



OFFICE OF FINANCIAL MANAGEMENT

STATE OF WASHINGTON

LOSS PREVENTION REVIEW TEAM

REPORT TO THE DIRECTOR OF THE OFFICE OF FINANCIAL MANAGEMENT

Examination of State Employee Driver Safety in Washington

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JUNE 2009



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Executive Summary

RCW 43.41.370 authorizes the Director of the Office of Financial Management (OFM) to appoint a Loss Prevention Review Team (LPRT) when an incident resulting in death, serious injury to a person, or other substantial loss is alleged or suspected to be caused at least in part by a state agency. The OFM Director, Victor Moore, determined that state worker traffic safety should be reviewed by a LPRT.

This study was originally designed to determine the frequency of traffic collisions involving state workers and to review methods to enhance state worker driver safety. In the period between 2002 and 2006, there were approximately 5,800 traffic collisions that resulted in injuries to Washington State employees; six of these injuries were fatal.¹

An analysis of whether state employees are involved in traffic collisions as often, more often or less often than other drivers, requires two essential pieces of information: (1) data that shows the number and severity of traffic collisions involving state employees, and (2) accurate information that shows how many miles state employees drive on-the-job. This information would allow meaningful comparisons with other state collision rates, as well as private industry collision rates. Comparing the Washington State collision rates with such benchmark data would allow the Risk Management Division of OFM to assess whether additional loss prevention measures related to traffic collisions are necessary.

State agencies do not use a single, uniform method for recording vehicle inventory and collision information. In addition, not every agency maintains a list of the agencies' drivers and their work-related mileage. As a result, the LPRT is unable to determine the rate at which state workers are involved in on-the-job traffic collisions. Instead, this study makes recommendations for obtaining pertinent vehicle inventory and collision frequency information so that a future team can conduct the necessary analysis of state worker collision rates.

Pertinent state fleet recordkeeping will be improved by the statewide directive issued by Governor Christine Gregoire on February 10, 2009. In Directive 09-02, the Governor ordered the Department of General Administration to "assume operational responsibility for smaller motor fleets currently managed by state agencies."

The LPRT makes several recommendations consistent with Directive 09-02, and the resulting data collection system is intended to gather the information necessary for an appropriate risk assessment of state employee vehicle operations and driving safety. Implementation of the following key recommendations should occur as soon as possible:

- The Risk Management and Accounting Divisions of the Office of Financial Management should work together to create proper procedures that will lead to the creation of a centralized state vehicle inventory and state employee driver data repository that collects uniform state employee collision data from all agencies to allow for more comprehensive analysis of state employee driver safety (creating a uniform statewide data collection system); and

¹ This time period was selected because of the availability of state and national driver safety data.

- Phase in a requirement for employee driver history background checks (implementing an essential best practice statewide for enhancing driver safety).

Necessary state fleet and collision-related data also includes the current value of the state vehicle fleet; an accurate calculation of the total costs of operating the state fleet; and the total costs of state worker automobile collisions.

The initial data collection process can begin immediately. The LPRT recommends that for fiscal year (FY) 2009, the Risk Management Division of OFM obtain accurate fleet inventories for each state agency and provide a report summarizing the state's vehicle inventory to the OFM Director by December 1, 2009.

Once these recommendations are implemented, the LPRT suggests incorporation of additional fleet management best practices noted in this report.

Review Process

Current Authorizing Environment

By statute, OFM coordinates a safety and loss control program designed to “reduce liability exposure, safeguard state assets, and reduce costs associated with state liability and property losses.”² Every state agency is directed to “provide top management support and commitment to safety and loss control, and develop awareness through education, training, and information sharing.”³ As a part of the state's safety and loss control program, OFM “will routinely review agency loss control programs as appropriate to suggest improvements, and observe and recognize successful safety policies and procedures.”⁴

Background

Traffic collisions are the leading cause of worker injuries in America. In 2006, there were a total of 5,840 work-related deaths nationwide; government workers accounted for 2.4 percent (or 520) of those deaths.⁵

In the period between 2002 and 2006, there were approximately 5,800 traffic collisions that resulted in injuries to Washington State employees; six of these injuries were fatal.⁶ On September 27, 2007, OFM Director Victor Moore appointed a LPRT to study state worker traffic collisions.

² RCW 43.41.350(1).

³ RCW 43.41.350(2).

⁴ RCW 43.41.350(5).

⁵ *Injury Facts, 2007 Edition*, National Safety Council, at 56; *Census of Fatal Occupational Injuries, 2008*, United States Bureau of Labor Statistics (BLS), U.S. Department of Labor, available at <http://www.bls.gov/iif/oshcfoi1.htm#rates>.

⁶ This total is based upon data provided by the Department of Labor & Industries and by the Office of Financial Management.

The method that an LPRT uses to analyze an incident is “root cause analysis.” Root cause analysis is a rigorous analytical tool that is frequently used to identify and analyze complex situations that may have multiple causes. It is a tool used by analysts in many disciplines, including child death investigations and complex engineering systems analysis.

Root cause analysis can reveal more than one cause for an incident. It is fact-based and addresses known facts only. Root cause analysis is not based upon speculation, and presents a factual determination of what actually occurred in a particular circumstance.

The LPRT’s original task was to review Washington State employee work-related traffic collisions, evaluate the root cause(s) of the collisions, and, if appropriate, make recommendations regarding safety measures that could reduce the number and severity of such collisions in the future. Because necessary data on state worker driving is not currently available, the LPRT provides recommendations on pertinent recordkeeping that will facilitate meaningful loss prevention analysis of state worker traffic collisions.

Team Members

The Director of OFM appointed the following volunteer team to perform this review:

- **Bryan Bazard** is the Fleet Manager for the Washington State Motor Pool. He has over 25 years of experience in vehicle engineering, vehicle maintenance management, and fleet management, which he has conducted for both public and private utilities, cities, and for the state of Washington. He also has extensive experience conducting mobile equipment failure analysis (i.e., metallurgical failure analysis and vehicle engineering analysis).
- **Mike Bernard** is a collision data and data systems expert (Transportation Engineer 3) in the Collision Data and Analysis Branch of DOT. He has over 14 years of experience analyzing traffic and transportation data, and has supervised the statewide Collision Data Quality Assurance Program.
- **Dick Doane** has worked as a research analyst for the Washington Traffic Safety Commission (WTSC) since 1997. He has participated in numerous research and data analysis projects both within the WTSC and in collaboration with other government agencies. He currently serves as the Commission’s Research Manager. He completed a B.A. in psychology at Yale, an M.A. in English at the University of Washington, and an M.P.A. at The Evergreen State College. He has taught research methods and technical writing in Washington Community Colleges for 10 years.
- **Rob Kaufman** is a crash investigator who has conducted many motor vehicle crash safety research studies over the past 19 years sponsored by the National Highway Traffic Safety Administration (NHTSA). Some of these studies examined: speed and unsafe driver actions, vehicle crashworthiness, pedestrian safety, and injury causations. Prior to his crash research he was involved in transit coach operator training for six years while obtaining his degree in Mathematical Sciences at the University of Iowa. For the past 10 years, he has been the Data Research

Coordinator for the University of Washington's Harborview Injury Prevention and Research Center. In this role, he has tracked and investigated severe crashes throughout all regions in Washington State. He has extensive knowledge regarding crash data collection analysis and has co-authored numerous publications regarding motor vehicle safety and injury biomechanics. Rob has created various training programs, videos, and presentations and has trained thousands of trauma care providers, law enforcement and those in the traffic safety community to better understand crash injury mechanisms and motor vehicle safety. His thorough knowledge of crash causation factors and crash data analysis is valued in assessment of injury risk factors and injury prevention methods.

Review Strategy

The initial October 2, 2007, LPRT meeting began with a discussion of the preferred method for conducting the study. Over the next several months, the LPRT identified and collected relevant data from selected agencies. The LPRT then attempted to analyze the available data in its efforts to determine both the scope of worker injuries arising from job-related collisions, and to recommend appropriate loss prevention best practices to state agencies.

Acknowledgements

The LPRT extends its thanks and appreciation to the professional and courteous staff of each agency that assisted in the difficult task of assembling and submitting the data requested for this study. Some agency staff spent dozens of hours assembling their available data to meet the LPRT's data requests.

Findings

Washington State Continues to Implement National Fleet Safety Standards

The American Society of Safety Engineers provides national guidelines ("ANSI standards") recommending that each employer develop "policies, procedures, and management processes to control risks associated with the operation of motor vehicles" by employees who drive as a part of their work duties.⁷

The scope of the ANSI standards includes the following areas:

- Management, Leadership and Administration
- Operational Environment
- Driver Considerations
- Vehicle Considerations
- Incident Reporting and Analysis

⁷ See *Safe Practices for Motor Vehicle Operations*, ANSI/ASSE Z15.1-2006, American Society of Safety Engineers, at 7.

Management, Leadership and Administration standards address the need for adequate resources to be assigned for worker traffic safety initiatives, describe necessary contents for written traffic safety policies, and outline essential components of an organization's traffic safety management program.⁸

Operational Environment policies address the safety equipment used in vehicles, as well as policies on impaired, distracted, and aggressive driving.⁹

Driver Considerations pertain to policies on driver qualifications, driver training programs, and recordkeeping (i.e., "documentation of the qualifications and driving records of drivers").¹⁰

Vehicle Considerations pertain to policies on safety conditions based upon particular vehicle types and usage, required emergency equipment, safety inspections, periodic vehicle checks, maintenance, and repairs.¹¹

Incident Reporting and Analysis policies include rules for reporting vehicle collisions, driver responsibilities to report collisions, incident review, analysis, report guidelines, corrective action policies, and data analysis guidelines that result in the ability to determine motor vehicle incident rates.¹²

Nearly all ANSI standards are included in the Washington State Administrative and Accounting Manual (SAAM - Chapter 12/Transportation).¹³ The SAAM policies apply to "all drivers on official state business."¹⁴

⁸ Id., at 10-13.

