



# Florida Workers Compensation Joint Underwriting Association, Inc.

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VIA E-MAIL

## FWCJUA OPERATIONS COMMITTEE BULLETIN 08-08

**TO:** Florida Workers' Compensation Joint Underwriting Association, Inc. Operations Committee

**FROM:** Laura S. Torrence, Executive Director

**DATE:** August 25, 2008

**RE:** **AUGUST 28, 2008 OPERATIONS COMMITTEE TELECONFERENCE MEETING AGENDA**

Enclosed for your review is the agenda for the FWCJUA Operations Committee teleconference meeting scheduled for Thursday, August 28, 2008 at 10:00 a.m. (Eastern Time). An operator will dial out to the following parties:

Brett Stiegel	407-671-3772
Fred Bennett	813-470-5009
Rick Hodges	863-665-6060
Tom Maida	850-513-3377
Jim Watford	850-413-5368

All other parties please contact Kathy Coyne at (941) 378-7408 to participate in the teleconference. Should you have any questions concerning the teleconference call, or the agenda please do not hesitate to contact me.

c: FWCJUA Board of Governors  
Tom Maida, *General Counsel*  
Jim Watford, *Florida Office of Insurance Regulation*  
FWCJUA Interested Parties

**BOARD OF GOVERNORS:** Charlie Clary, *Chair*; Dan Dannenhauer, *Vice Chair*; Fred Bennett;  
Terry Butler; Rick Hodges; Claude Revels; Brett Stiegel; Beth Vecchioli; James Ward

**AGENDA FOR THE MEETING OF THE OPERATIONS COMMITTEE OF THE  
FLORIDA WORKERS' COMPENSATION JOINT UNDERWRITING ASSOCIATION, INC.  
TO BE HELD ON THURSDAY, AUGUST 28, 2008 AT 10:00 A.M. VIA TELECONFERENCE**

- |              |  |                |
|--------------|--|----------------|
| <b>I.</b>    | CALL TO ORDER AND OPENING REMARKS  | Brett Stiegel  |
| <b>II.</b>   | ANTI-TRUST PREAMBLE (Attachment A)   | Tom Maida      |
| <b>III.</b>  | LEGISLATIVE UPDATE (Attachment B)  | Tom Maida      |
| <b>IV.</b>   | 2009 BUSINESS PLAN & FORECAST PRELIMINARY OUTLINE (Attachment C)   | Laura Torrence |
| <b>V.</b>    | DISASTER RECOVERY MATTERS  | Laura Torrence |
|              | <ul style="list-style-type: none"><li>• Disaster Recovery Review (Attachment D) <u><b>Exempt Portion of the Meeting</b></u></li><li>• Disaster Recovery &amp; Emergency Preparedness Plan (Attachment E)</li></ul> | Jeff Roth      |
| <b>VI.</b>   | DOCUMENT MANAGEMENT & RETENTION (Attachment F)   | Laura Torrence |
| <b>VII.</b>  | GENERAL ANNOUNCEMENTS  | Brett Stiegel  |
| <b>VIII.</b> | ADJOURNMENT AND CLOSING REMARKS  | Brett Stiegel  |

**ANTI-TRUST PREAMBLE**

We are here to discuss and act on matters relating to the business of the Florida Workers' Compensation Joint Underwriting Association (FWCJUA) and not to discuss or pursue the business interests of our individual funds or companies.

We should proceed with caution and alertness towards the requirements and prohibitions of federal and state anti-trust laws.

We should not engage in discussions – either at this meeting or in private conversations – of our individual fund's or companies' plans or contemplated activities. We should concern ourselves only with the business of the Florida Workers' Compensation Joint Underwriting Association as set forth in the agenda for this meeting.

Only FWCJUA market matters may be discussed at the meeting and each fund's or company's voluntary market plans cannot be discussed.

**LEGISLATIVE UPDATE**

The Committee shall receive a legislative update from Mr. Maida.

**No Committee action is anticipated to be required on this agenda item.**

**2009 BUSINESS PLAN & FORECAST PELIMINARY OUTLINE**

The Operations Committee shall begin to formulate the 2009 FWCJUA Business Plan and Forecast such that a draft may be distributed to the Board for discussion purposes in September.

Attached is staff's preliminary outline for the 2009 Business Plan and Forecast, including the projected 2009 capital expenditures. Critical discussion points shall include the premium projection; collections, financial auditor and legal services selection processes; IT initiatives; policyholder dividend initiatives; safety initiatives; legislative initiatives; and capital expenditures.

**The Committee shall provide staff direction with regard to the 2009 objectives, key activities and initiatives such that a Committee draft of the 2009 Business Plan & Forecast may be presented to the Board for discussion purposes in September.**

# **PRELIMINARY OUTLINE 2009 FWCJUA BUSINESS PLAN**

## **INTRODUCTION**

Following is the FWCJUA business plan for 2009 defining our objectives and key activities. We are confident that in 2009 we will meet our obligations to the legislature and our policyholders through our results-oriented, bottom-line focus. We shall continue to concentrate on the critical activities that ensure continued success - managing expenses, properly pricing the product and providing creative solutions to problems generated by a constantly changing market.

## **MISSION**

As the Board of Governors of the FWCJUA, we have been charged with the duty of administering the Florida Workers' Compensation residual market mechanism. In fulfilling that obligation, our goals are:

To provide workers' compensation and employer's liability insurance to employers who are required to maintain such coverage by law but are unable to procure it in the voluntary market and who are willing to implement reasonable loss prevention programs to provide safe work places;

To ensure that policyholders and claimants receive quality service;

To provide coverage and service efficiently and to establish rates that are actuarially sound and reasonably expected to ensure the ongoing solvency of the residual market mechanism without future policyholder assessments;

To establish and aggressively pursue programs designed to assist applicants and insureds of the residual market mechanism to obtain coverage in the voluntary market; and

To promote safety in the work place through the aggressive pursuit of safety programs for insureds of the residual market mechanism.

## **OBJECTIVES**

Our 2009 objectives are:

1. Manage the Subplan "D" deficit in accordance with our filed program to eliminate this individual rating plan deficit and address any future statutory deficits.
2. Maintain rate adequacy.
3. Minimize the operating loss.
4. Maintain solvency without an FWCJUA policyholder assessment provided rate adequacy exists.
5. Pursue sound investments.
6. Manage uncollectible premiums within acceptable limits.
7. Maintain a dynamic, responsive organization capable of responding to market fluctuations in a timely manner.
8. Implement an assessment, if one becomes necessary.
9. Promote loss prevention and safety in the workplace of our policyholders.

## **KEY ACTIVITIES/SUCCESS FACTORS**

Our 2009 objectives are supported by the key activities (success factors) defined on the following pages.

- 1. MANAGE THE SUBPLAN "D" DEFICIT IN ACCORDANCE WITH OUR FILED PROGRAM TO ELIMINATE THIS INDIVIDUAL RATING PLAN DEFICIT AND ADDRESS ANY FUTURE STATUTORY DEFICITS.**
  - a) Update the Subplan "D" actuarial cash flow model with quarterly results, to include any changes to the Subplan D loss ratio, to identify potential deficiencies and recommend courses of action to the Board.
  - b) Identify any future statutory deficits and develop and timely file a program to eliminate said deficits.

## PRELIMINARY OUTLINE 2009 FWCJUA BUSINESS PLAN

### 2. MAINTAIN RATE ADEQUACY.

- a) Assure rate adequacy through conducting semiannual rate adequacy analyses culminating in the implementation, as appropriate, of revised rates and/or rating plans consistent with the FWCJUA's mission and statutory charge to provide workers' compensation and employer's liability coverage to those unable to obtain it in the voluntary market.

