

The decision-making process for insurance and risk management programs in many organizations involves the participation of the Risk Management Office, the Chief Financial Officer and insurance brokers. To manage insurance and loss exposures, all risks of loss and need for insurance require evaluations from both single locations and company-wide viewpoints.

The proprietary management information system developed by Fire Protection Solutions, Inc. is capable of delivering account information quickly and efficiently. Database information obtained from an evaluation of single site surveys is combined to produce reports relevant to Risk Management and company financial needs. Management reports available to FPS clients include:

- Documents that identify trends in exposure
- Comparisons within an account by division, occupancy, and geography
- Single site insurance premium allocation based on risk factors
- Identification of property exposures with greatest impact.

Fire Protection Solutions technology also benefits our clients by:

- Reducing risk management analysis time
- Providing a format for determining budget priorities
- Facilitate company-wide loss control decision-making

Which of our plants have a high priority for a pump installation?
Answer: Get **Report 500, Plants Needing a Pump**

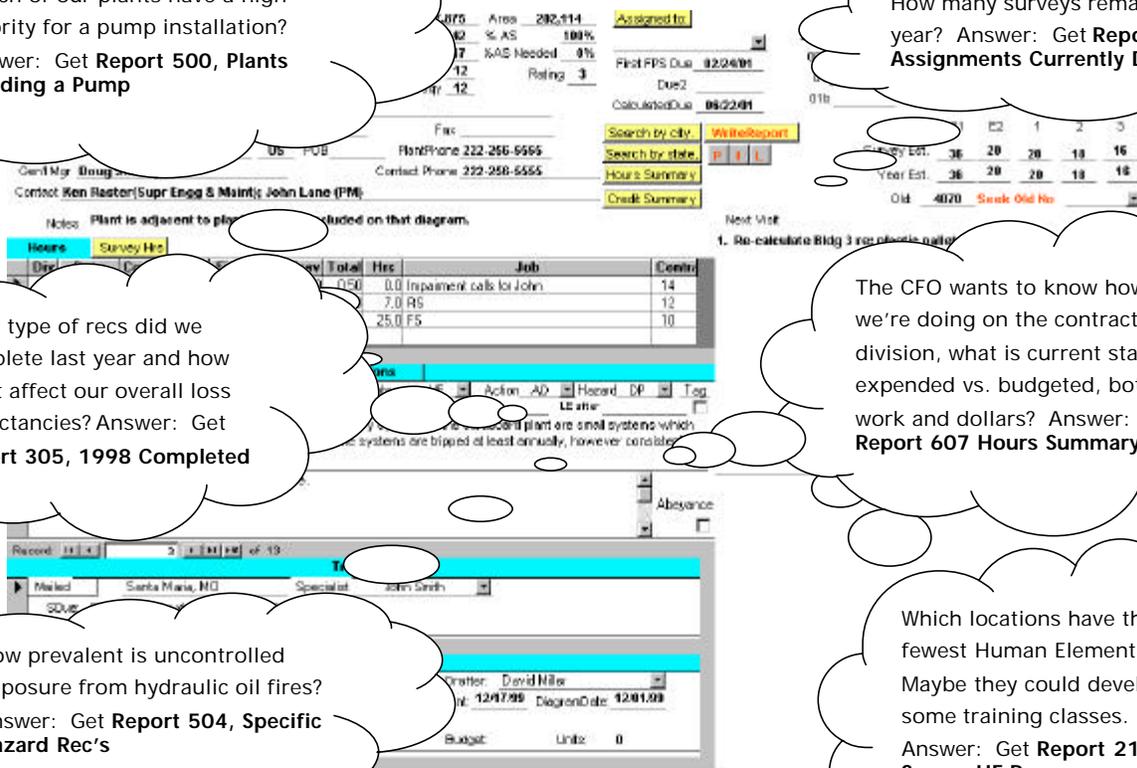
How many surveys remain this year? Answer: Get **Report 190 Assignments Currently Due**