⁹ Id., at 13-15. Operational environment policies also include rules on business and personal use of vehicles, use of private vehicles for business purposes, and rental car usage.

¹⁰ Id., at 16-17.

¹¹ Id., at 17-20.

¹² Id., at 20-22.

¹³ SAAM standards are available at: <http://www.ofm.wa.gov/policy/default.asp>.

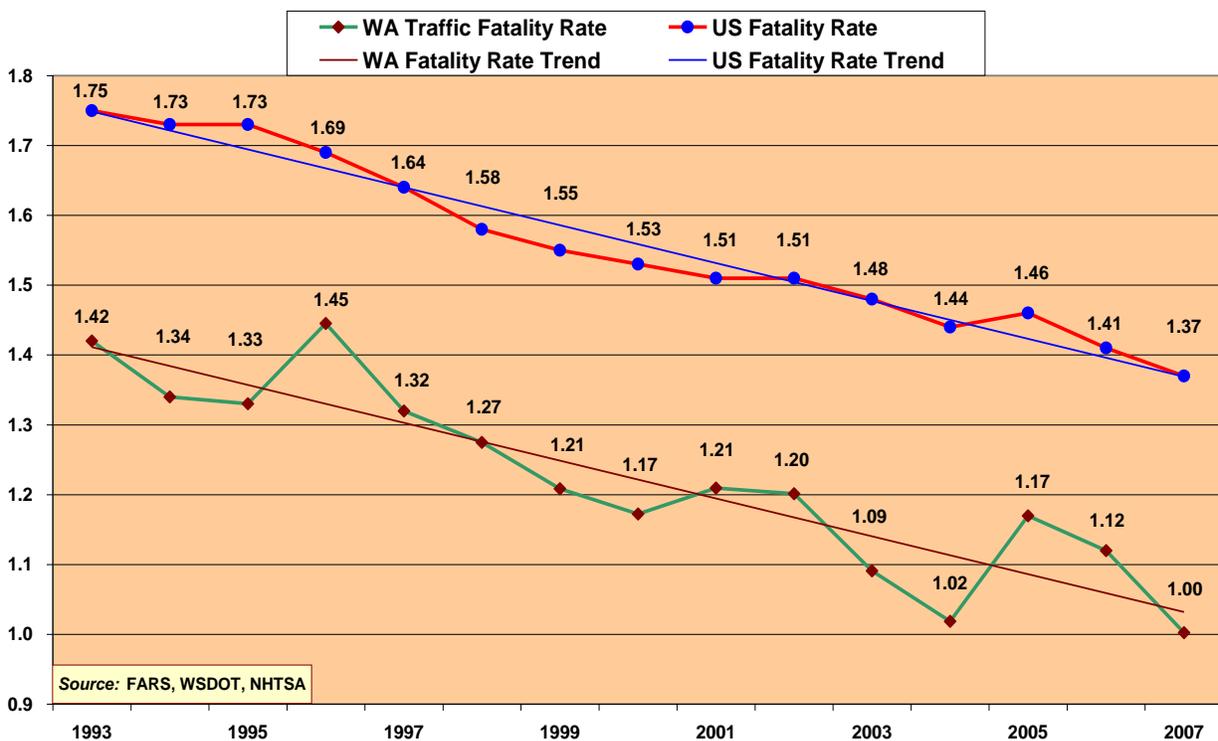
¹⁴ SAAM 12.10.05. A brief overview of how state agencies have implemented the SAAM policies regarding fleet management and driver safety, including agency best practices, is included in Appendix A to this report.

Estimated National and Statewide Traffic Fatality and Injury Rates are Steadily Decreasing

Overall, national and Washington State traffic fatality rates have been steadily decreasing for the past several years, as is shown in the accompanying chart, which provides the rate of traffic fatalities per 100 million Vehicle Miles Traveled (VMT):¹⁵

WASHINGTON and U.S. TRAFFIC FATALITY RATES, 1993-2007

Traffic fatalities per 100 million vehicle-miles traveled



¹⁵ The preferred method among researchers and analysts for calculating traffic fatality, injury, and collision rates is fatalities per 100 million VMT. The public health community reports collision rates as the number of collisions per 100,000 persons.

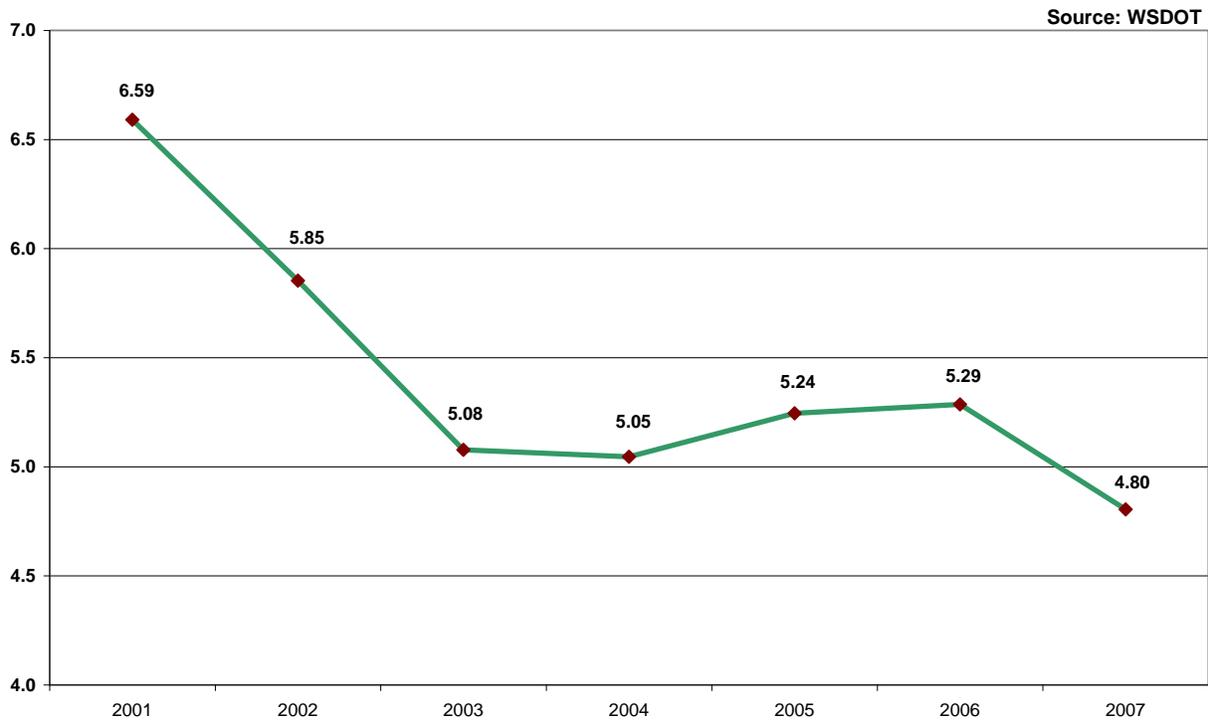
Although generally, traffic injury rates have been calculated using population figures, VMT provides a better measure of the actual exposure of people to the risks posed by traffic collisions. It is a better dose-response measure of “the relationship between the magnitude of exposure and the probability of occurrence.” See *Epidemiology*, 2nd Edition, Gordis, L. (2000), at 283. The VMT collision rate means that for every unit of distance a person actually travels as an occupant in a motor vehicle, that person is exposed to a certain (variable) risk of crashing, of sustaining an injury, or of dying. By contrast, the public health collision rate measures the number of collisions per living person in an area. Because people are not driving at all times that they are alive, the public health collision rate calculation is inaccurate for the purposes of this study.

The overall Washington State traffic fatality rate is not only decreasing, but is also consistently lower than the national average.¹⁶ In order to sustain this trend, it is necessary to continue to implement robust traffic collision reduction strategies.

Washington State traffic collisions that result in serious injuries are also decreasing:¹⁷

Washington Serious Traffic Injury Rate, 2001-2007

Serious Traffic Injuries per 100 million VMT



Comparable Washington State employee traffic collision data is not currently available. The following section discusses the data necessary for determining state employee traffic collision injury rates.

Data Collection Standards

The ANSI standard states that organizations “shall collect data needed to calculate rates for tracking safety performance over time . . . Incident rates shall be used to measure the

¹⁶ The fatality rates are based on federal estimates of total state vehicle miles traveled.

¹⁷ Serious traffic injuries are defined as “any injury, other than a fatal injury, which prevents the injured person from walking, driving, or normally continuing the activities the person was capable of performing before the injury occurred.” This definition includes severe lacerations, broken limbs, skull or chest injuries, and injuries that make a person unable to leave a collision scene without assistance. Source: WSDOT.

historical frequency of . . . collisions.”¹⁸ A similar SAAM policy requires agencies to “track [collision] data for statistical and vehicle loss control purposes.”¹⁹

The nationally recognized benchmarks used to measure the frequency of traffic collisions are highway-related fatalities and injuries per 100 million vehicle miles traveled (VMT), as well as highway-related fatalities per 100,000 licensed vehicles.²⁰ The formulas for calculating these benchmarks are shown in the figures below:

Rate of fatal/injury collisions =	$\frac{\text{Number of collisions} * 100,000,000 \text{ miles}}{\text{Total vehicle miles traveled (VMT)}}$
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Rate of fatalities/100,000 vehicles =	$\frac{\text{Number of fatalities} * 100,000 \text{ vehicles}}{\text{Total \# of licensed vehicles}}$
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As the LPRT began to collect data for this study, it learned that agencies interpret the SAAM data-collection policy in different ways. This means that there is no consistency in the way agencies collect information regarding agency-owned vehicles, the state employees who drive state vehicles, how many miles are driven, and how many work-related collisions involve state vehicles. As a result, it is not possible currently to determine work-related traffic fatality or injury rates for state employees.