### 3. MINIMIZE THE OPERATING LOSS.

- a) ~~Pursue Monitor~~ the federal income tax exemption filed for in December 2007 ~~without unduly jeopardizing operations or operating expenses.~~
- b) The operation will continue to concentrate on underwriting - determination of actual exposures and proper pricing, prompt policy issuance, premium collection, fraud prevention, market assistance, and evaluation of current performance standards.
  - (1) Analyze the composition and experience of new and renewal business, and modify as appropriate, underwriting, collections and fraud prevention practices and procedures to ensure that existing programs realize maximum effectiveness and efficiencies. Develop new practices, procedures or programs as analysis dictates.
  - (2) File and implement the FWCJUA Loss Sensitive Rating Plan, as warranted.
- c) Ensure that the final audit for 2008 is completed no later than ~~April~~ May 1, 2009.
- d) Satisfy any recommendations presented in the Auditor's Letter to Management no later than June 1, 2009.
- e) Manage to the G&A budget.
- f) Prepare and file the FWCJUA Annual Financial Statement no later than March 1, 2009 and the Quarterly Financial Statements no later than May 15, August 15, and November 15, 2009.
- g) Prior to July 1st, notify the Office of Insurance Regulation of the amount of the FWCJUA's gross written premiums for the preceding calendar year pursuant to section 440.51(14), Florida Statutes. (Whenever the plan's gross written premiums reported to the Office are less than \$30 million, the Office shall transfer to the plan, subject to appropriation by the Legislature, an amount not to exceed the plan's fixed administrative expenses for the preceding calendar year, subject to a maximum of \$750,000)

### 4. MAINTAIN SOLVENCY WITHOUT AN FWCJUA POLICYHOLDER ASSESSMENT PROVIDED RATE ADEQUACY EXISTS.

- a) Manage the Cash Flow and Projection Models by subplan and tier to anticipate potential solvency problems and recommend courses of action to the Board.
- b) ~~Manage the Loss Emergence Model to anticipate potential reserve adjustments and recommend courses of action to the Board.~~ Ensure that the Statement of Actuarial Opinion for 2008 is completed no later than April 1, 2009.
- c) Conduct a reserve analysis on the loss liabilities of the FWCJUA to include case reserves and IBNR losses, the adequacy of case reserves to pay reported open claims; and a comparison of assets and liabilities with a recommendation by subplan as to the necessity of an assessment to fund outstanding liabilities.
- d) Review the existing reinsurance program early in the renewal cycle to ensure it meets both current and anticipated needs; release the renewal submission early in order to review additional options; and negotiate an appropriate renewal.
- e) Confirm ~~one or more reinsurance intermediaries~~ Benfield to act on behalf of the FWCJUA and approach selected direct markets with respect to the placement of the FWCJUA's 2010 reinsurance program.
- f) From a strategic perspective, review different types of reinsurance programs that are available and recommend any strategic perspective alternatives to the current casualty-based program.
- g) Conduct a risk assumption analysis in conjunction with either the reinsurance intermediary's actuary or the FWCJUA's consulting actuary that describes how much risk the FWCJUA could assume at various attachment points and the implications of that risk assumption.
- h) Ensure timely and accurate reporting to the reinsurers with full disclosure of large and/or serious injuries.

## PRELIMINARY OUTLINE 2009 FWCJUA BUSINESS PLAN

- i) Continue the proactive role in monitoring serious injury claims, the regular, formal review of "old" and large open claims and the requirement for settlement authorization for amounts of \$50,000 or greater.
  - j) If a deficit is recognized at the 2008 audit, a program to eliminate the deficit will be developed and filed with OIR.
  - k) Monitor the 1994 – 1999 LPT transaction to determine the status of the restrictive surplus and the status of the aggregate limit.
  - l) Complete the Management Discussion and Analysis on schedule.
  - m) Ensure that any FWCJUA Policyholder Dividend Policy adopted by the Board is implemented appropriately.
5. **PURSUE SOUND INVESTMENTS.**
- a) Evaluate short-term and intermediate cash flow needs according to the cash management policy along with current economic conditions and modify the investment strategy as warranted.
  - b) Evaluate, direct and monitor the performance of the investment manager to ensure that performance is at or above market benchmark returns.
  - c) Continue to conduct monthly Investment Committee meetings as scheduled to monitor investment compliance, as necessary and re-evaluate quarterly the additional investment parameters added in June 2008 to determine if the parameters are still warranted.
6. **MANAGE UNCOLLECTIBLE PREMIUM WITHIN ACCEPTABLE LIMITS.**
- a) Evaluate and monitor the collection activity by subplan and tier to ensure that uncollectible premium is held to or below our average policy year uncollectible premium for policy years 1994 through 2006 of ~~17.0-15.9%~~ (as of 6/30/08) as of 12/31/08.
  - b) Identify the leading drivers of uncollectible premium and adjust collection programs to enhance collection efforts.
7. **MAINTAIN A DYNAMIC, RESPONSIVE ORGANIZATION CAPABLE OF RESPONDING TO MARKET FLUCTUATIONS IN A TIMELY MANNER.**
- a) Evaluate and redesign, as deemed appropriate by the Board, the web-based on-line application process to improve user interface with the FWCJUA and provide users/agencies with the ability to upload application forms and/or information submit application information through the system for FWCJUA eligibility review and underwriting prior to the submission of hard copies and monies to further streamline the submission process and improve cost efficiencies.
  - b) Continue FLARE<sup>4</sup> enhancements, to include updates required due to procedural changes as well as web-site integration, and conduct on-going maintenance to ensure its continued effectiveness.
  - c) ~~Pursue an outside disaster recovery analysis of the FWCJUA's IT Systems, subject to Board approval.~~ Address the recommendations resultant from the IT systems disaster recovery "internal" audit and satisfy as warranted.
  - d) ~~Explore external audit of recovery plans and implement subject to Board approval.~~ Add additional Intrusion Detection Systems (IDS) to firewalls as recommended in the IT systems disaster recovery "internal" audit.
  - e) Replace degraded and unsecure generator panels as recommended in the IT systems disaster recovery "internal" audit.
  - f) Evaluate and develop, if feasible, an on-line process that would permit agencies to issue certificates of insurance that would capture certificate holder information for policyholder underwriting and audit.
  - g) Evaluate and develop, if feasible, a process to transfer the application and binding information digitally to the policy administration service provider.
  - h) Test and implement the developed enhancement to the on-line agency authorization renewal process.
  - i) Upgrade the email system to Exchange 2007 and provide a higher level of redundancy to the system for disaster recovery purposes.
  - j) Replace older servers with virtualization technology to allow for greater efficiency and reduced costs.



## PRELIMINARY OUTLINE 2009 FWCJUA BUSINESS PLAN

- k) Ensure that the FWCJUA website is “real-time” with respect to: 1) rules; 2) procedures; 3) applications; 4) forms; 5) rates; 6) the premium calculator; 7) the “authorized agency/producer” locator; 8) answers to FAQ’s; 9) MAP reports; and 9) general information.
  - l) Continue to explore and implement disaster recovery initiatives as deemed appropriate by the Board.
  - m) Evaluate the effectiveness of MAP and make appropriate recommendations to the MAP Committee.
  - n) ~~Issue an RFP to procure actuarial services for the next three to five years, beginning with the premium indication for January 1, 2009, as appropriate. Upgrade the computer room cooling system to ensure appropriate cooling at maximum efficiency with dependable redundancy.~~
  - o) Engage Thomas Howell Ferguson as the financial auditor for the year ending December 31, 2009.
  - p) Actively pursue Producer, Employer and Claimant fraud through conducting cooperative investigation with the Service Provider; preparing and submitting fraud reports; and participating in the state’s prosecution activities.
  - q) Support the Division of Compliance’s monitoring of FWCJUA employers who are cancelled or do not renew coverage and also applicants who do not purchase FWCJUA coverage.
  - r) ~~Extend RSI’s engagement for collection services for an additional year or implement a competitive solicitation process to procure policy administration and managed care collection services for the period January July 1, 2009 through December 31 June 30, 2012.~~
  - s) Conduct an annual on-site audit, to include a review of its Disaster Recovery Plan, Document Retention Policy, and Antifraud Plan, as well as quarterly reviews of the policy administration/managed care service provider’s performance to ensure adherence to FWCJUA rules and service standards.
  - t) ~~Develop a “constitution” to replace the Operations Manual as part of the FWCJUA Plan of Operation to ensure that Manual revisions approved by OIR may be timely distributed. Assist with the on-site training of the policy administration service provider’s underwriters, adjusters and auditors with regard to the prevention of uncollectible premium.~~
  - u) ~~Develop a formal telecommuting policy for Board consideration. Conduct two one-day educational seminars (e.g., in South Florida and Tampa-area) to assist policyholders with cost containment and effective management of their workers’ compensation risk control programs with emphasis on loss prevention and post injury management.~~
  - v) Prepare and submit, at least quarterly, to the Commission on Ethics a list of names of the senior managers, officers, and members of the Board who are subject to the public disclosure requirements under section 112.3145, Florida Statutes, with the first list submitted no later than March 31, 2009.
  - w) Explore additional options for document management data redundancy and make appropriate recommendations to the Operations Committee.
  - x) ~~Explore options for the audio recording of exempt portions of meetings and make appropriate recommendations to the Operations Committee.~~
  - y) ~~Engage the Hay Group to update its 2005 executive compensation review of the FWCJUA to include total compensation compared to other workers compensation residual markets, other Florida residual markets and like organizations as well as private insurers with an approved budget for consideration by the Executive Compensation Committee.~~
8. **IMPLEMENT AN ASSESSMENT, IF ONE BECOMES NECESSARY.**
- a) Continue to explore alternative ways to minimize assessment potential.
9. **PROMOTE LOSS PREVENTION AND SAFETY IN THE WORK PLACE OF OUR POLICYHOLDERS.**
- a) Conduct causes of loss analyses and modify the safety program as warranted to satisfy any deficiencies given our emerging book of business.
  - b) Explore “alternative” methods and techniques for accepting and using safety programs and make appropriate recommendations to the Safety Committee.

