



City Administrative Officer  
**Risk Management**  
200 North Main Street  
City Hall East, Room 1240  
Los Angeles CA 90012-4190  
[www.lacity.org/cao/risk](http://www.lacity.org/cao/risk)

### **Policy/Objectives:**

The City of Los Angeles is to be protected to the maximum extent feasible against loss or liability which would significantly affect personnel, property, finances, or the ability of the City to continue to fulfill its responsibilities to the taxpaying public. (Reference – Council File No. 79-3194).

The Risk Management team manages the central risk management function for the City of Los Angeles. We are a service provider, working closely with all operating departments within the City. Staffed with experts in various aspects of risk management, we are dedicated to minimizing or eliminating the exposure of City assets and resources (both human and financial) to accidental and business loss through effective utilization of professional risk management techniques, such as risk identification and analysis, loss prevention and control (pre-loss and post-loss), risk transfer and risk finance (insurance and other mechanisms).

### **Services Provided:**

**Contract Review** – Risk Management drafts, negotiates, executes and administers insurance requirements and conditions in City contracts and advises the City on insurance compliance and industry standards.

**Indemnification** – As authorized by Council and Mayor, Risk Management executes on behalf of the City, agreements with individuals or organizations providing services to the City that will indemnify and hold them harmless from loss or liability arising from the acts or omissions of the City when using their property.

**Insurance Procurement** – While the City has a large risk retention program and is self-insured for workers' compensation, Risk Management protects the City's assets by ensuring that the most appropriate insurance coverage and risk financing methods are in place for the City's contractual, operational and organizational exposures. Insurance is usually procured to satisfy property related bond financing, City ordinance or property leasing requirements. Insurance is also purchased if it is determined to be cost beneficial to the City.

**Capital Projects** – Risk Management provides specialized analysis of public capital projects for risk exposure to the City. Risk solutions have included administration of an OCIP (Owner Controlled Insurance Program) – a “best practices” program that arranges, procures and manages insurance coverage and administers claims and safety efforts on major public works projects, leading to greater control and cost savings for those OCIP insured projects.

**Insurance and Bond Compliance** – To ensure that contractors performing work for the City meet their contractual insurance and bond requirements, Risk Management reviews and approves insurance and bond submittals for compliance and appropriateness.

**Contractors' Liability Insurance Program** – Administered by Risk Management for all City departments (including proprietary departments), this program offers affordable insurance coverage for small and minority contractors who bid on City contracts. First started in the City, this program has been duplicated by over 400 public entities in California.

**Special Events Liability Insurance Program** – Administered by Risk Management, this program offers insurance coverage for groups or organizations holding special events within the City. This program originated in the City and has been duplicated by over 380 public entities in California.

**Loss Prevention & Control** – In an effort to reduce claim costs, Risk Management performs loss control inspections and operational liability risk assessments, property valuation studies, evaluation of property hazards, location and identification of loss sources, and selection of the proper corrective action or assistance in program implementation.

**Claims Management** – Risk Management prepares cost of risk reports for all City departments and performs biennial actuarial studies, management of commercially insured claims, weaknesses/strengths analysis, loss trending, etc.

**Training** – Risk Management provides training and seminars on claims management procedures, loss prevention, risk management procedures manual, insurance forms and letters of indemnity.

**Special Projects** – Risk Management provides knowledgeable, professional advice to Council, Mayor and City departments on issues involving all facets of risk management and insurance.