Data Requested from All Agencies

The LPRT attempted to gather data on (1) fleet size, (2) mileage, and (3) collisions from all Washington agencies to analyze the actual injury collision rates for state employees for FY 2002, 2003, 2004, 2005, and 2006.²¹

There were a total of 5,859 traffic collision-related claims that involved state employees between FY 2002 and FY 2006. An agency breakdown of claims is shown in the table on the following page:

¹⁸ *Safe Practices for Motor Vehicle Operations*, at 22.

¹⁹ SAAM 12.20.10(5).

²⁰ See, e.g., *Traffic Safety Facts*, August 2008, National Highway Traffic Safety Administration, available at <http://www-nrd.nhtsa.dot.gov/Pubs/811017.PDF>, and *Traffic Safety Facts*, 2006 Data, available at <http://www-nrd.nhtsa.dot.gov/Pubs/810816.PDF>.

National data on fatalities are obtained by the federal government through a census of all 50 states. Data on injury collisions is derived from the National Highway Traffic Safety Administration’s General Estimates System (GES). GES is “a nationally representative probability sample that makes national estimates of total nonfatal injury crashes.” *Federal Highway Administration Fiscal Year 2003 Performance and Accountability Report*, at 20; located at <http://www.fhwa.dot.gov/reports/2003performance/index.htm>. VMT data is derived from “state-reported estimates of travel based on various levels of sampling dependent on road type.” *Id.*

²¹ These are the most recent years for which data was available from most state agencies.

State Worker-Related Claims Arising from Traffic Collisions ²²						
Agency	FY 02 Collision Claims	FY 03 Collision Claims	FY 04 Collision Claims	FY 05 Collision Claims	FY 06 Collision Claims	Totals
WSP ²³	258	288	301	272	265	1384
DOT	201	226	239	211	246	1123
DSHS	112	135	111	134	142	634
DOC	51	75	82	71	79	358
DNR	55	73	83	64	48	323
L&I	50	33	41	42	62	228
DFW	38	51	34	39	52	214
WSU	49	27	57	38	33	204
Ecology	25	25	24	33	31	138
Parks	19	11	35	24	36	125
Western WU	25	22	12	26	17	102
AGO	16	16	20	22	19	93
DOL	20	18	11	13	18	80
Agriculture	13	18	13	18	15	77
GA	17	10	19	13	13	72
DOH	16	13	13	13	12	67
Lottery	13	10	7	10	16	56
UW	5	10	14	11	10	50
Gambling	10	11	5	13	8	47
ESD	15	6	6	9	8	44
Liquor Control	5	5	10	14	9	43
Eastern WU	10	9	12	6	2	39
Central WU	5	8	5	6	7	31
Evergreen	2	6	5	5	6	24
Veterans Affairs	1	5	6	3	4	19
Top 25 Agency Collision Claims, FY 02-06:						5575
All other agencies' collision claims, FY 02-06:						284
Total, FY 02-06:						5859

As is shown in the chart, 95 percent of these claims arose from the activities of only 25 agencies. Based on this information, the LPRT decided to restrict the scope of its review to these 25 agencies instead of reviewing data from all 164 state agencies.

²² Statewide collision data regarding state employees is not available from a single source. The LPRT assembled claims data provided by L&I and by OFM. L&I claims are received from state workers who were injured in traffic collisions that occurred while they were working. OFM claims are received from individuals who are preparing a lawsuit against the state, alleging that they were injured due to a collision involving a state employee who was driving on-the-job. Because state employees are not injured in every collision, there may be some instances where a lawsuit is filed by an injured citizen against a state employee for a traffic collision, but there is no corresponding worker's compensation claim.

²³ The collision totals for WSP and DOT are understandable, considering the nature of each agency's work and their nearly constant presence on the state's roads.

Sources and Types of Data Obtained by the LPRT

Washington State does not currently use a single, centralized database for collection and storage of state vehicle data. Nor does the state have a single database that lists all state employees that drive vehicles as a part of their work-related duties. Instead, Washington State agencies currently obtain, record, and preserve agency-specific vehicle and collision information independent of each other. Each agency uses slightly different criteria for collecting agency fleet size, mileage, collision, and employee driver data.

The twenty-five (25) agencies studied by the LPRT provided their fleet composition data as well as their available fleet mileage information. For a variety of reasons, agencies were unable to provide a complete inventory of their vehicles for all five fiscal years requested, and were also unable to provide accurate mileage data for each agency vehicle. Because the data for all five fiscal years was incomplete, the LPRT focused its study on the two years for which data was most likely available and accurate: FY 2003 and FY 2007.

The LPRT also identified separate data sources and databases of vehicle-related information that were useful to the study. This data was helpful to the LPRT analysis, but each set of data was collected for reasons other than for state agency enterprise fleet management and/or risk management purposes. The data sources included:

- Department of Ecology – Collects sustainability data from state agencies, which includes a report of the agency’s fleet size together with the “miles that are driven in agency vehicles.”²⁴
- Department of Licensing – Maintains some data on fleet size (i.e., exempt vehicles owned by state agencies).
- Department of Transportation – Maintains some vehicle collision data.
- Washington Traffic Safety Commission – Maintains some vehicle collision data.
- Department of Labor & Industries – Maintains state workers’ compensation data for vehicle collision-related claims.
- Office of Financial Management - Maintains some agency fleet and mileage data, together with collision-related tort claims data (in separate data systems).

After analyzing the collected data, the LPRT identified limitations that precluded a definitive review of the data necessary for calculating state driver traffic collision rates.²⁵

²⁴ See Washington State Executive Order 05-01, which requires the Department of Ecology to obtain this information.

²⁵ Data that was available at the time of this study for FY 03 and FY 07 is included in Appendix B.

Limitations of Data Collected from Agencies - Fleet Size

Not every agency has a comprehensive list of its vehicles for both FY 2003 and FY 2007.²⁶ Nor was it possible to create an accurate vehicle fleet list by cross-referencing with records from other agencies. For example, the Department of Licensing provided a list of all statewide vehicles with exempt license plates, indicating each license plate number, vehicle identification number (VIN), make, and model year. However, the list: (1) did not uniformly distinguish between vehicles registered by the state and those registered by other governmental entities (such as city or county); and (2) it did not specify the agency of ownership.²⁷

The LPRT also learned that state agencies do not uniformly report to the DOL when they remove an exempt vehicle from service (either by selling it or otherwise disposing of it). Therefore, the DOL list of “exempt vehicles” included thousands of vehicles either owned by entities other than state government, or state government vehicles that agencies likely no longer owned because the vehicles had either been disposed of or sold.

Another database, the Capital Asset Management System (CAMS), is used by some agencies to inventory their assets.²⁸ At their discretion, agencies use CAMS to maintain their vehicle fleet records. However, there is no uniformity in CAMS recordkeeping by agencies, and not every agency uses CAMS.²⁹ Therefore, the CAMS data did not allow the LPRT to determine the actual fleet size and composition for each of the 25 agencies.

Limitations of Data Collected from Agencies - Mileage

The table below shows agencies that provided state vehicle mileage data for FY 2003 and FY 2007:³⁰

Agency	FY 2003	FY2007	Types of AOV
Agriculture	MOV	POV, AOV, MOV	Unknown
Attorney General’s Office	POV, AOV, MOV	POV, AOV, MOV	All vehicle types
Corrections	MOV	MOV	NA
Ecology	AOV, MOV	POV, AOV, MOV	All vehicle Types
Evergreen State College	AOV	AOV	All vehicle types

²⁶ There were many reasons that this information is not available, including the fact that several agencies have upgraded their data systems and did not retain prior fleet and/or mileage data.

²⁷ For example, the list contained thousands of vehicles registered to the “state of Washington,” but with no reference to a specific state agency.

²⁸ CAMS is operated by OFM.

²⁹ The following agencies in this study do not use the CAMS system: DSHS, DFW, DOT, UW, WSU, Western WU, Eastern WU, Central WU, and TESC.

³⁰ This chart collates data received by the agencies as well as information from the Ecology Sustainability Study. At the time the LPRT received the sustainability information, Ecology had not received data from the Employment Security Department, Eastern Washington University, and Central Washington University.

Agency	FY 2003	FY2007	Types of AOV
Fish and Wildlife	MOV	POV, AOV, MOV	All vehicle types
Gambling Commission	AOV	AOV	Passenger Vehicles
General Administration	POV, MOV	POV, MOV	Unknown
Health	POV, AOV, MOV	POV, AOV, MOV	Unknown
Labor and Industries	AOV, MOV	AOV, MOV	Unknown
Licensing	POV, AOV, MOV	POV, AOV, MOV	Passenger Vans
Liquor Control Board	POV, AOV, MOV	POV, AOV, MOV	All vehicle types
Lottery	POV, MOV	POV, MOV	All vehicle types
Natural Resources	NA	AOV	All vehicle Types
Parks	AOV, MOV	AOV, MOV	All vehicle Types
Social and Health Services	AOV	POV, AOV, MOV	All vehicle Types
Transportation	POV, AOV, MOV	POV, AOV, MOV	Passenger Vehicles
University of Washington	AOV	AOV	Unknown
Veterans Affairs	--	AOV	All vehicle Types
Washington State Patrol	--	AOV	All vehicle types
Washington State University	--	AOV	All vehicle Types
Western Washington University	--	AOV	All vehicle Types

AOV: agency-owned vehicle MOV: state motor pool vehicle POV: privately owned vehicle

This table outlines types of data provided by agencies, and is another example of inconsistencies and lack of uniformity in data collection of state employee vehicle usage. From this, the LPRT determined that:

- Not all agencies recorded mileage for privately owned vehicles for both fiscal years.
- Some agencies included all vehicle types in their mileage totals for both years, while others could not say whether their mileage totals included all vehicle types.³¹
- Very few agencies reported mileage for *each specific vehicle* owned during each fiscal year; instead, many reported agency-wide mileage totals.
- No agency links together and tracks their employees' driver data, vehicle assignments, and current on-the job annual mileage.