**Florida Workers' Compensation Joint Underwriting Association, Inc.**  
**Premium and Loss Forecast With Budgeted Expenses**  
**For Year Ending December 31, 2009**

**2008 Pricing is being used.**

**Estimate for 2009**

8/25/2008 20:42

	<b>Forecast 2008</b>	<b>Forecast 2009</b>	<b>Increase (Decrease)</b>	<b>% Change</b>	<b>% Change</b>
<b>REVENUE:</b>					
Direct written premium (new & renewals with PY 2009)	21,000,000	12,000,000	(9,000,000)	-42.9%	rate filing projection (approx. 1,700 policies)
Direct written premium (prior years' adjustments)	3,000,000	1,000,000	(2,000,000)	-66.7%	
Direct earned premium (new & renewals with PY 2009)	15,750,000	7,800,000	(7,950,000)	-50.5%	
Direct earned premium (prior years' adjustments & UEP)	2,000,000	6,000,000	4,000,000	200.0%	
Reinsurance premium (10.437% E.P.)	1,852,568	1,541,711	(310,857)	-16.8%	minimum premium will apply - estimated here
Net earned premium	15,897,433	12,258,289	(3,639,144)	-22.9%	
Interest income (\$75M @ 4.5% / \$90M @ 3.5%)	4,100,000	3,250,000	(850,000)	-20.7%	assuming continued low interest rates
Producer authorizations	10,000	84,550	74,550	745.5%	2 year agreement - 2009 is 1st renewal period
Miscellaneous	60,000	20,000	(40,000)	-66.7%	interest on collection payment plan
<b>TOTAL REVENUE</b>	<b>20,067,433</b>	<b>15,612,839</b>	<b>(4,454,594)</b>	<b>-22.2%</b>	
<b>OPERATING EXPENSES:</b>					
Loss & LAE incurred - (% of earned premium x loss ratio)	6,766,922	5,871,000	(895,922)	-13.2%	Gross Loss Ratio for 2008 as of 6/08 - 31.8%
Ceded reinsurance recoverables	(1,111,541)	(423,971)	687,570	-61.9%	Ceded Loss Ratio for 2008 as of 6/08 - 27.5%
Net loss & LAE incurred	5,655,381	5,447,029	(208,352)	-3.7%	(includes \$75K for litigation mgmt & not covered claims)
Service provider fees - written premium less bad debt	3,666,140	2,715,200	(950,940)	-25.9%	New 3 yr agreement for 2009 - graduated scale
Producer fees - written premium less bad debt	456,918	285,743	(171,175)	-37.5%	average on surcharged premium: 2.737%
Rating/statistical organization fees	100,000	100,000	-	0.0%	
Bad-debt write-off - (14% / 13%)	2,940,000	1,560,000	(1,380,000)	-46.9%	13% assumption now being used
Bad debt write off - (suspected fraud adj.)	2,000,000	1,000,000	(1,000,000)	-50.0%	
Collection expense - 12.5% est. collections @ 30%	110,250	58,500	(51,750)	-46.9%	
Taxes and assessments - (0.05% / .1% of written prem.)	21,000	12,000	(9,000)	-42.9%	US DOL USL&H assessment
<b>TOTAL OPERATING EXPENSES</b>	<b>14,949,689</b>	<b>11,178,472</b>	<b>(3,771,217)</b>	<b>-25.2%</b>	

**Florida Workers' Compensation Joint Underwriting Association, Inc.**  
**Premium and Loss Forecast With Budgeted Expenses**  
**For Year Ending December 31, 2009**

**2008 Pricing is being used.**

**Estimate for 2009**

8/25/2008 20:42

	<u>Forecast 2008</u>	<u>Forecast 2009</u>	<u>Increase (Decrease)</u>	<u>% Change</u>	<u>% Change</u>
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES:</b>					
<i>Professional Services</i>					
Actuarial services	60,000	74,000	14,000	23.3%	New 3 year agreement
Auditing/taxes - financial	77,000	72,000	(5,000)	-6.5%	
Audit fee recovery - Travelers	(16,750)	(15,500)	1,250	-7.5%	% of audit fee
Consulting - systems	85,000	85,000	-	0.0%	IT consulting
Legal - (General Counsel - \$157K; Legal GC Expenses - \$5K Litigation-Collections - \$7K)	150,000 5,000 5,000	157,000 5,000 7,000	7,000 - 2,000	4.7% 100.0% 40.0%	Include both general counsel work (84%) & legislative oversight (16%) Court costs have increased
Security & other services	19,900	19,900	-	0.0%	
Temporary employees	10,000	10,000	-	0.0%	PT employee or temporary employee
Total Professional Services	395,150	414,400	19,250	4.9%	
<i>General</i>					
Rent	162,249	167,789	5,540	3.4%	New Office Space annual increase
Bank charges	7,800	7,800	-	0.0%	Direct expenses now
Telecommunications	49,060	49,060	-	0.0%	
Insurance - BI/GL/WC/D&O	97,731	101,637	3,906	4.0%	annual price increases
Licenses and fees	1,500	1,500	-	0.0%	
Office equipment and supplies	94,585	109,035	14,450	15.3%	annual price increases
Disaster Recovery Plan Maintenance	37,044	57,516	20,472	100.0%	Sungard offsite network hosting
Utilities	16,800	18,000	1,200	7.1%	annual price increases
Postage and printing	25,920	25,920	-	0.0%	
Depreciation/amortization	181,833	204,000	22,167	12.2%	
Total General	674,522	742,257	67,735	10.0%	
<i>Personnel</i>					
Compensation	1,153,938	1,185,330	31,392	2.7%	annual increases
Benefits	220,066	234,048	13,982	6.4%	annual increases
Payroll taxes	85,042	85,928	885	1.0%	annual increases & increase in SUTA
Employee recruitment/training/education	44,500	44,500	(0)	0.0%	education & licenses
Total Personnel	1,503,547	1,549,806	46,259	3.1%	
<i>Travel and Business Expenses</i>					
Travel - employees	32,000	32,000	-	0.0%	
Travel - board/committee meetings	20,600	20,600	-	0.0%	board meetings in JUA office
Total Travel and Business Expenses	52,600	52,600	-	0.0%	
<b>TOTAL GENERAL &amp; ADMINISTRATIVE EXPENSES</b>	<b>2,625,819</b>	<b>2,759,063</b>	<b>133,244</b>	<b>5.1%</b>	

**Florida Workers' Compensation Joint Underwriting Association, Inc.**  
**Premium and Loss Forecast With Budgeted Expenses**  
**For Year Ending December 31, 2009**

**2008 Pricing is being used.**

**Estimate for 2009**

8/25/2008 20:42

	<b>Forecast 2008</b>	<b>Forecast 2009</b>	<b>Increase (Decrease)</b>	<b>% Change</b>	<b>% Change</b>
<b>KEY INITIATIVE EXPENSES:</b>					
Litigation	10,000	10,000	-	0.0%	
Legislative initiatives	-	100,000	100,000	0.0%	
Legal - Special Projects	TBD	TBD	-	0.0%	
Second rate filing	15,000	15,000	-	0.0%	
Safety Seminars	-	11,400	11,400	100.0%	
Virtualization Project (capital expenditures only)	-	31,100	31,100	100.0%	
Executive Compensation Study	16,000	-	(16,000)	-100.0%	
Disaster Recovery Analysis	34,300	-	(34,300)	-100.0%	
Disaster Recovery Deployment	TBD	TBD	-	0.0%	
<b>TOTAL KEY INITIATIVE EXPENSES</b>	<b>75,300</b>	<b>167,500</b>	<b>92,200</b>	<b>122.4%</b>	
 <b>Total G&amp;A and Key Initiatives</b>	 <b>2,701,119</b>	 <b>2,926,563</b>	 <b>225,444</b>	 <b>8.3%</b>	
 <b>TOTAL ALL EXPENSES</b>	 <b>17,650,808</b>	 <b>14,105,035</b>	 <b>(3,545,773)</b>	 <b>-20.1%</b>	
 <b>less \$750,000 per Florida Statute &amp; Appropriation</b>	 <b>-</b>	 <b>(750,000)</b>	 <b>(750,000)</b>	 <b>100.0%</b>	
 <b>LOSS BEFORE ASSESSMENTS</b>	 <b><u>2,416,625</u></b>	 <b><u>2,257,804</u></b>	 <b><u>(158,821)</u></b>	 <b><u>-6.6%</u></b>	

**TBD - To Be Determined**

**Florida Workers' Compensation Joint Underwriting Association, Inc.**  
**Budgeted Capital Expenditures**  
**For Year Ending December 31, 2009**

**Hardware**

Servers (2) (for virtualization project)	22,000
Scanner PC replacement	12,000
Hardware upgrades	2,000
Printer	700
UPS replacements for servers	400
keyboards, mice, patchcords, NIC	800

**Software**

Virtualization and Exchange (for virtualization project)	9,100
Network monitoring	1,500
Development tools	1,500
IDS	2,000

**Property, Plant & Equipment**

Generator Panels and Lock	5,000
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**Total      57,000**

**19,000**

annual depreciation / amortization \*

**DISASTER RECOVERY MATTERS****Disaster Recovery Review****Exempt Portion of the Meeting**

The Committee will consider the preliminary results of an “internal” audit of the FWCJUA’s disaster recovery plan related to IT systems, to include security, documentation, and support. The purpose of the “internal” audit is to ensure the security of IT systems as well as the reliability of the documentation for IT systems disaster recovery. As such, this portion of the meeting will relate to security systems owned or leased by the FWCJUA. Therefore, pursuant to section 281.301, Florida Statutes, this portion of the meeting is confidential and exempt from sections 119.07(1) and 286.011, Florida Statutes, and other laws requiring public access or disclosure.