What type of recs did we complete last year and how did it affect our overall loss expectancies? Answer: Get **Report 305, 1998 Completed**

The CFO wants to know how we're doing on the contract – by division, what is current status of expended vs. budgeted, both in work and dollars? Answer: Get **Report 607 Hours Summary**

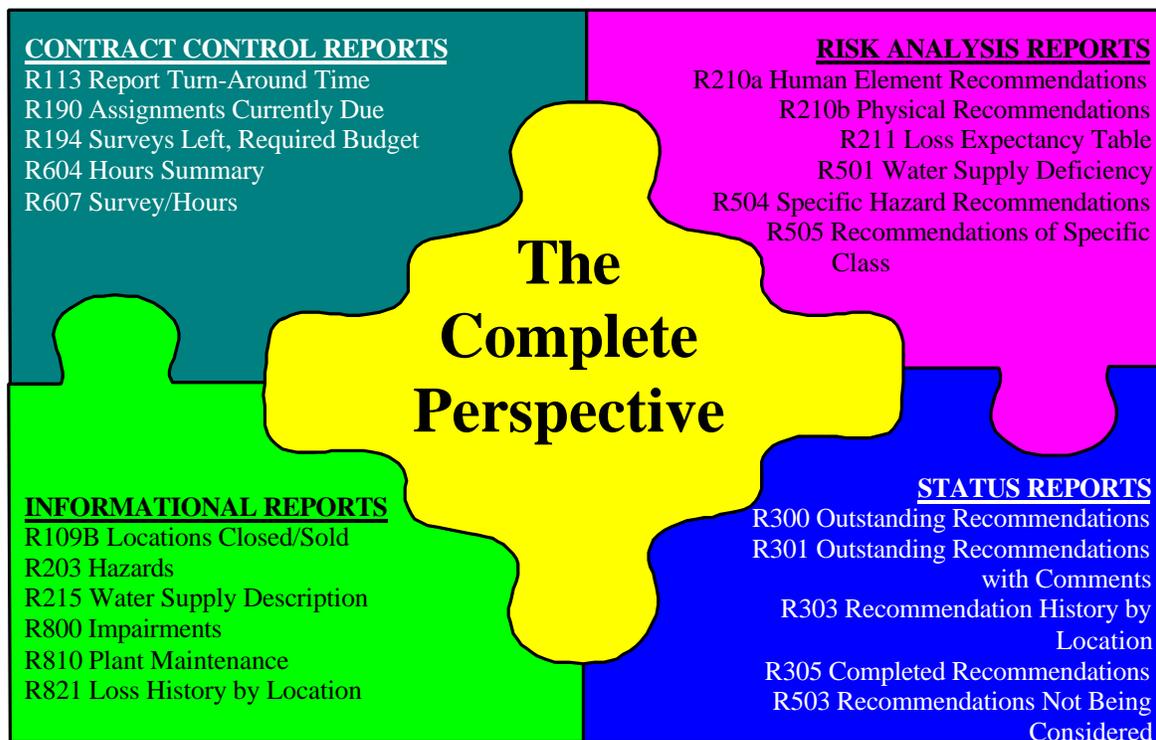
How prevalent is uncontrolled exposure from hydraulic oil fires?
Answer: Get **Report 504, Specific Hazard Rec's**

Which locations have the fewest Human Element recs? Maybe they could develop some training classes.
Answer: Get **Report 210, Survey HE Recs**



FPS account managers working with their particular client have the skills, tools and experience to customize reports pertinent to client needs. Utilizing a customized management information system, FPS account managers can readily provide clients with an overview of company-wide property exposures and assist the Risk Management Office in better management of the recommendation process.

Examples of FPS Management Information System reports that provide a company-wide management loss control perspective follow.