Some agencies did not provide data for FY 2003.³²

³¹ For example, the Gambling Commission reported mileage data for their passenger cars, while twelve other agencies reported mileage totals for all types of vehicles (i.e., heavy trucks, light trucks, etc.).

Some additional mileage POV information was available from the Office of Financial Management. OFM operates the Travel Voucher System (TVS). This system contains records reflecting reimbursements to participating agencies whenever state employees use POVs for conducting state business. Although not every state agency uses TVS, OFM was able to provide some information on the POV mileage for a few of the 25 agencies studied by the LPRT.³³ However, even with this additional information, it was not possible to obtain actual miles driven for the selected 25 state agencies.

Limitations of Data Collected from Agencies - Collisions

Fatal work-related traffic collisions for state employees are very infrequent:

Washington State Collision Data	FY 02	FY 03	FY 04	FY 05	FY 06
WA State Employees who died in traffic collisions*	0	2	0	1	3
WA Local government employees who died in traffic collisions*	0	4	4	8	3
All WA traffic collision deaths**	659	600	569	651	632
All WA traffic collisions **	126,536	121,515	125,111	134,499	131,831
National Collision Data					
Federal Employee traffic collision deaths***	138	98	118	106	122
Total, 50 States' Employee traffic collision deaths***	92	102	100	107	112
Nationwide local government employee traffic collision deaths***	314	326	312	300	277

* Source: L&I ** Source: WSDOT ***Source: Federal Bureau of Labor Statistics (BLS), available at <http://www.bls.gov/iif/oshcfoi1.htm#rates>.

³² Because some of the agencies do not record individual vehicle mileage in an electronic format, the cost to the agencies of collecting paper records and then generating a report describing each vehicle's mileage was prohibitive.

³³ TVS data was available for the following agencies that are within the scope of this study: AGR, DOC, DOL, DSHS, DVA, ESD, L&I, LOT, WSGC, and WSP.

From FY 2002 through FY 2006, six Washington State employees died in traffic collisions that happened while they were on work-related business.³⁴ During the same time period, nineteen local government employees in Washington State died due to work-related traffic collisions. It is not possible to determine the rate at which these fatalities occurred, because there is insufficient driver and vehicle mileage data available.

The LPRT also obtained collision data based upon the numbers of state workers' compensation claims and tort claims involving state workers. However, there are limitations in using this data. For example, the claims presented to L&I and to OFM are not an accurate count of collisions involving state employees: several claims can arise from a single collision (i.e., if a collision involving a state worker results in several injured people filing multiple tort claims). There are also an unknown number of state employee-involved collisions that result in only state vehicle property loss that are not reported to either L&I (as workers' compensation claims) or OFM (as auto incidents or tort claims).

The lack of comprehensive statewide data for analysis and planning is also noted in a recent study conducted for the Department of General Administration, which found:

“Analysis of Quantitative Data. Information requests were sent to SMP [the State Motor Pool] pertaining to all of the functional areas of fleet management discussed in this report. The availability of quantitative data on many agency fleet operations is limited, but a statewide fleet inventory was secured from SMP. Our team interviewed numerous stakeholders [agencies], and reviewed dozens of documents provided by SMP. However, we were unable to obtain any substantial fleet cost data on fleet operations other than the SMP.”³⁵

Additional findings of the study:

“The absence of a central repository of data on the State’s fleet—despite the collective expenditure of many hundreds of thousands (if not millions) of dollars on the purchase of state-of-the-art fleet management software—makes effective fleet management difficult at best. In view of the importance the State attaches to having sustainable fleet operations, it is distressing to note that the State would find it very difficult to measure some of the most basic attributes of enterprise-wide fleet condition and performance in order to gauge its progress toward the attainment of this goal—to say nothing of more prosaic objectives such as maximizing fleet safety, reliability and, efficiency.”³⁶

³⁴ These fatalities occurred to employees in the following agencies: in FY 03, the Departments of Agriculture and Transportation; in FY 05, the University of Washington; and in FY 06, the University of Washington, the Department of Agriculture, and Yakima Valley College.

³⁵ *State Motor Pool Strategic Visions and Business Plan – General Administration, State of Washington, 2007*, Demarche Consulting Group, at 2.

³⁶ *Id.*, at 59-60.

Analysis

Washington State has implemented most of the ANSI standards for increasing employee driving safety through statewide policies in the Transportation chapter of the State Administrative and Accounting Manual (SAAM).³⁷ As noted previously, the overall rates of Washington State fatality and serious injury collisions, are consistently lower than the national average, and are steadily decreasing.

A few broad loss prevention conclusions can be drawn from the limited data available to the LPRT:

- Traffic Collision Risk Varies by Agency – Some agencies have potentially greater risk exposure because their employees drive significantly more miles than others (e.g. the Washington State Patrol, Department of Transportation, Department of Social and Health Services, Department of Natural Resources, and the Department of Corrections).
- All Agencies Are at Risk of a Serious Traffic Collision – All agencies, regardless of size, have the potential for a serious workers' compensation claim, tort claim, or state vehicle collision property damage claim if driving is an essential function of a state employee's work.
- POV Traffic Collision Risk – It appears that there are far fewer claims arising from state employees operating personally owned vehicles than arise from operating agency-owned vehicles or motor pool vehicles, although this cannot be substantiated due to current data inconsistencies.
- Cost Identification for Risk Analysis – The true "cost" of vehicle collisions is not specifically tracked by all agencies. Cost data is generally located in separate recordkeeping processes within the agency (i.e., tort claim costs are located in a separate data system than workers' compensation costs, and repair or replacement costs are preserved in yet another system or location). In addition, hidden or uninsured costs are not measured or captured as part of the total collision cost (e.g., the time a vehicle or worker is out of service, lawsuits, time spent filling out paperwork, investigation costs, replacing new vehicles, etc.).
- Preliminary estimate of vehicle fleet upkeep costs – Statewide vehicle upkeep costs are not currently available, although some information regarding passenger vehicles was provided to the LPRT, as shown in the chart below:

³⁷ For example, ANSI suggests the adoption of policies regarding an agency's operational environment, vehicle considerations, and incident reporting. See *Safe Practices for Motor Vehicle Operations* at 13-22. Washington has adopted policies on these topics. See, e.g., SAAM §12.30.20 (impaired, distracted, and aggressive driving); §12.20.40 (maintenance and repairs), §12.20.40 (collision incident reporting) and §12.30.40 (same). Also see Appendix A (state agency implementation of SAAM Chapter 12).

Item ³⁸	Washington State Motor Pool (General Administration)	Department of Transportation
Fleet size	1796	678
Fleet purchase price	\$40,214,000	\$12,771,931
Depreciated value of fleet	(\$24,957,000)	(\$6,606,827)
Annual fuel expenditure	\$3,362,000	\$ 1,626,949
Annual maintenance and repair	\$2,267,000	\$ 873,051
Annual operations (incl. indirect costs, excl. depreciation and interest)	\$7,070,000	\$ 4,880,587
Total upkeep expenditures:	\$12,699,000	\$7,380,587

By one estimate, the State Motor Pool passenger car fleet is approximately 15 percent of the state's entire passenger car inventory.

An important key finding of the LPRT is that SAAM policies on vehicle recordkeeping do not effectively require agencies to track state employee driver, vehicle, and mileage information. This information is essential to analyze state employee traffic collisions. Consequently, insufficient mileage data prevents a statewide calculation for the rate of state employee-involved traffic collisions.

Currently, it is not possible to compare the actual rate of state employee collisions with the collision rates of other populations (e.g., all drivers in Washington, private sector employee drivers, local/other state/federal government employee drivers, etc.). Nor is it possible to conduct meaningful loss prevention analysis and cost efficiency reviews of state employee collisions.

Several benefits may be obtained from collection of pertinent fleet, mileage, and collision data. For example, the data would allow agencies to create benchmarks for safe driving practices. Such benchmarks would be used for comparisons with other agencies' driver safety records, both within Washington and in other states.

Better collision data would enable agencies to more easily and effectively track collision costs, patterns, and causes. This information then could be used to target specific driver safety training for staff, or other fleet management strategies that could improve driver safety for state employees, as well as the public as a whole. An example of the type of loss prevention report that is possible with accurate mileage and collision information is included in Appendix C.

Governor Gregoire Begins to Consolidate the State Fleet

On February 10, 2009 Governor Christine Gregoire issued Directive 09-02, which in part ordered the Department of General Administration to "assume operational responsibility for smaller motor fleets currently managed by state agencies." GA personnel are implementing

³⁸ Data provided by the General Administration and the Department of Transportation.

this Directive to determine which agency motor fleets will be incorporated into GA operations, together with pertinent administrative details. It is anticipated that the Directive will assist OFM with its work implementing the recommendations of the LPRT.

Recommendations

The LPRT determined that consistent statewide data is essential for conducting a meaningful loss prevention review of state employee traffic collisions and other related analysis. As a result, the LPRT focused its recommendations on “statewide” improvements needed in three data collection and reporting categories: (1) vehicle data, (2) state employee driver data (including driver training), and (3) state vehicle collision and employee injury data. The LPRT acknowledges that data collection in the current economic environment may be challenging. The LPRT emphasizes that information accurately describing the state motor vehicle fleet will assist all agencies when making their financial and strategic plans.