**DISASTER RECOVERY MATTERS**

**Disaster Recovery & Emergency Preparedness Plan**

The Operations Committee shall confirm the Executive Director's modifications to the Disaster Recovery & Emergency Preparedness Plan (DR&EP Plan).

Attached for the Committee's consideration are the revised sections of the FWCJUA DR&EP Plan (Revised August 25, 2008). Generally, the Plan has been modified to further clarify the duties of the Disaster Recovery Coordinators and the management team; further clarify the office evacuation procedures; specify the existence and response of the Special Commercial Package Policy; update the Vendor Contact; update the Department Checklist, including formalizing the procedures for public notification of an office closure; add a Tropical Storm & Hurricane Preparation appendix; add two "how to" appendices; and clean-up the document with non-substantive editorial revisions. The changes are indicated in red and yellow highlight with either strikeout or underscore for quick reference.

**The Committee shall determine whether to confirm the revisions to the DR&EP Plan.**



**FLORIDA WORKERS' COMPENSATION  
JOINT UNDERWRITING ASSOCIATION, INC.**

**DISASTER RECOVERY & EMERGENCY PREPAREDNESS PLAN  
(DR&EP Plan)**

Revised: **August 25, 2008**



**FLORIDA WORKERS' COMPENSATION JOINT UNDERWRITING ASSOCIATION, INC.  
DISASTER RECOVERY & EMERGENCY PREPAREDNESS PLAN**

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**SECTION I: OBJECTIVES**

The FWCJUA has developed this Disaster Recovery & Emergency Preparedness Plan (DR&EP Plan) to achieve a series of objectives in the event the company is faced with a real or potential emergency or disaster. These objectives, in priority order, are as follows:

- 1. to ensure the safety and protection of all FWCJUA employees;**
- 2. to limit damage to FWCJUA property and records;**
- 3. to minimize interruptions in customer service and operations - to resume normal operations within an acceptable time frame;**
- 4. to provide back-up data and/or systems and access to back-up software;**
- 5. to establish a chain of command in case of an emergency that prevents normal FWCJUA operations;**
- 6. to establish appropriate communication and contact among employees, Board members (especially the Chair, Vice Chair, and Operations Committee Chair), General Counsel, OIR, vendors and producers during emergency situations;**
- 7. to determine the amount of damage and interruption in FWCJUA operations;**
- 8. to protect financial transactions, application & producer authorization records, claim files, Board and Committee information, etc;**
- 9. to identify a site for relocating the company in the event that the regular facilities are unavailable; and**
- 10. to identify equipment and supplies needed to operate in a disaster recovery and provide resources where necessary.**

**SECTION II: AUTHORITY**

The Executive Director has the overall responsibility for ensuring that the FWCJUA is prepared to respond to any emergency. The Systems Manager and the Administration Manager are designated the Disaster Recovery Coordinators reporting to the Executive Director. The Executive Director will report to, in order of succession, the Board Chair, Vice Chair and/or Operations Committee Chair (as available). The Executive Director has the authority and the responsibility to prepare, maintain, modify and, if necessary, implement the DR&EP Plan or any portion thereof. The Operations Committee shall periodically review the DR&EP Plan, confirming the modifications made by the Executive Director and recommending any enhancements requiring specific budgetary considerations to the Board for action.

The FWCJUA management team is comprised of the Executive Director, Operations Manager, Controller, Systems Manager, and Administration Manager. It is the responsibility of the FWCJUA management team to oversee any re-implementation of interrupted services to include assessments related to:

- 1. personnel (availability)**
- 2. logistics (damage repair and use of an alternate location);**
- 3. underwriting (customer needs);**
- 4. financial (financial transaction processing) and;**
- 5. computer/information (back-up and data restoration).**

The FWCJUA management team "chain of command" is:

- 1. Executive Director**
- 2. Operations Manager**
- 3. Controller**
- 4. Systems Manager**
- 5. Administration Manager**

Access to the software and data held within the operating/production systems and the data bases is within the purview of the Executive Director and is the specific responsibility of the Systems Manager. The necessary passwords, access protocols and system infrastructure are found in Appendix G which is only available in the Master Copies of this plan.

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In the event the entire management team is incapacitated, direction should be obtained from, in order of succession, the Board Chair, Vice Chair or Operations Committee Chair (as available).

In the event of an emergency, the Employee Contact Information presented in Appendix C is to be used. However, it is the ultimate responsibility of each department head to ensure that his or her personnel are kept informed.

The FWCJUA contracts the primary functions of Policy Administration and Managed Care services to a PAMC Service Provider and a requirement of this arrangement is the maintenance of a disaster recovery plan. The PAMC Service Provider's disaster recovery plan is considered proprietary, and thus, is not maintained within the FWCJUA's plan; however, it has been reviewed by the FWCJUA and is available for inspection at the Service Provider's office.

**SECTION III: LOCATION OF ALTERNATE FACILITIES**

**Alternate Facility Options**

1. The safe room at the FWCJUA facility.
2. The homes of the management team, at least for initial assembly, assessments and assignments, and then as needed an alternate facility in Sarasota.
3. The mobile facility provided by the Mobile Recovery Vendor (refer to Appendix J to activate this alternate facility option)
4. The PAMC Service Provider's Florida office with accommodations at nearby hotels for personnel.
5. Alternate site for processing servers is a real time offsite hosting facility.

**Activation of Alternate Facility**

In the event the FWCJUA facility is unusable, a determination will be made by the Executive Director as to duration and if it is anticipated that the FWCJUA facility will be condemned or not be readily available, an alternate site in Sarasota will be obtained by the Executive Director, in consultation with the Chair, Vice Chair or Operations Committee Chair (as available). If a suitable Sarasota alternate site is unavailable, including the mobile facility, the PAMC Service Provider's Florida office will be activated as the alternate site. When an alternate site is activated, the following actions will be initiated:

1. A situation assessment will be conducted identifying the systems, communication and personnel requirements with the goal of resuming vital operations (processing applications, to include processing premium payments, and responding to inquiries) as promptly as reasonable.
2. The notifications of the alternate facility activation shall be made as identified below, to include the identification of personnel assignments and respective temporary housing accommodations.
3. Critical computer/network systems and communication vendors shall be contacted to arrange for transition services, as required, for the alternate facility. It is imperative that the establishment of such systems be promptly addressed for the alternate facility. Equipment needs to implement the transition of services shall be promptly identified and reasonably fulfilled.
4. Alternate site access will be enabled.
5. The software will be installed on the alternate server (if available) and activated and an immediate assessment made to determine the extent of data loss and system processing restrictions. If the alternate server is not available, the Emergency Equipment Replacement Plan in Section XV will be activated and the necessary equipment will be purchased and installed at the alternate facility. If the alternate site is the PAMC Service Provider's Florida office and suitable equipment is available, it will be temporarily assigned to the FWCJUA.

**Notifications of Alternate Facility Activation**

Should the FWCJUA facility be damaged or evacuated, all employees should report to the alternate facility as directed by the Executive Director. Should the incident occur after hours,

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Appendix C contact information shall be utilized to inform all employees of the situation and provide instructions as to the alternate facility location.

When an alternate facility is selected, the Board members, General Counsel and OIR shall be notified by the Executive Director of the alternate facility location and apprised of the expected duration of the arrangement and any anticipated communication of such to vendors and producers (refer to Appendices C & D).

Vendors and producers shall be notified of the alternate facility location, as warranted. Appropriate notifications should be made as soon as possible and may be made by any and all methods available to include, but not be limited to, phone, fax, e-mail, website, OIR, Administrative Weekly, agents' associations, and newspaper announcements. The Disaster Recovery Coordinators have the logistical responsibility for making the notifications utilizing the available tools and resources (refer to Appendices C & F).

**Offsite Facility**

The Offsite Facility is hosted at a secure Sungard facility in Alpharetta GA, activated September 2007. At the Offsite location the FWCJUA maintains all the processing servers and data for the business operations of the FWCJUA. Several Servers are located at the Main Office for replication purposes and provide for performance issues. A VPN connection is maintained between the two sites and has redundant Internet providers on both ends. If a disaster is declared for the Sarasota (Main Office) location the Offsite facility is completely functional as a standalone environment excluding faxing. Faxing is handled in conjunction with the Main Office phone system and the Email server located at the Offsite facility. Without access to the Offsite servers the Main Office can only operate the primary Underwriting and Accounting functions.

