the BSAS program?**
   All locations should participate in the BSAS program for several reasons:
   
   ● The BSAS program provides the locations with funding for LP and LC programs that were not available before the inception of BSAS
   ● Participation in the BSAS program has a direct impact on the locations’ insurance rate. Investing in LP and LC will reduce the locations core premiums, as the actuary provides a rate discount to those locations who participate in the BSAS program.
   ● Investing in LP will lead to a reduction in claim frequency, which in turn will have a positive effect on a location’s severity and overall claim exposure.
   ● Investing in employee health & safety and the overall safety and protection of the University and its assets through LP and LC is a sound business decision.

3. **Who can submit a BSAS proposal?**
   Any department may submit a proposal. However, all proposals must be coordinated with your local EH&S, Risk Management, and Workers’ Compensation departments and comply with any location-specific requirements that may be in place.

4. **How does a department apply for BSAS funding?**
   To apply for BSAS funds, an applicant must complete the BSAS funding application online at [ehs.ucop.edu/bsas](http://ehs.ucop.edu/bsas) and comply with any local review processes that may be in place. Once the proposal has received all local approvals, the applicant will submit the proposal for review and final approval by OPRS.

Funding

5. **How is BSAS funded?**
   BSAS is funded through a percentage of each location’s insurance premiums. The percentages may fluctuate based on program status.
6. How are the insurance accrual rates and BSAS accrual rates determined?
The insurance accrual rate is determined by an independent actuarial analysis of a location’s specific loss experience and exposure. This rate varies from location to location because each location’s experience and exposure is unique. This rate also varies by the line of coverage.

The BSAS accrual rate is a systemwide percentage that is based upon maintaining a consistent level of funding for the program. The actuary report is calculated annually in March and is shared with the locations.

7. Are there stipulations regarding the use of BSAS funding?
Yes, these funds can only be spent on LP and LC programs intended to reduce the frequency and severity of potential and actual loss in the areas covered by the specific line of insurance funding.

8. What types of programs would NOT be appropriate for BSAS funding?
Those programs that do NOT support LP and LC initiatives intended to reduce the frequency and severity of potential and actual losses are NOT an appropriate use of BSAS funding. BSAS funds are not intended to supplement operational program budgets. This includes (but is not limited to) replacement of general operating supplies, maintenance and travel expenses (with a limited exception for train-the-trainer safety education).

9. Can BSAS funding be combined or transferred into other existing programs?
The BSAS program intends to create new programs and enhances existing programs that will bolster the LP and LC efforts at the locations. Therefore, BSAS funds should not be used to fund or replace funding for programs that existed before the inception of the BSAS program. However, they may be used to enhance existing programs.

10. Can BSAS funding be used to correct deferred maintenance issues?
Yes, under the stipulation that the predominant purpose of the deferred maintenance correction is to address a condition that has a direct impact on Life Safety. For example, funds cannot be used to pay for a roof replacement, unless the roof poses an immediate threat to the safety of employees, students, visitors, etc.

11. Are capital improvements eligible for BSAS Funding?
Yes, if a capital improvement is proposed that involves LP and LC measures and will have a direct impact on Life Safety, it can be submitted as a BSAS proposal. An example of this would be installing new fire protection sprinkler systems in a building, where the lack of sprinklers poses a significant life safety risk.

12. Under what circumstances should BSAS funding be used to fill career positions?
We do not recommend that BSAS funding be used to fill career positions. BSAS funds are approved on a year-to-year basis. Once approved and awarded, funds are only available for a 12-month period. We cannot guarantee renewal of funding for career positions will be granted for subsequent years.
Use of BSAS funds for salaries and benefits will be reviewed on a case-by-case basis. When approved they are intended to be “seeding” funds with the location committing to transfer the salary to permanent funds at the pre-determined opportunity.

13. Is there a dollar cap on an applicant’s request for and granting of BSAS funds?
No, as long as the amount is within the total amount of BSAS funding available to your location. This is a decision that should be coordinated and agreed upon at the location level before being submitted to OPRS.