Benefits to collecting this data include:

- An accurate vehicle inventory
- Better management of state vehicle use
- Increased safety of state employees and the public
- Improved loss prevention strategies
- Opportunity for improved enterprise analysis in several areas:
 - Sustainable operations
 - Vehicle purchasing and use
 - Vehicle property damage repair or replacement costs
 - Repair cost controls

Better Data Collection Will Require a Central Data Reporting System

In order to obtain specific state employee driver and vehicle data, it will be necessary to create a state fleet and driver data repository. In turn, this will require OFM to closely coordinate with state agencies in updating statewide policies pertaining to traffic collision data collection and reporting. The LPRT recognizes that the recommendations outlined below are no small undertaking, but are essential to implementing enterprise fleet management best practices.

Suggested OFM Actions:

1. Create a central traffic data repository system for state agencies. This will require two parallel initiatives:
 - a. The Risk Management and Accounting Divisions of OFM should work together to determine the best method to obtain state driver-related data, including at a minimum agency vehicle data, state employee driver data (including driver training), and state vehicle collision and employee injury data.

- b. Convene a state agency stakeholder group as soon as possible to assist in developing and implementing state driver data collection and reporting policies. These policies should align with established repository implementation target dates. The LPRT recognizes that additional analysis may be required to determine the most effective method for implementing these recommendations.
2. Revise statewide policies to reflect data repository reporting and collection requirements developed through agency stakeholder involvement.
3. Implement the central traffic data repository system.

State Agency Actions:

1. Provide agency stakeholder feedback to draft statewide policies on agency driver and collision data reporting and collection.
2. Begin collecting and reporting state vehicle, driver, and collision data in a central repository according to criteria and methods directed by these statewide policies.

Specific Data Collection Policy Revisions

The LPRT identifies the following data categories that should be addressed by stakeholders as they draft statewide policies for current and future state driver safety analysis:

Vehicle Data

- a. Create an agency inventory (list) of all state-owned vehicles, with updates to capture vehicle acquisition and disposal data.
- b. Provide annual mileage totals for each state vehicle listed on the inventory created in item (a) above.
- c. State vehicle maintenance information.

State Employee Driver Data

- a. A list of all state employees who drive state vehicles for work related duties and the mileage driven on-the-job.

State Vehicle Collision and Employee Injury Data

- a. State employee driver information related to identified collisions, costs, and any related tort claim payouts.
- b. State employee driver information related to any workers' compensation claim involving *operation* of a state vehicle to include injury type, and total claim cost.
- c. State employee driver training information, including training type and date received.
- d. A "remedial action" measure designed to identify those state drivers required to undertake remedial actions based on identified driving incidents (i.e., speeding or

moving violations) or collisions. For example, one remedial action could be a requirement for the driver to undergo additional training.

- e. A “mandatory incident review” measure designed to identify more severe collisions that trigger a requirement for a more formal analysis to determine root causes and prevention strategies.
- f. An “at-fault collision” measure designed to monitor drivers with “at-fault” collisions in order to help them improve their safe driving performance.

Additional Driver Safety Enhancement Recommendations

The LPRT also recommends that OFM and its stakeholder agency group conduct further analysis on the feasibility of implementing driver license record reviews for state employee drivers. The “driver license check” is a widely recognized best practice for organizations with fleet safety programs. Suggest the following be included in the feasibility analysis to determine:

- a. Whether to use a Department of Licensing Abstract Driving Record (ADR) check for new hires where driving is identified as an essential function of their job, to include identification of specified ADR infractions considered unacceptable for placement in the position.
- b. Whether agencies should maintain on file at their agency a copy of the current driver’s license for state employees driving state vehicles.
- c. Whether agencies should conduct an annual check of the ADR for all state drivers.
- d. Whether agencies should provide defensive driver training (per SAAM requirement) for all new and current state employees who have driving as an essential part of their job description or at the initial time they are assigned to drive state vehicles in the course of their state employment.

Driving Safety Analysis for Future Consideration

Once the state driver data collection system is operational, OFM may find it helpful to reconvene the LPRT to analyze additional loss prevention strategies to reduce state driver collisions. Additional future studies could include:

- a. **Risks of maintaining agency vehicle fleets** – Conduct a more in-depth comparison study of both state vehicle and POV data to help determine the safest and most COST effective transportation method for employees required to travel in their state job assignments. Based upon the current incomplete data obtained by the LPRT, there appears to be a trend indicating that collision rates for personally owned vehicles may be substantially lower than for state owned vehicles.
- b. **Inclusion of law enforcement collision reports** – Examine whether including information from these reports to the data collection system will provide an additional source of analysis for determining state employee driving safety improvements.
- c. **Electronic Vehicle Operation Monitoring Systems** – Evaluate electronic monitoring systems such as “DriveCam”-- a fleet management system that can videotape and download data during reckless driving events or crashes, and is able

to summarize individual driver on-the-job performance. In addition, determine whether systems of this type can help the state improve its state driver safety performance to reduce vehicle collisions.

Appendix A

**Implementation Status of Agency Fleet
Management and Driver Safety Policies
and Best Practices**

Appendix A

Implementation Status of Agency Fleet Management and Driver Safety Policies and Best Practices

The Washington State Administrative and Accounting Manual (SAAM) outlines the OFM transportation policy requirements binding on all state agencies. Specifically, it directs all agency heads to “ensure the efficient and safe delivery of state services by using an appropriate combination of transportation modes including public transportation, permanently assigned vehicles, day use vehicles, rental cars, and privately owned vehicles.” SAAM §12.10.10.a. To carry out this directive the agency director must take the following steps:

1. Establish an effective system for management and control over transportation activities.
2. Promote state vehicle and driver safety and loss prevention.
3. Use sustainable practices.
4. Comply with federal regulations, where applicable.
5. Consider commute trip reduction (CTR) and traffic management initiatives. SAAM §12.10.10.b.

As part of our review, the LPRT has undertaken a sample survey of Fleet Management “best practices” employed by state agencies. All agencies that replied to the survey had written policies referencing and incorporating the essential requirements of the SAAM transportation policies. The survey addressed agency policies and practices related to the areas of (a) Vehicle and Fleet Management, and (b) Driver Licensing and Driver Safety.

Vehicle and Fleet Management

SAAM §12.20.10 directs that state agencies “having jurisdiction and control of motor vehicles” must “track accident data for statistical and vehicle loss control purposes” and “[b]e financially accountable for all costs resulting from the authorization and use of state-owned or leased motor vehicles,” including “costs for damage to state-owned vehicles and property” and for “third-party injuries and vehicle damage.” In addition, SAAM §12.20.40 states that agencies with “jurisdiction and control of state-owned or leased motor vehicles must establish and maintain a preventive maintenance program.”

In the event of any collision resulting in damages to an agency vehicle, within 48 hours the agency must also forward to OFM’s Risk Management Division a State of Washington Vehicle Accident Report, to be completed by the state driver. Before “proceeding with vehicle repairs” after a collision involving a state vehicle, the agency must also work with WSDOT’s Risk Management Office to determine “whether any other party has liability for the agency’s damages” and then “claims should be filed against those parties.” Id.

Findings - Most agencies contacted appear to comply with these SAAM policies. All maintain active vehicle-repair and maintenance programs either through in-house vehicle facilities or via other state agencies housing such facilities.

- All agencies reported that vehicles are maintained on regular schedules, typically by the specific divisions to which they are assigned.
- Vehicles involved in collisions are carefully scrutinized to determine the extent of damage and to determine whether a third party should be required to contribute toward the cost of either vehicle repairs or property damage mitigation.
- Finally, all agencies contacted maintain an active vehicle “refresh” policy under which vehicles reaching certain mileage thresholds (e.g., 60,000 miles) are “retired” and then replaced by newer vehicles.

Driver Licensing

SAAM §12.20.15 directs that, prior to vehicle operation, state agency managers and/or supervisors must “[v]isually check that state drivers have in their possession a license valid under Washington State laws.” A number of published research studies have concluded that drivers who are unlicensed or newly licensed, or who have had their licenses suspended or revoked, pose a higher risk of collision than that found in the legally-licensed driving population (see, e.g., *Evaluation of the Impact of Seattle’s DWLS Impound Law*, Hickman, L.J., et al, 2003, at 43).

Some state workers who present valid driver’s licenses upon entering state employment may ultimately have their licenses suspended or revoked as a result of recurring traffic collisions or violations. Such employees would pose an undue risk to the State and to the motoring public if they were allowed to continue driving in an official capacity. In practice, then, it is critical that agencies regularly monitor license status for all employees required to drive as part of their official state duties.

Findings - All surveyed agencies stated that they comply with SAAM §12.20.15 by requiring their employees to possess and carry a valid driver’s license whenever driving a motor vehicle on official state business. However, while these agencies require all new employees to present a valid driver’s license *initially* in order to be allowed to drive on state business, not all of them continue to monitor license status actively throughout each worker’s period of employment when job duties require continual or occasional state vehicle driving.

- Some agencies either leave it to individual employees to report any changes in their license status or else require supervisors to make periodic checks. Thus, in practice, many state employees never have their license status checked after they have presented a valid license initially.
- Other agencies make license status checks a priority. One agency, for example, mandates annual driver’s license checks for all non-commissioned employees

and semi-annual checks for all commissioned officers as part of their risk management process.

- Other agencies distinguish between employees who drive occasionally or infrequently, and those who drive frequently and/or accumulate high travel mileage. The license status of high-mileage drivers is generally monitored more closely than that of lower-mileage or infrequent drivers.

Driver Safety

All agencies surveyed stated that driver safety was a high priority for them. Most agencies require frequent or high-mileage drivers to take additional training, such as viewing driver safety videos or receiving regular face-to-face counseling or e-mail safety bulletins from agency safety monitors.