Access to the Offsite location is accessible anywhere we can acquire/maintain a secure Internet connection. The FWCJUA maintains synchronized Citrix and web servers at each location.

The Offsite Facility has 24hr staff and security personnel onsite.

**SECTION IV: PROTECTING FWCJUA PERSONNEL**

**Protecting FWCJUA personnel is the most important element in the Disaster Recovery & Emergency Preparedness Plan.**

1. The decision to cease operations when employee safety is threatened is the responsibility of the Executive Director. If the Executive Director is unavailable or there is not enough time for proper communications, the highest ranking on-site manager or staff member is responsible for "calling the shots" during the emergency situation.

***When the decision is to cease operations or not, err on the conservative side and shut down operations.***

2. The Executive Director should notify the appropriate local, state and/or federal authorities of the nature and extent of the incident:
  - a. Emergency Services/Sarasota County Sheriff: 911
  - b. Florida Highway Patrol: 483-5911
  - c. Federal Bureau of Investigation (FBI): 955-3325 or (813) 273-4566

*Note: When contacting 911, be sure to calmly:*

- *state your name;*
- *the company;*
- *the location;*
- *the nature of the situation; and*
- *the type of assistance required (ambulance, fire, bomb squad, sheriff, etc.)*

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3. When the full extent of the impact of the incident on the FWCJUA personnel and on the operation is known, the Executive Director shall advise the Board Chair, Vice Chair and Operations Committee Chair, as available, of the incident. Other Board members, General Counsel, OIR, vendors and producers shall be notified, as warranted.
4. In the case of death or injury, the Executive Director shall take the necessary action to minimize the impact of the tragedy on FWCJUA personnel and their dependents.

**SECTION V: HURRICANES & TROPICAL STORM THREATS**

Hurricanes and severe tropical storms continue to be the most significant "predictable" occurrences that would initiate the activation of the DR&EP Plan for either a short-term or long-term duration. In a hurricane situation there is generally enough time to determine if an evacuation is necessary, and if so to determine how to proceed. Review of any National Weather Service and Sarasota County Office of Emergency Preparedness advisories should be made to assist in determining the most prudent course of action.

In the event of a pending hurricane, the following actions are to be initiated: *(When the DR&EP Plan requires decisions to be made by the Executive Director and that individual is unavailable, the next available person in the chain of management command will assume those responsibilities.)*

1. The Executive Director, in consultation with the Board Chair, Vice Chair or Operations Committee Chair (as available), is responsible for implementing the DR&EP Plan for either a short-term or long-term duration.
2. Whether or not an evacuation occurs, make the current location as secure as possible and implement the Departmental Checklists (refer to Appendix I).
3. In the event the decision is made to shut down the office for the duration of the emergency, the Executive Director will determine the extent to which the DR&EP Plan will be implemented. In the event an alternate facility must be activated, Sections III and XI of the Plan will take precedence.
4. If the "down time" is estimated to be short term (less than 72 hours), the procedures in Section XI will be activated and personnel will report to the appropriate location as directed by the Executive Director until the FWCJUA location is secure and habitable.

Upon cessation of the storm, a post-disaster/emergency assessment (refer to Section XX) will be made conducted by the ~~Executive Director and the~~ Disaster Recovery Coordinators ~~with the management team~~. The following actions shall be initiated ~~at the direction of the Executive Director~~, as warranted:

1. Contact insurance agent/insurer to make any claims.
2. Select the alternate location, as necessary, and advise employees of reporting requirements, to include rotation schedule, as required. Make appropriate notifications to the Board members, General Counsel, OIR, vendors & producers.
3. Initiate equipment re-order procedures and establish appropriate communication links.

**SECTION VI: BOMB & BIOCHEMICAL THREATS**

**Bomb Threats**

~~Bomb threats and bombings increased dramatically in the United States prior to 9/11/2001 and the current situation warrants additional vigilance.~~ Although many ~~bomb threat calls~~ are crank calls, do not assume that the call is a prank.

When a phoned-in threat is received, it is usually of short duration, and the caller normally refuses to answer any questions. However, it would be extremely helpful in determining what action to take and what to look for while searching if the location of the bomb could be determined, when it is set to go off, and what it looks like. The person who receives the call should *attempt* to obtain and note the following:

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1. the time the bomb is scheduled to detonate;
2. the location of the device;
3. the type of bomb and explosives used;
4. the appearance of the bomb;
5. the caller's name and location;
6. the exact time of the call;
7. caller's apparent gender, age, accent and attitude;
8. caller's exact words and demands;
9. identify any background noises.

Upon completion of the call, notify management and record as much as possible on the Bomb Threat Report form (refer to Appendix B). Letter threats received should be reported immediately to management and preserved for investigation by law enforcement.

### **Biochemical Threats**

As most biochemical threats are usually received by mail, the person who receives the mail should:

1. determine that the object, mail, or substance is suspicious and refer the object to the most senior person present;
2. should the substance come into contact with the skin, immediately go wash the substance off;
3. keep everyone away from the contaminated area; and
4. inform management immediately.

### **Notification and Evacuation**

The decision to evacuate is time and situation sensitive. If the danger is clear and present (e.g., explosion) immediately vacate the area. When time and the situation permit, notify the Executive Director or highest ranking onsite manager or staff member and he or she will make the decision. Local law enforcement agencies should then be notified and assisted, as required.

- |  |                            |
|--|----------------------------|
| 1. Emergency Services/Sarasota County Sheriff: | 911                        |
| 2. Florida Highway Patrol:                     | 483-5911                   |
| 3. Federal Bureau of Investigation (FBI):      | 955-3325 or (813) 273-4566 |

*Note: When contacting 911, be sure to calmly:*

- *state your name;*
- *the company;*
- *the location;*
- *the nature of the situation; and*
- *the type of assistance required (ambulance, fire, bomb squad, sheriff, etc.)*

It is crucial to notify the other building tenants of the situation and whether the FWCJUA is evacuating (refer to Appendix F). The Chair, Vice Chair and Operations Committee Chair (as available) are also to be notified of the actions taken as soon as practicable (refer to Appendix D).

When it is evident that there is sufficient time, a preliminary search of the premises in and around the FWCJUA should be made before the decision to evacuate. If a foreign object is discovered, do not touch it or attempt to move it. ***FWCJUA personnel are under no circumstances to touch or examine any package or parcel that may contain a device or contagious substance. That is the job of the professionals.***

Unfortunately, there are no strict guidelines on when to evacuate. The seriousness of the threat must be evaluated, but **when the decision is to cease operations or not, err on the conservative side, and shut down operations.** The guide is, "what would an ordinarily prudent person do, under the circumstances to safeguard persons using the premises, or to render the premises in a reasonable safe condition?"

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**SECTION VII: LOSS OF POWER**

1. The nature of the power outage should be determined. As the FWCJUA maintains a generator that is capable of maintaining normal operations for a minimum of 72 hours, it should respond to "normal" southwest Florida power interruptions, as such typically last less than 30 minutes. Should the generator fail, the Disaster Recovery Coordinators should first ensure that all personnel promptly shut-down the personal computer systems and then make the appropriate contact for generator service. The Systems Manager is responsible for shutting down the Computer Room systems, as warranted.
2. Florida Light & Power should be notified of the power outage to determine the nature and extent of the problem.
3. Should the outage be extensive and the generator fail to function properly, the Executive Director should take reasonable steps to protect personnel and equipment while minimizing service interruptions. The office may be closed as deemed reasonable by the Executive Director.
4. If the outage is a major component of a natural or man made disaster, and the down time will be extensive, activate the Sections III and XI of the DR&EP Plan.

**SECTION VIII: FIRST AID & EMERGENCY ASSISTANCE**

First Aid supplies are maintained in the lunchroom area and are to be used in an emergency situation to administer immediate first aid. However, *administration of medical care is better left to qualified professionals.*

**General Procedures**

Accidents/incidents and the resulting injuries require an immediate response. The chain of command should be employed when time and the situation permit; but when action is required, each person is expected to respond. In the event of personal injury sustained on FWCJUA premises, take the following actions:

1. Make the injured person as comfortable as possible.
2. Determine, to the best of your ability, the extent of the injury. If the injured person appears in need of medical attention, determine if the injury requires the treatment of a physician or the emergency room. If the latter, call 911. If the injured party wishes to see his/her own physician and you deem that to be appropriate (does not require ER attention), arrange for the injured party to be taken to his/her physician. **Do not assume responsibility beyond immediate first aid.**
3. If the injured party is not an employee of the FWCJUA, advise the emergency personnel of that fact.
4. If the injured party is an employee, and if it is appropriate, notify the employee's emergency contact person (refer to Appendix C).
5. Immediately (as soon as practicable) prepare an accident report that contains:
  - a. full description of the accident;
  - b. name and address of the injured party;
  - c. names and addresses of any witnesses;
  - d. date, time and place accident occurred;
  - e. description of actions taken (eg, first aid administered, 911 called, emergency contact notified, taken to hospital, etc.);
  - f. conditions that may have contributed to the accident; and
  - g. prognosis, if known.