14. What if one of our approved BSAS programs over-forecasted the required funds to complete and another approved BSAS program under-forecasted the required funds to complete; are we allowed to move funds from one approved program to the other?
This will be addressed on a case-by-case basis. Both programs must meet the BSAS requirements and have all the required local and OPRS approvals.

Applying

15. When can you submit BSAS proposals for the current fiscal year?
The BSAS online application is closed for approximately three months before the end of each fiscal year for fiscal close and software program updates. It is reopened on July 1st. Proposals must be submitted before the close of BSAS to be considered.

16. What are the deadlines for submitting a BSAS proposal?
OPRS must receive all initial proposals before the BSAS application close date. In all cases, BSAS applications must obtain final approval from OPRS before initiatives can incur costs.

17. What if we don't submit a proposal or proposals for the full BSAS allocation?
Currently, any unused BSAS funds will be carried over to the next fiscal year. However, this policy may be revised in the future to address abandoned funds.

18. What are some examples of approved proposals?
Examples of approved proposals are available from your local EH&S, Workers’ Compensation and Risk Management departments.

19. What if a proposal involves elements of more than one program, such as employee life safety and property fire safety?
Proposals that involve elements of more than one program will be reviewed by all required approvers. Upon approval, the funding will be divided appropriately among each BSAS program that was requested and approved in the application.
20. Does anyone at the campus location have to approve the BSAS proposal?
Yes, each campus has a location-specific approval process in place. Also, you must also obtain the approval of the head of your administration or finance department and comply with any location-specific requirements that may be in place. Each campus has designated local approvers who must approve all proposals in the online BSAS application at ehs.ucop.edu/bsas. All BSAS proposals must be coordinated and agreed upon by all involved local departments before being submitted to OPRS for consideration and approval.

Approval Process

21. Who approves the BSAS proposals at OP?
Proposals are approved by an assigned Program Reviewer for each of the insurance funding accounts. With final approval by the Deputy Chief Risk Officer.

<table>
<thead>
<tr>
<th>Role</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Reviewer</td>
<td>BSAS Administrative Assistant</td>
</tr>
<tr>
<td>Auto Program Reviewer</td>
<td>Executive Director, Liability and Property Programs</td>
</tr>
<tr>
<td>Employment Practices Liability Reviewer</td>
<td>Employment Practices Liability Program Manager</td>
</tr>
<tr>
<td>General Liability Reviewer</td>
<td>Executive Director, Liability and Property Programs</td>
</tr>
<tr>
<td>Property and Liability Reviewer</td>
<td>Executive Director, Liability and Property Programs</td>
</tr>
<tr>
<td>Workers’ Compensation Reviewer</td>
<td>Executive Director, Environmental Health, and Safety</td>
</tr>
<tr>
<td>Second Reviewer</td>
<td>BSAS Administrative Assistant</td>
</tr>
<tr>
<td>Final Reviewer</td>
<td>Deputy Chief Risk Officer</td>
</tr>
</tbody>
</table>

22. How do I know what review phase my BSAS proposal is in?
The following table provides a brief description of the review statuses for BSAS proposals. You can view the status of your proposal anytime by logging into ehs.ucop.edu/bsas.