Findings - All agencies reported that when employees are involved in collisions while driving state-owned vehicles, the agencies receive notification of the collision (1) from the State Motor Pool (if the employee was driving a Pool vehicle), (2) from the State Patrol, or (3) from the Department of Licensing. At that point all agencies follow-up in a variety of ways:

- All agencies will note whether the involved state employee reported the collision as required; failure to do so results in some degree of corrective action.
- Most agencies will attempt to determine who the “at-fault” driver was by reviewing collision-related documents, including vehicle-damage reports.
- In some cases, a supervisor or safety monitor will meet with the employee to review the circumstances of the crash as well as the employee’s DOL driving record and license status.
- If agencies determine that the employee’s driving behavior and record are unacceptable, most will require the employee to undergo further “re-training” – either by watching additional training videos or by meeting with an agency safety officer or supervisor to receive further verbal and/or written instruction regarding driver safety practices and agency expectations.
- In the event that an individual’s driving record ultimately is assessed as ‘intolerable’ (the threshold of ‘tolerability’ varies from agency to agency), the individual’s driving privileges may be cancelled.
- In some cases, an individual’s driving behavior is so egregious that termination from employment may ensue, although it appears that more than just driving behavior is instrumental in such cases. For example, one agency fired an employee arrested for DUI (while traveling in a state vehicle on official state business) not merely because of the DUI itself but also because of a failure to report the incident as well as other violations of agency policy.

Appendix B

Agency Data

Appendix B

Agency Data for Miles Driven in FY03 and FY07

	FY03 Miles Driven				Number of Employees
	POV	AOV	MOV	TOTAL	
Agriculture	NA	NA	572,537	572,537	600
Attorney General	651,584	1,427,431	55,231	1,482,662	1,300
Corrections	0	0	749,906	749,906	8000
Employment Security*	447,391	1,034,990	50,791	1,085,781	1,881
Ecology	0	3,716,674	2,998	3,719,672	1,600
Evergreen State College	0	288,369	0	288,369	
Fish and Wildlife	0	0	1,920,388	1,920,388	1,750
Gambling Commission	0	1,235,262	0	1,235,262	
General Administration	254,936	0	674,165	674,165	650
Health	1,108,639	87,782	1,402,059	1,489,841	1,441
Labor and Industries	0	0	5,088,296	5,088,296	
Licensing	655,365	8,033	637,231	645,264	1,265
Liquor Control Board*	116,980	931,135	702,255	1,633,390	1,350
Lottery	45,667	0	871,572	871,572	150
Natural Resources	0	0	0	0	
Parks	0	255,500	23,957	279,457	10,304
Social and Health Svs*	0	3,467,660	0	3,467,660	19,548
Transportation	5,137,886	6,081,941	24,659	6,106,600	7,000
University of Washington	0	3,406,901	0	3,406,901	
Veterans Affairs	0	0	0	0	
Washington State Univ	Data too incomplete to analyze				
Western Wash Univ	Data too incomplete to analyze				
	Data not highlighted provided by the Department of Ecology		Data highlighted in green provided by individual agencies		
	* indicates possibility that data is not accurate				
Central Wash Univ	No data provided				
Eastern Wash Univ	Mileage data provided only includes end-of-year odometer readings				
State Patrol					

FY07 Miles Driven					
	POV	AOV	MOV	Total	Number of Employees
Agriculture	NA	4,500,000	174,181	4,674,181	600
Attorney General	763,826	1,429,407	41,524	1,470,931	1,300
Corrections	NA	NA	226,826	226,826	8000
Employment Security*	868,266	817,551	26,743	844,294	1,881
Ecology	709,484	4,113,007	15,136	4,837,627	1,600
Evergreen State College	0	324,424	0	324,424	
Fish and Wildlife	662,180	10,333,002	906,057	11,239,059	1,750
Gambling Commission	0	1,581,755	0	1,581,755	
General Administration	212,228	0	544,585	544,585	650
Health	1,173,251	662,348	1,324,626	1,986,974	1,441
Labor and Industries	0	147,739	6,214,098	6,361,837	
Licensing	511,051	6,023	1,003,673	1,009,696	1,265
Liquor Control Board*	72,115	1,547,272	683,266	2,230,538	1,350
Lottery	54,973	0	679,526	679,526	150
Natural Resources*	0	13,771,037	0	13,771,037	
Parks	0	218,046	10,304	228,350	10,304
Social and Health Svs*	9,562,153	6,487,434	6,696,493	13,183,927	19,548
Transportation	5,674,251	6,972,157	73,347	7,045,504	7,000
University of Washington	0	3,344,251	0	3,344,251	
Veterans Affairs*	53,382	425,884	562	479,828	
Washington State Univ	0	2,915,199	0	0	
Western Wash Univ	0	6,619,115	0	0	

Data not highlighted provided by the Department of Ecology

Data highlighted in green provided by individual agencies

* indicates possibility that data is not accurate

Central Wash Univ	No data provided
Eastern Wash Univ	Mileage data provided only includes end-of-year odometer readings
State Patrol	

Appendix C

Transit Risk Profile Example

Appendix C

Example of Transit Risk Profile

The Washington State Transit Insurance Pool (WSTIP) is the main provider of risk management products and services for the public transit industry in Washington. Members of the Pool include Clallam Transit, Everett Transit, Grays Harbor Transit, Intercity Transit, Pierce Transit, Yakima Transit, and Spokane Transit.

Every year, based upon the data it collects from its members, WSTIP issues risk profiles that describe the general and automobile liability costs to the member transit organizations. Information in the report includes Loss Rate (dollars of incurred losses per 1,000 miles traveled), Loss Frequency (number of claims per mile), Loss Severity (a calculation showing the average financial loss of each claim against the transit organization), and Exposure (combined losses for total number of miles traveled). This information is critically important for any risk management effort when managing a vehicle fleet.

An example of the report for FY 2007 follows.

About This Report

The following statistical information provides a comparison of your transit agency's operational performance, by mode, to other transit agencies of similar size and to the Washington State Transit Insurance Pool (WSTIP) as a group. The modes are vanpool, fixed route, and paratransit. The loss data used in this report represents general liability and automobile liability claims information. The financial loss data is capped at \$250,000 utilizing paid losses plus reserves. No credit was given for deductibles or other recoveries. Claim counts were capped at 25 claims per event. A claim is counted as a claim when an actual claim for damages was filed regardless if any money was paid (denied claims are counted as claims). Five years of data were used (2003-2007). All financial data was current as of February 15, 2008.

Loss Rate

Loss rate is a financial figure determined by taking the financial loss data (paid losses plus reserves), multiplied by 1,000, and divided by the miles traveled. The result is a dollar amount of incurred losses per 1,000 miles traveled.

Understanding your loss rate

Looking at your average loss rate to the average loss rate of WSTIP and your comparison agencies is one way to see if you are having more or less losses than everyone else. However, it is also interesting to review the loss rates from year to year for your own agency. Consistently low loss rates can show good overall performance or a loss rate that is high and coming down shows improved performance.

Loss Frequency

Loss frequency is the number of claims experienced per mile traveled. Loss frequency is the claim count divided by the miles traveled multiplied by 100,000. The result is the number of claims incurred per 100,000 miles traveled.

Understanding your loss frequency

Are you having more or less claims than your comparison agencies and WSTIP as a whole? If you are having more losses, check your severity. High frequency and high severity is cause for concern. High frequency, low severity may also be a concern if the loss activity appears to be a consistent trend. Low frequency and low severity indicates good overall performance.

Loss Severity

Severity is a financial figure determined by taking the financial loss data (paid losses plus reserves) divided by the number of claims for that mode. The result is a dollar amount reflecting the average financial loss of a claim.

Understanding your loss severity

Are you having more or less costly losses than your comparison agencies and WSTIP as a whole?

Exposure to Losses Table

The exposure to losses table lists all the members' miles traveled and the financial losses for all modes combined.

Intercity Transit

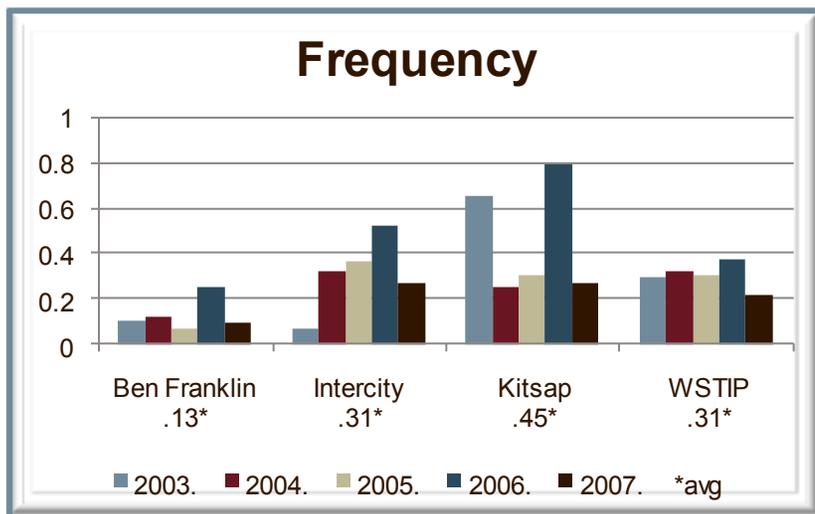
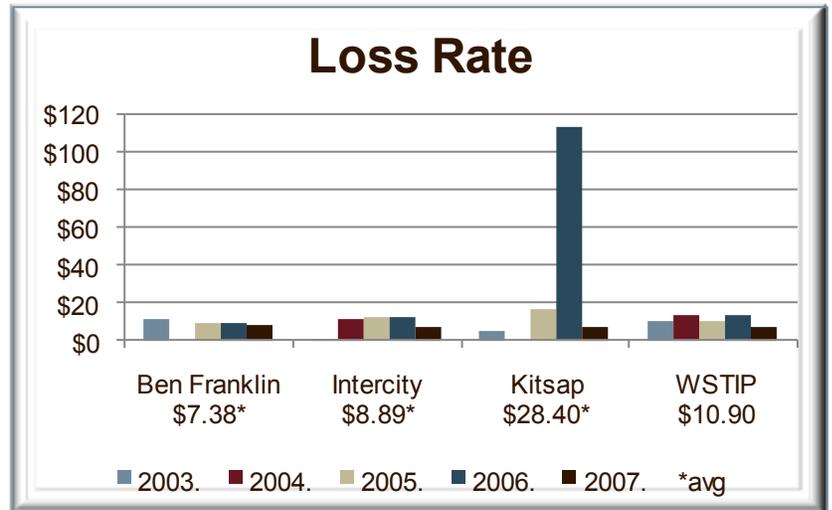


Vanpool

Your vanpool program traveled 2,633,225 miles in 2007. In comparison, Ben Franklin Transit traveled 3,270,763 miles and Kitsap Transit traveled 1,345,160 miles in 2007. WSTIP traveled 19,974,582 miles in 2007.