**Emergency Equipment & Supplies**

The FWCJUA maintains a complete first-aid kit in the lunchroom. Further, the FWCJUA facility has a complete sprinkler system throughout with an automatic fire extinguishing system in the safe room and computer room. Handheld fire extinguishers are located near the main entrance

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door, between the exit doors in the accounting and underwriting unit, in the Board room on the outer wall near the exit door, and in the lunchroom on the wall at the entrance doorway.

**Notification**

The appropriate public safety personnel such as the local emergency service personnel, and depending on the nature of the situation (explosion, bio-chemical incident, etc), the appropriate law enforcement agency must be contacted:

1. Emergency Services/Sarasota County Sheriff: 911
2. Florida Highway Patrol: 941-483-5911
3. Federal Bureau of Investigation (FBI) 941-955-3325 or 813-273-4566

*Note: When contacting 911, be sure to calmly:*

- *state your name;*
- *the company;*
- *the location;*
- *the nature of the situation; and*
- *the type of assistance required (ambulance, fire, bomb squad, sheriff, etc.)*

The Chair, Vice Chair and Operations Committee Chair (as available) are to be notified of the actions taken as soon as practicable (refer to Appendix D).

**SECTION IX: EVACUATION**

Evacuation may be necessary because of natural disasters or criminal activity. Evacuation when determined to be necessary should be conducted expeditiously without panic. Move fast and assist others to clear the building and the area.

The Executive Director or highest ranking on-site manager or staff member present has the authority to authorize an evacuation and is responsible to see that all employees **and visitors** are accounted for.

**Proper Egress**

Even though the FWCJUA is only on the second floor, care should be exercised in proceeding to the ground floor **using the stairs**. Always assist those experiencing difficulties. In the case of fire, explosion, or similar incident; not only evacuate the building but the area. Proceed to the shopping plaza to the right (as you leave the building) so that you do not interfere with the appropriate emergency operations. In the event of inclement weather proceed to the shopping plaza overhang. **In the event of inclement weather proceed to the shopping plaza overhang.** After a "head-count", the determination will be made to send people home.

*Note: A key to survival in an evacuation situation is 'good order and discipline' - proceed calmly and promptly to the nearest point of egress. Help those who require assistance. When the evacuation order is given, do not hesitate, leave immediately.*

**Public Safety Agencies**

Where applicable, management must contact the appropriate public safety personnel such as the local emergency service personnel, and depending on the nature of the situation (explosion, bio-chemical incident, etc), the appropriate law enforcement agency:

1. Emergency Services/Sarasota County Sheriff: 911
2. Florida Highway Patrol: 941-483-5911
3. Federal Bureau of Investigation (FBI) 941-955-3325 or 813-273-4566

*Note: When contacting 911, be sure to calmly:*

- *state your name;*
- *the company;*
- *the location;*
- *the nature of the situation; and*
- *the type of assistance required (ambulance, fire, bomb squad, sheriff, etc.)*



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**Property**

People are critical, property is not. In the case of a sudden emergency, get out. In the case of a natural disaster or a situation with ample warning, every effort should be made to protect the FWCJUA property by either properly securing the equipment and the area or evacuating the material and equipment.

**Returning to Work**

Once the danger has passed, all employees will be notified when it is safe to return to the premises or to report to the alternate site (refer to Appendix C). All employees will be responsible for ensuring that their areas and the documents and assets under their control are present or accounted for and properly secured. All electronic devices that had been disconnected or shut off should be turned back on and tested.

The Chair, Vice Chair and Operations Committee Chair (as available) are to be notified of the actions taken as soon as practicable (refer to Appendix D).

**SECTION X: AFTER-HOURS EMERGENCIES**

Employee safety is not the primary emergency related concern when an emergency occurs outside normal business hours. In such cases, management should notify appropriate public safety officials and act to protect FWCJUA facilities, assets and documents:

1. Emergency Services/Sarasota County Sheriff: 911
2. Florida Highway Patrol: 941-483-5911
3. Federal Bureau of Investigation (FBI) 941-955-3325 or 813-273-4566

*Note: When contacting 911, be sure to calmly:*

- *state your name;*
- *the company;*
- *the location;*
- *the nature of the situation; and*
- *the type of assistance required (ambulance, fire, bomb squad, sheriff, etc.)*

If the FWCJUA is unable to open for business after the emergency, management will notify staff as quickly as possible (refer to Appendix C). Employees should report to work unless they are notified otherwise or are unable to do so because of the emergency or disaster (refer to Section III).

**SECTION XI: SYSTEMS BACKUP & ALTERNATE FACILITIES**

**Recovery Requirements**

This section of the DR&EP Plan meets the following basic recovery requirements.

1. Short-term to mid-term emergency: Ten to eighteen employees should be available for deployment either to the FWCJUA facility's "safe room," management homes; mobile facility; or the PAMC Service Provider's Florida office. If the damage is such that the long term plan is required, all personnel requirements and availability will be evaluated in view of the new location.
2. The optimum recovery goal: Recommencing sufficient operations to communicate with producers and customers, bind coverage, transfer funds (pay claims) and pay bills - is dependent upon having the key people at the alternate site and operational within 24 to 48 hours. (*Note: The FWCJUA facility with the safe room and generator should meet this requirement during a "routine" emergency.*)
3. System recovery priorities:
  - a. Telecommunications – being able to get to the server/data and to the customer (phone, internet and fax connection)
  - b. Internet / Website
  - c. FLARE
  - d. General Ledger

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- e. Financial System
  - f. Document Management System
  - g. Personal Computer files
4. Maximum data loss: The FWCJUA will tolerate a maximum of one day's data loss. (e.g., the incident causes the system to crash prior to the evening update or back-up tape dump.)
  5. License security: All needed software will be stored off-site in a vault with management access.
  6. The Alternative Operations Center: It will contain:
    - a. Secure space with alternative power source;
    - b. Printer;
    - c. Copier/fax/scanner
    - d. Internet access
    - e. Phone access;
    - f. FWCJUA Software; and
    - g. Eight "workstations" – desk & chairs.
  7. Cost Recovery: ~~Disaster recovery expenses are covered under the business interruption endorsement so long as they do not exceed the loss of income resulting from the event. Additional expenses as a result of implementing the Disaster Recovery Plan are covered under the Business Income and Extra Expense Coverage Form which is a component of the Special Commercial Package Policy.~~

#### **Activation**

This section of the DR&EP Plan would not be activated in the event of a short-term disaster. Management would secure the building, ensure that the people understood when to report and communicate with the appropriate personnel in accordance with the other sections of the Plan. There would be no requirement to activate the off-site procedures until day three. Website and phone cutover will be determined by end of day one thus providing the capability to commence limited operations from home. In the event of activation:

1. The systems will be activated. If needed the systems with the required data (prior saved daily activity) would be "loaded" on site from the daily activity tape.
2. Currently, if an alternate facility is required, then the assumption is that some or all of the hardware may be destroyed or unusable. Therefore, the necessary equipment (primarily the servers) will be secured immediately through the Mobile Recovery Vendor or through direct acquisition and 'set-up' with the backup software in order for the FWCJUA to continue to provide coverage to our insureds.
3. ~~The FWCJUA insurer should be advised and the disaster recovery expense section under the business interruption endorsement can be activated. Advise the insurer and broker of the Special Commercial Package Policy of the disaster and the need to use the business income and extra expense coverage form.~~

#### **SECTION XII: SOFTWARE BACKUP**

Data is backed up on a nightly basis by the Vaulting Services Vendor to an online secure vault at a separate facility of the Vaulting Services Vendor. The backup data is available almost anywhere via a secure web management interface. The FWCJUA controls what data is protected and how long it is stored.

The current data (past 24 hours) is readily available for immediate backup in the event of an emergency evacuation

1. Maximum data loss will be 24 hours.
2. Databases and most data are mirrored between Main office and Offsite hosting providing dual copies of data.
3. FLARE data is updated between Main office and Offsite hosting to ensure integrity and with a complete back-up nightly.
4. All needed software licenses and media copies are stored off-site in a vault with management access, or with vendor.

**SECTION XIII: DATA FILES BACKUP**

The FWCJUA maintains the majority of the data processing servers at a secure offsite hosting facility. All data is stored at the offsite secure facility. Some of the data is replicated between sites for speed and ease of access. Nightly backups are still performed at the offsite facility by the Vaulting Services Vendor. Due to the size, document retention archives and email services are not replicated between sites.

**SECTION XIV: PROTECTING & STORING RECORDS & ASSETS**

In 2005, the FWCJUA implemented the Document Management System that stores all FWCJUA documentation in an electronic format and is backed up nightly. In 2007 the FWCJUA purchased a Storage Area Network (SAN) to store the archive data in a highly reliable and expandable system which is located at the Offsite facility.