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Sample Management Report No. 400

Any Corporation

Current recommendations are sorted by plant location according to potential loss expectancy (LE). Sample *Management Report 400* enables the Risk Management team to evaluate potential loss for the company as a single entity and by individual locations. Loss expectancies cannot be calculated for recommendations referencing human element issues. If a plant location had only human element recommendations the plant would not be listed on *Management Report 400*. Loss Expectancies are shown as 0\$ (zero) for Human Element items, although Human Element errors have a history of producing and contributing to large losses. It is not anticipated that a plant location would have a loss equal to the sum of all its outstanding recommendations. It is noted that the method of assigning LEs is not an exact science. Potential loss expectancy estimates can therefore vary to some degree based upon the experience of the fire protection engineer making the evaluation.

Location	Loss Expected	Completion Cost	LE after Completion	Plant response
374	Someplace , IN			Last Survey: 06/06/00
99.03	\$16,000,000	\$20,000	\$10,000	Mr. Happ and Mr. Lang both stated that the issue was brought to the attention of the officials of the City of Someplace . However, the City's position is that the recommended improvement would require tunneling under the highway and the railroad tracks and would not be implemented for that reason. (7/99: Mr. Lang stated that they would bring this issue to the attention of the City of Someplace .)
99.02	\$16,000,000	\$30,000	\$10,000	Mr. Tom Happ stated that due to congestion and utility piping in the area it would be difficult and costly to implement Item "C". (7/99: Mr. Tom Happ stated that item c would be investigated.)
97.02	\$50,000	\$1,000	\$0	Both Mr. Tom Happ, Maintenance Supervisor, and Mr. James Lang, Personnel Manager, again stated that it was likely that the press would be phased out by the end of the year. Presently, it is running about one day per month. They further stated that monitoring the vapor concentration in the area would be too costly and impractical. (7/00: Mr. Richard Happ stated that they are trying to phase this press out. Presently, it is running about 1 day per month.)
99.01				Mr. Tom Happ stated that the recommendation would be implemented. (7/99: Mr. Tom Happ stated that this would be done.)
Total	\$32,050,000	\$51,000	\$20,000	
576	Another, IN			Last Survey: 05/10/00
98.01	\$30,000,000	\$300,000	\$50,000	Per Mr. Thomas, to evaluate the project and costs. [3/8/99: to request assistance from engineering group to evaluate the project and get costs.]
00.01	\$250,000	\$0	\$0	Per Mr. Weston, will use first & hence remove ASAP.
00.02	\$200,000	\$4,500	\$40,000	Per Mr. Weston, plant needs to study & budget for 2001.
98.04	\$70,000	\$21,000	\$0	Per Mr. Weston, will re-evaluate and discuss this project. [3/8/99: to do test in spring with Bradley Holt to evaluate.]
98.05		\$0		See 'a'
98.06		\$0		Per Mr. Weston, will re-evaluate present programs and improve as needed [3/8/99: implemented 3/1/99 and training also conducted.]
Total	\$30,520,000	\$325,500	\$90,000	
567	Town, NY			Last Survey: 10/12/99
98.02	\$17,385,375	\$100,000	\$125,000	Mr. Ross stated that 40% of the replacement project is now complete. The remaining sprinklers will be replaced over the next year. [1/00: have 290 heads; will do over next 9 months]
98.03	\$4,500,000	\$10,000	\$100,000	Mr. Ross stated that he will contact a sprinkler contractor to obtain a price to modify the sprinkler system over the idle wood pallet storage. [1/00: will contract to upgrade sprinkler; completion by 7/00]
99.02	\$4,000,000	\$100	\$0	Mr. Ross indicated that the vent line would be extended as noted. [1/00: done]
99.01	\$4,000,000	\$2,500	\$0	Mr. Ross will investigate the matter further. The issue of a sanitary sewer manhole within the facility has not been discussed in the past. There was no commitment that the suggested action will be undertaken. [1/00: city will install bolt-down covers by
Total	\$29,885,375	\$112,600	\$225,000	