Your average loss rate is \$8.89 per thousand miles. In comparison, Ben Franklin Transit's average loss rate is \$7.38 and Kitsap Transit's is \$28.40. The average loss rate for WSTIP vanpool programs combined is \$10.90.

Your vanpool loss rate is 18 percent less than WSTIP's vanpool programs combined.

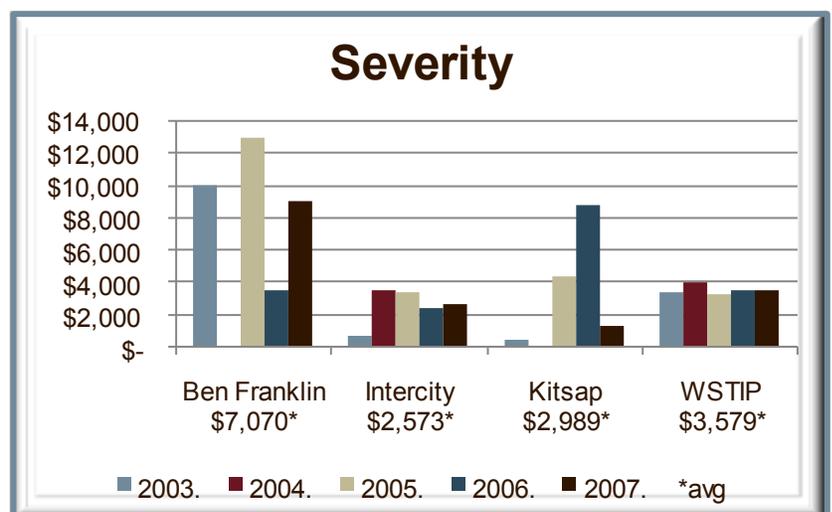


Your average claim frequency is .31 per 100,000 miles traveled. In comparison, Ben Franklin Transit's average claim frequency is .13 and Kitsap Transit's is .45 per 100,000 miles traveled. The average frequency for WSTIP vanpool programs combined is .31 claims per 100,000 miles traveled.

The average frequency of claims for your vanpool program is equal to WSTIP's vanpool programs combined.

Your average claim severity is \$2,573. In comparison, Ben Franklin Transit's average claim severity is \$7,070 and Kitsap Transit's is \$2,989. The average claim severity for WSTIP vanpool programs combined is \$3,579.

The average severity of a claim for your vanpool program is 28 percent less than WSTIP's vanpool programs combined.

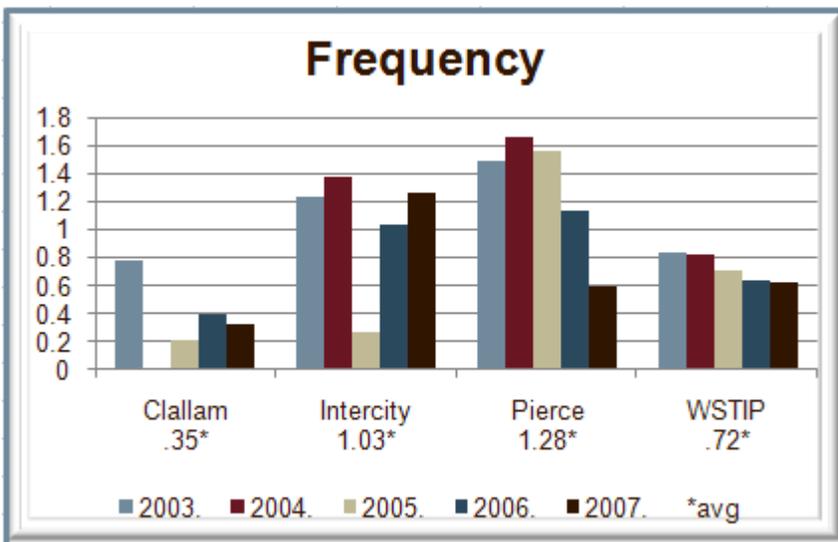
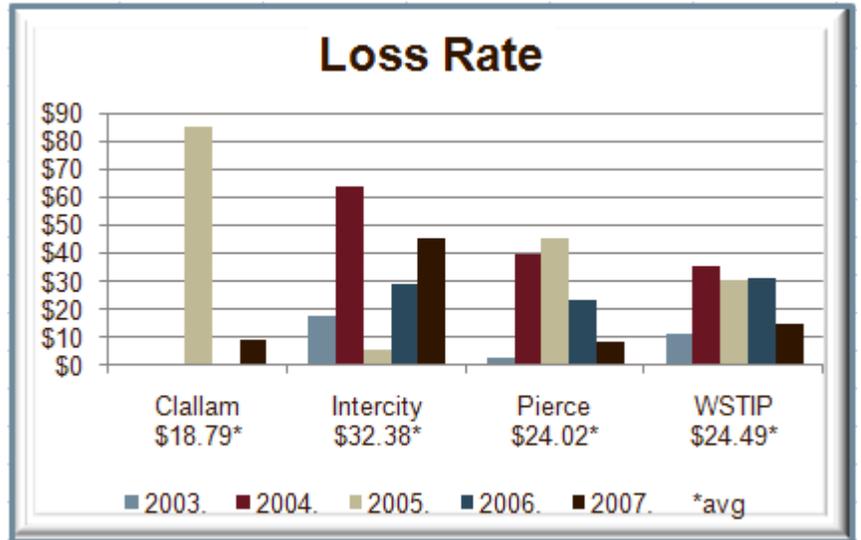


Paratransit

Your paratransit program traveled 789,485 miles in 2007. In comparison, Pierce Transit traveled 846,479 miles and Clallam Transit traveled 604,374 miles in 2007. WSTIP traveled 15,551,232 miles in 2007.

Your average loss rate is \$32.38 per thousand miles. In comparison, Pierce Transit's average loss rate is \$24.02 and Clallam Transit's is \$18.79. The average loss rate for WSTIP paratransit programs combined is \$24.49.

Your paratransit loss rate is 32 percent more than WSTIP's paratransit programs combined.

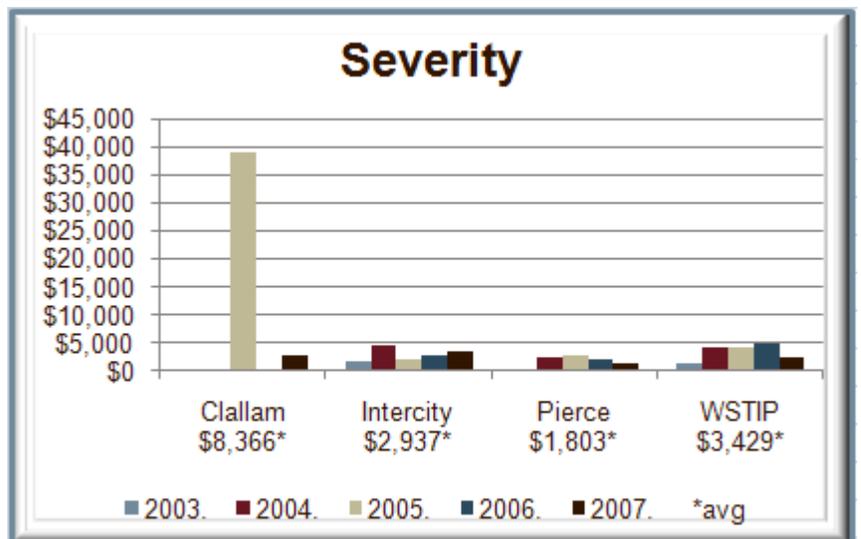


Your average claim frequency is 1.03 per 100,000 miles traveled. In comparison, Pierce Transit's average claim frequency is 1.28 and Clallam Transit's is .35 per 100,000 miles traveled. The average frequency for WSTIP paratransit programs combined is .72 claims per 100,000 miles traveled.

The average frequency of claims for your paratransit program is 43 percent more than WSTIP's paratransit programs combined.

Your average claim severity is \$2,937. In comparison, Pierce Transit's average claim severity is \$1,803 and Clallam Transit's is \$8,366. The average claim severity for WSTIP paratransit programs combined is \$3,429.

The average severity of a claim for your paratransit program is 14 percent less than WSTIP's paratransit programs combined.