Copies of The FWCJUA's original applications received prior to April 15, 2005 are currently maintained on site in CD format, while copies of applications received on or after April 15, 2005 are maintained within the document management system. The FWCJUA's PAMC Service Provider's Florida office maintains a complete policy file including the original application and the Declarations page in accordance with NAIC standards.

Complete claim files on every FWCJUA claims are maintained at the PAMC Service Provider's Florida office, and electronically in the PAMC Service Provider's claim system. As the PAMC Service Provider maintains complete files in accordance with NAIC and the state of Florida standards, the FWCJUA is not required to duplicate this effort.

Active claim management / reinsurance notification files for serious injuries are maintained in the FWCJUA office with the reinsurance notification files retained within the document management system. The serious injury claim files can be reconstructed from the PAMC Service Provider's claim system accessible via the internet.

Accounting records (monthly activity, invoice activity, etc.) are stored on site and would be evacuated if time permitted; however, all files are retained in the document management system. All financial transactions in the General Ledger are recorded electronically and are subject to the daily data 'backups' and offsite storage procedures referred to elsewhere in this Plan.

Producer authorization records are maintained in the document management system. Select authorization information is also stored in FLARE and backed-up daily.

FWCJUA Operations Manual and procedural/reporting manuals are maintained electronically, hard copy backups, and with the PAMC Service Provider's Florida office; however, all files are retained in the document management system.

**SECTION XV: EMERGENCY EQUIPMENT REPLACEMENT PLAN**

The Emergency Equipment Replacement Plan Section is implemented in the event the FWCJUA facility is damaged or deemed uninhabitable, either temporarily or permanently, and the existing equipment is determined to be unusable by the Systems Manager and the Executive Director.

Temporary equipment needs may be satisfied through the Mobile Recovery Vendor, either in part or in whole, or through other equipment vendors.

The FWCJUA's temporary equipment needs include:

1. The FWCJUA will maintain a minimum of two sufficiently equipped laptops, or equivalents for the use of IT personnel or others should the need arise.
2. Three Servers;
3. Server software;
4. Eighteen workstations – personal computers & furniture

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5. Eighteen to twenty telephones
6. Printer and Fax machine
7. Backup capability
8. Internet Access to Offsite Facility

*Note: In purchasing "temporary" replacement equipment, sufficient workstations will be purchased to accommodate all staff with the appropriate numbers activated to accommodate the available personnel. Further, if the mobile facility is activated, the temporary equipment needs shall be fulfilled by the Mobile Recovery Vendor.*

The FWCJUA's "permanent" replacement equipment needs would be to replace with comparable equipment currently in use (refer to Appendix H).

**SECTION XVI: PROTECTING COMPUTERS & LOCAL AREA NETWORKS**

The FWCJUA's systems activity is not mainframe driven and is considered a local area network; therefore, the preceding systems information sections apply. Protection against viruses, internet hackers, and other invasive, destructive programs is provided through installation of state of the art software and firewalls.

**SECTION XVII: COMPUTER VIRUS PROTECTION**

The FWCJUA recognizes the danger to the network by the invasion of a computer virus and has a policy of purchasing and installing the most current anti-virus and "spam" blocking software which includes provisions for 'automatically' upgrading virus protection as each new version is released.

To reduce the possibility of importing a virus or hackers additional Internet firewalls are installed. Currently, all diskette data and e-mail data is required to be scanned prior to opening. In the event of corruption, the backup software would be installed.

**SECTION XVIII: HARDWARE, SOFTWARE & LICENSES**

The Systems Manager maintains the inventory of all hardware and software along with required paper licenses. The actual paper licenses are maintained in the off-site vault with copies in the document management system; however, virtual licensing is maintained by the respective vendors (refer to Appendices F & H).

**SECTION XIX: DR&EP TRAINING, TESTING & UPDATING**

The FWCJUA is committed to updating the DR&EP Plan on an ongoing basis. Further, the FWCJUA shall periodically test the systems recovery process **and ensure that personnel receive appropriate disaster recovery and emergency preparedness training.** The Disaster Recovery Coordinators are responsible for ensuring that the DR&EP Plan is **reviewed with the management team and updated at a minimum of once a year, as well as scheduling and evaluating appropriate testing, if appropriate, on a quarterly basis.** The Disaster Recovery Coordinators are also **responsible for scheduling, conducting, evaluating and documenting appropriate testing as well as personnel training.**

Post-test evaluations should identify:

1. What flaws did the response reveal?
2. What measures could or should be taken to ensure that the response is more effective?
3. Are FWCJUA personnel sufficiently and appropriately trained to deal with the problem?
4. Did the FWCJUA have sufficient resources to deal with the particular emergency?
5. What areas of the FWCJUA could be "target-hardened" or improved to prevent or minimize future emergencies of this nature?
6. Can existing procedures be modified to clear up apparent misunderstandings?

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Monthly Tests are to be performed and documented:

1. Power from Generator – physically run on generator power
  - a. Check fuel, maintenance concerns
2. Data Restore from backup vault– randomly restore data to test integrity
  - a. Verify backup selections include any network changes
  - b. Verify Databases are mirroring and backing up

~~At a minimum of once a year personnel training and review of the DR&EP is to be performed and documented.~~

**SECTION XX: POST-DISASTER/EMERGENCY ASSESSMENTS**

The real test of an emergency preparedness plan is the way it assists (or fails to assist) the FWCJUA in dealing with particular emergencies. When the real emergency occurs, it will most likely reveal the need for further changes in the DR&EP Plan. Immediately after the emergency, there is a tendency to gloss over the technical difficulties experienced and to recall emotional situations. Therefore, to benefit from the experience of an actual emergency, a post-disaster/emergency assessment ~~may be advisable~~ will be conducted by the Disaster Recovery Coordinators with the management team.

The assessment should be directed at the effectiveness of the FWCJUA's emergency control system - not individual shortcomings or strengths (though these may be dealt with elsewhere by disciplinary sanctions or rewards). Criticisms should therefore concentrate on reviewing problems and the response taken and ask:

1. How could this response be more effective?
2. Were more personnel needed to conduct emergency control measures?
3. Did the FWCJUA have sufficient resources to deal with this particular emergency?
4. What areas of the FWCJUA could be "target-hardened" or improved to prevent or minimize future emergencies of this nature?
5. Can existing procedures be modified to clear up apparent misunderstandings?
6. Did the response reveal flaws? If so, what are they?
7. What changes, if any, should be made to:
  - a. the organization;
  - b. personnel;
  - c. equipment;
  - d. the DR&EP Plan; and
  - e. responders' procedures.

In order to affect a proper recovery, certain steps should be taken and recorded during and immediately after the disaster to ensure that the true costs are known and that reasonable reimbursement is obtained. The following steps are to be taken:

1. Log critical events to ensure that the sequence of events of who did what, when, why and how is accurate.
2. Photograph and/or videotape the damaged facilities and equipment *before* cleanup.
3. Track the DR&EP expenditures separately and identify why they were made. This includes keeping receipts, purchase orders, repairs made, police and fire reports, labor and equipment rates, etc.
4. Maintain lists of equipment purchased or leased with serial numbers, model numbers and costs.

As warranted, the analysis of facts and issues relevant to the implementation of the DR&EP Plan will be presented along with any modifications made to the Plan, to the Operations Committee for review and confirmation. Further, the Operations Committee shall recommend any Plan enhancements requiring specific budgetary considerations to the Board for action.

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**SECTION XXI: DR&EP PLAN APPROVAL**

The Executive Director has the authority and the responsibility to prepare, maintain and modify the DR&EP Plan or any portion thereof. The Operations Committee shall periodically review the DR&EP Plan, confirming the modifications made by the Executive Director and recommending any enhancements requiring specific budgetary considerations to the Board for action.

**SECTION XXII: CONCLUSION**

This manual has considered emergency preparedness and security measures dealing with various types of threats directed at this financial institution.

No one can foresee the nature of future emergencies (September 11<sup>th</sup> was unforeseen and the path of a hurricane is unpredictable) nor anticipate the impact on the insurance industry or the FWCJUA, but it is impossible to deny that the risks are present. Regardless of the types of threats, the goals of this emergency planning remain constant: to ensure the safety of personnel and assets during moments of crisis. Much can be done to reduce the effects of man-made and natural emergencies, and a responsible attitude to emergency preparedness is a key factor in saving lives and protecting FWCJUA resources.