<table>
<thead>
<tr>
<th>Status</th>
<th>Status Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Draft</td>
<td>Draft</td>
<td>Proposal started by the applicant and in editable mode</td>
</tr>
<tr>
<td>Pending</td>
<td>Pending</td>
<td>Proposal submitted by the applicant and ready for review by Campus Location Reviewer(s)</td>
</tr>
<tr>
<td>Location Approved</td>
<td>LocApproved</td>
<td>The proposal approved by Campus Location Reviewer(s) and ready for review by 1st Reviewer at OPRS</td>
</tr>
<tr>
<td>1st Reviewer Approved</td>
<td>RevApproved</td>
<td>The proposal approved by 1st Reviewer and ready for review by Program Reviewer(s) at OPRS</td>
</tr>
<tr>
<td>Program Reviewer Approved (Auto)</td>
<td>PrgAutoRvrApproved</td>
<td>If applicable, a proposal approved by Auto Reviewer and ready for review by other Program Reviewer(s) or 2nd Reviewer at OPRS</td>
</tr>
<tr>
<td>Program Reviewer Approved (Employment)</td>
<td>PrgEmpRvrApproved</td>
<td>If applicable, a proposal approved by Employment Reviewer and ready for review by other Program Reviewer(s) or 2nd Reviewer at OPRS</td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>-------------------</td>
<td>------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Program Reviewer Approved (General Liability)</td>
<td>PrgGlRvrApproved</td>
<td>If applicable, a proposal approved by General Liability Reviewer and ready for review by other Program Reviewer(s) or 2nd Reviewer at OPRS</td>
</tr>
<tr>
<td>Program Reviewer Approved (Property)</td>
<td>PrgPropRvrApproved</td>
<td>If applicable, a proposal approved by Property Reviewer and ready for review by other Program Reviewer(s) or 2nd Reviewer at OPRS</td>
</tr>
<tr>
<td>Program Reviewer Approved (Workers' Compensation)</td>
<td>PrgWcRvrApproved</td>
<td>If applicable, a proposal approved by Workers' Compensation Reviewer and ready for review by other Program Reviewer(s) or 2nd Reviewer at OPRS</td>
</tr>
<tr>
<td>2nd Reviewer Approved</td>
<td>SndrevApproved</td>
<td>The proposal approved by 2nd Reviewer and ready for review by Final Reviewer at OPRS</td>
</tr>
<tr>
<td>Final Reviewer Approved</td>
<td>Approved</td>
<td>The proposal approved by Final Reviewer at OPRS</td>
</tr>
<tr>
<td>Not Approved</td>
<td>NotApproved</td>
<td>Applicable at any point in the review process. Proposal returned to the applicant.</td>
</tr>
</tbody>
</table>

23. **Is the OPRS department the final approving authority of the BSAS proposals?**
   Yes, OPRS is the final approving authority of all BSAS proposals.

24. **What if a BSAS proposal is rejected?**
   Proposals with insufficient information returned to the applicant for clarification or additional information as required. If it is determined that the proposal does not meet the requirements of the BSAS program, it will be rejected, and funding will not be provided for that proposal.

**Reporting**

25. **What does an appropriate tracking system look like for determining the effectiveness of the BSAS programs?**
   An appropriate tracking system should document losses and exposure before initiating the new program and then after a selected period document the effect the program had on the losses and exposure. A clear set of metrics needs to be identified in the proposal. Each location needs to perform routine monitoring of the progress of each approved proposal towards their stated goals.

26. **When do I submit my progress report for an awarded BSAS proposal?**
   All locations are required to submit to OPRS a yearly report detailing the results of their approved programs (this is submitted to OPRS via the BSAS application [ehs.ucop.edu/bsas](https://ehs.ucop.edu/bsas)). Additionally, each location is required to establish a self-audit program which will be reviewed and verified by an external source periodically.
Miscellaneous

27. **How long will the BSAS program be available?**
   OPRS intends to continue this funding mechanism indefinitely.

28. **What is the difference between the Deficit and BSAS?**
   A deficit exists when a location has a negative program status as determined by an
   independent actuary. A negative program status is when a location’s expected liability is
   greater than its accrued program contributions. If a location decides to participate in the
   Deficit Deferral Program, they are required to use these available funds for Loss
   Prevention or Loss Control programs with the intent of reducing the cost of risk as it
   relates to their program. A location is required to use the BSAS funding application and
   approval process to obtain approval from OPRS for the use of these funds. Please note
   that Deficit Deferral programs are not available in all insurance programs. Contact OPRS
   for more information about deficit deferral.

   BSAS is a funding mechanism that allows the locations to invest in LP and LC measures
   to reduce their cost of risk as it relates to employee safety. This program is similar to the
   mechanism that would be available if the University used a commercial insurance
   program.

29. **Are there differences between how campus and medical center BSAS funds are
    processed and can be used?**
    No.

For more information, please contact OPRS at 510-987-9832.