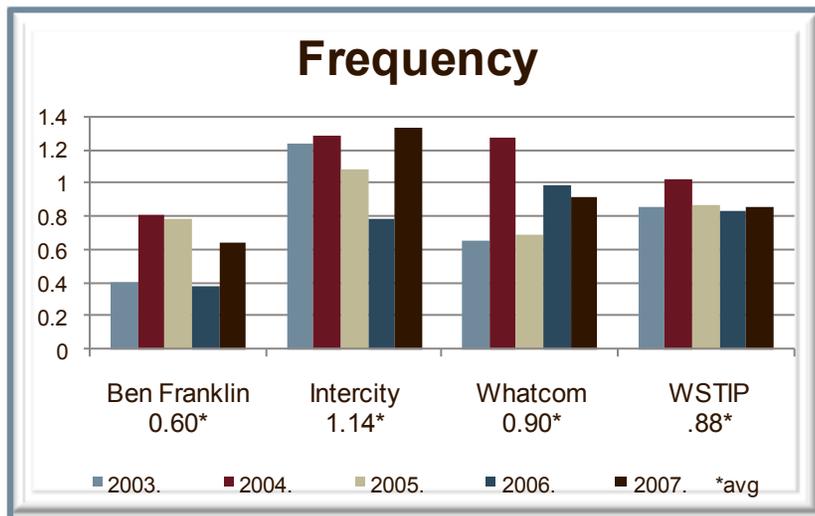
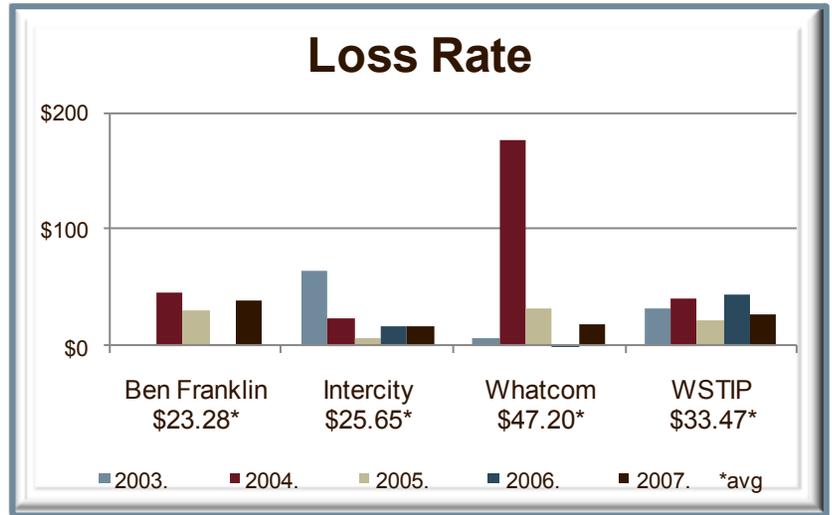


Fixed Route

Your fixed route program traveled 2,481,443 miles in 2007. In comparison, Ben Franklin Transit traveled 2,668,798 miles and Whatcom Transit traveled 1,859,419 miles in 2007. WSTIP traveled 49,959,092 miles in 2007.

Your average loss rate is \$25.65 per thousand miles. In comparison, Ben Franklin Transit's average loss rate is \$23.28 and Whatcom Transit's is \$47.20. The average loss rate for WSTIP fixed route programs combined is \$33.47.

Your fixed route loss rate is 23 percent less than WSTIP's fixed route programs combined.

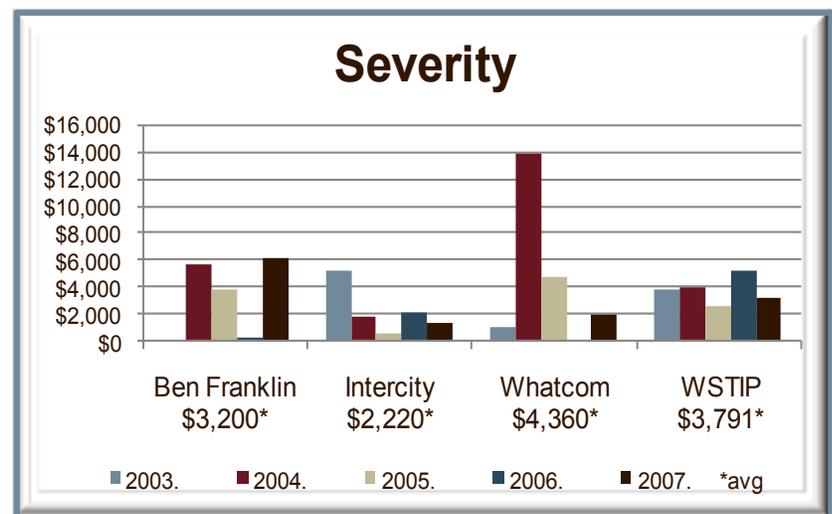


Your average claim frequency is 1.14 per 100,000 miles traveled. In comparison, Ben Franklin Transit's average claim frequency is .60 and Whatcom Transit's is .90 per 100,000 miles traveled. The average frequency for WSTIP fixed route programs combined is .88 claims per 100,000 miles traveled.

The average frequency of claims for your fixed route program is 29 percent more than WSTIP's fixed route programs combined.

Your average claim severity is \$2,220. In comparison, Ben Franklin Transit's average claim severity is \$3,200 and Whatcom Transit's is \$4,360. The average claim severity for WSTIP fixed route programs combined is \$3,791.

The average severity of a claim for your fixed route program is 41 percent less than WSTIP's fixed route programs combined.

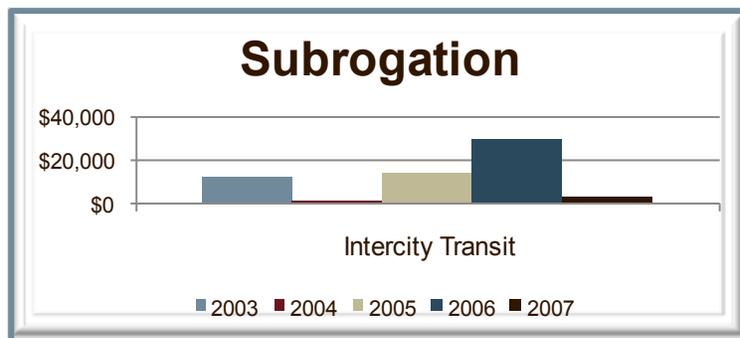


Additional Services Provided by WSTIP

Subrogation

Subrogation is the collection of money owed to your transit agency from people who damage your property and vehicles. WSTIP provides free subrogation services for any amount, including amounts under your deductible.

This graph shows that \$58,787 was returned to your agency over the last five years.



Integrated Risk Management Program

WSTIP's Integrated Risk Management Program is a holistic loss prevention and loss reduction program for member transit agencies. The IRM Team analyzes members' risk and losses with a goal of stabilizing or reducing the costs of such risks. Select, Inc. is providing IRM program services.

Grants

WSTIP provided your agency a \$2,500 Risk Management/Safety Grant. The goal of the Risk Management/Safety Grant is to provide funding for risk management, safety incentive, and training programs to member transit agencies. In addition, WSTIP has a competitive grant program that your agency can apply for worth up to \$20,000. The goal of this grant program is to reduce loss exposures related to property and liability losses.

Travel and Training Expenses

WSTIP reimbursed the Board of Directors for travel expenses related to quarterly Board meeting attendance and provided funding for approved conference attendance. In addition, WSTIP provided members travelling over one million miles a fund, called the Training Vault, to offset training expenses such as travel and registration. WSTIP also provided scholarships for one person to attend the Association of Washington Cities' Labor Relations Institute.

Pre-Loss Fund

If you have a sticky personnel matter or other odd legal situation, WSTIP will provide you with up to \$5,000 in legal advice per situation. For information regarding the pre-loss fund contact Jerry by email at jerry@wstip.org.

Training

WSTIP provided a free conference for claims coordinators. WSTIP is also a partner in the Washington State Transportation Training Coalition (WSTTC). For more information regarding the Training Coalition go to www.wsttc.org.

Other Services

- WSTIP ASKS is a new twist on an age old service. Members need information, we ask for your input, and publish the results. Results are posted on the WSTIP website.
- WSTIP provided you with Accident Reporting Envelopes, Courtesy Cards with your logo on them.
- WSTIP has partnered with Select, Inc. to provide Pre-Employment Assessment tools at a discounted rate.
- WSTIP publishes the newsletter *Charting our Course*.

Exposure to Losses Table

WSTIP uses miles traveled as the exposure unit for rating and performance comparisons. It then compares the two. The result is your agency's expected percentage of losses in comparison to WSTIP as a whole.

Understanding the Exposure to Losses Table

If your agency incurs 25 percent of the miles, then your agency should have 25 percent of the losses. If your agency has fewer losses than expected, your agency is performing well. If your agency has more losses than your percentage of miles, your agency is not meeting expectations.

Member	5 Years of Miles	5 Years of Losses	Difference
Asotin Co PTBA	0.02%	0.09%	0.07%
Ben Franklin Transit	9.09%	3.29%	-5.79%
Clallam Transit	2.46%	1.08%	-1.38%
Columbia County	0.17%	0.38%	0.22%
Community Transit	18.71%	16.80%	-1.91%
Cowlitz Transit Authority	0.36%	0.01%	-0.35%
Everett Transit	2.23%	4.64%	2.41%
Grant Transit	1.10%	0.57%	-0.53%
Grays Harbor Transit	2.26%	3.63%	1.37%
Intercity Transit	6.08%	3.51%	-2.57%
Island Transit	3.22%	0.38%	-2.84%
Jefferson Transit	1.14%	0.16%	-0.98%
Kitsap Transit	8.24%	4.81%	-3.43%
Link Transit	2.26%	1.77%	-0.49%
Mason County Transit	1.09%	0.95%	-0.14%
Pacific Transit	0.55%	0.00%	-0.55%
Pierce Transit*	23.28%	19.85%	-3.43%
Pullman Transit	0.40%	0.87%	0.47%
Skagit Transit	1.46%	1.01%	-0.46%
Spokane Transit	9.51%	25.97%	16.46%
Twin Transit	0.48%	0.16%	-0.32%
Valley Transit	0.55%	4.39%	3.84%
Whatcom Transit	3.71%	5.34%	1.63%
Yakima Transit	1.63%	0.34%	-1.29%

*Pierce Transit is an associate member with WSTIP and is not sharing risk with the other regular members listed in this report. Pierce Transit is included in this Risk Profile report for comparison purposes only.