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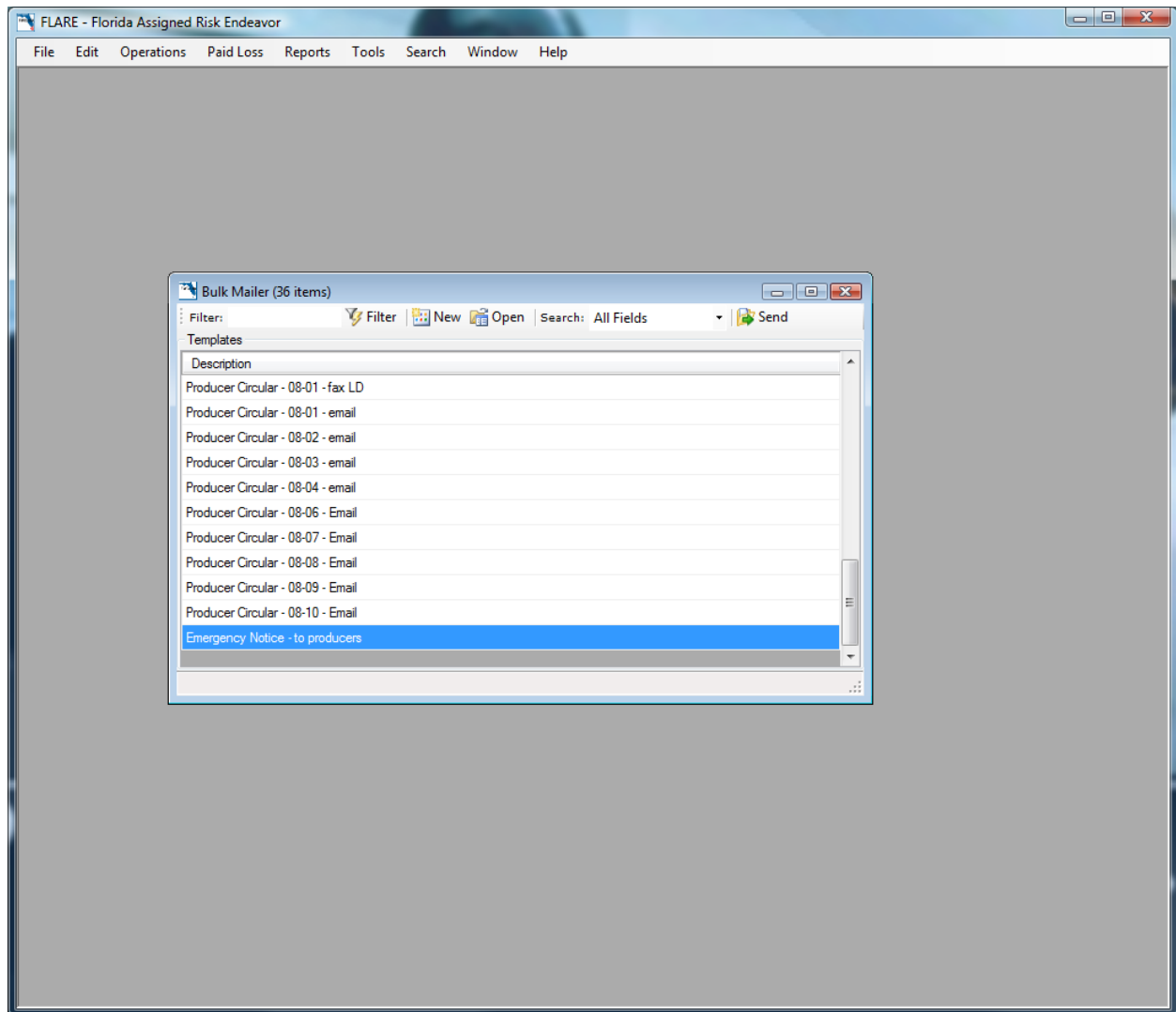
**PRODUCER NOTIFICATION**

**APPENDIX J**

To send the emergency notice to producers: Can take 5-10 minutes.

Login to FLARE as a supervisor or above and select Bulk Mailer from the Tools menu.

Scroll down to the Emergency Notice template and double click to change the text.



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**PRODUCER NOTIFICATION**

**APPENDIX J**

Change the message text to the appropriate information then click on save and close.

The screenshot shows the 'Bulk Mailer Template' window within the 'FLARE - Florida Assigned Risk Endeavor' application. The window has a menu bar with 'File', 'Edit', 'Operations', 'Paid Loss', 'Reports', 'Tools', 'Search', 'Window', and 'Help'. Below the menu bar, there are buttons for 'Save and Close', 'Delete', and 'Attach Document'. The form contains the following fields:

- Description:** Emergency Notice - to producers
- From Email:** underwriting@fwcjua.com
- From Name:** FWCJUA
- Subject:** FWCJUA Disaster/Emergency Notice
- Message:** The FWCJUA has shutdown its offices due to Storm concerns. We expect to reopen as soon as possible. You may find updated information on our website: <http://www.fwcjua.com>  
Thank You,
- Recipients:** select distinct AgencyID AS [ID], email AS [EMAIL], agencyid as prodcode from flare4.dbo.authorizedagencies where email <> 'N/A' and len(email)>4
- Attachments:** (Empty field)
- Notify Completion:** mbabin@fwcjua.com

So send the message highlight the template and click send. A verification window will popup and ask if you want to continue.

To send a simple message to all producers without an attachment can take up to 5 minutes depending on network speed and if you're in Sarasota or on the Remote server.

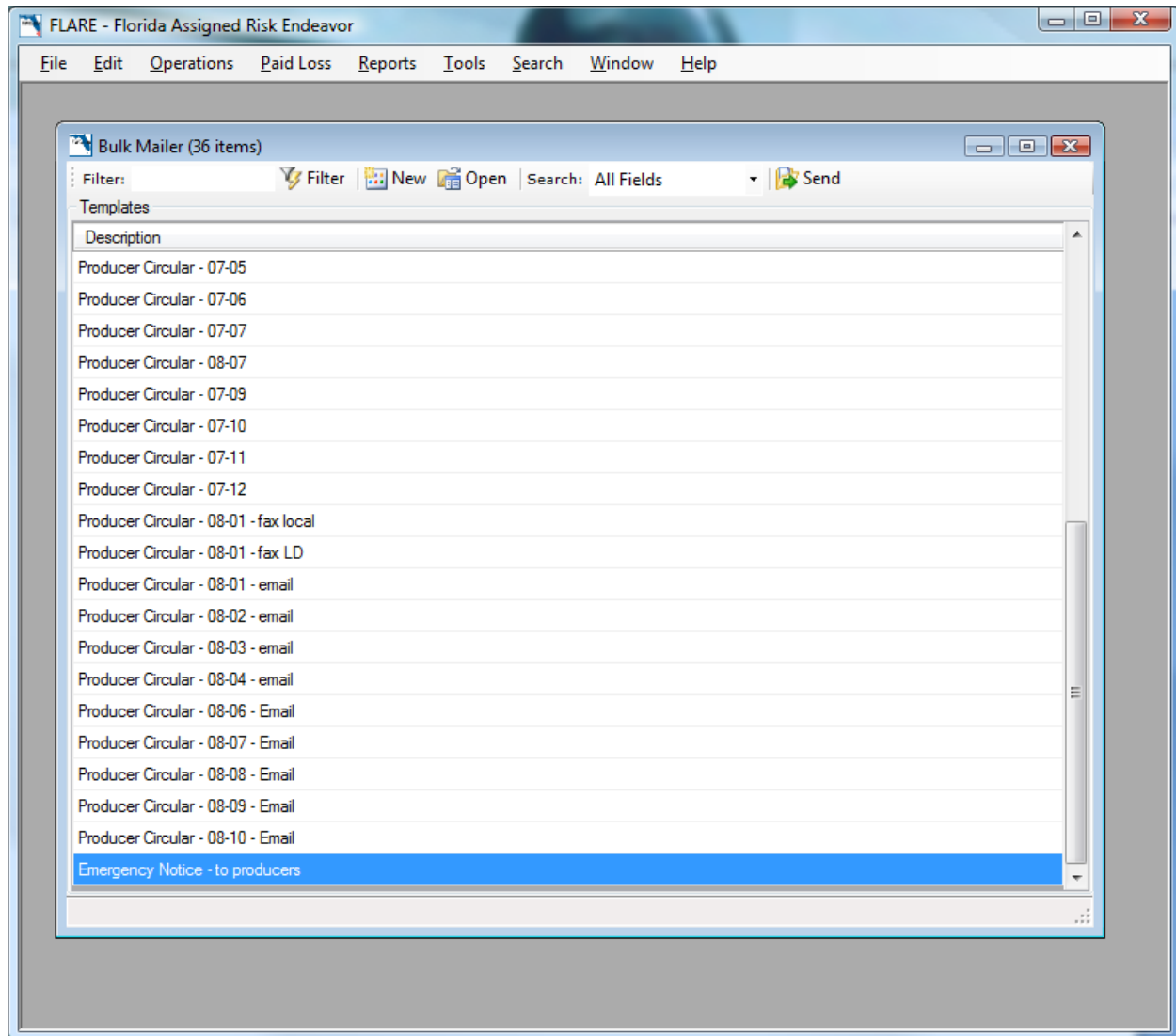
Do not close FLARE or do anything until you get the Success popup or it will not complete.



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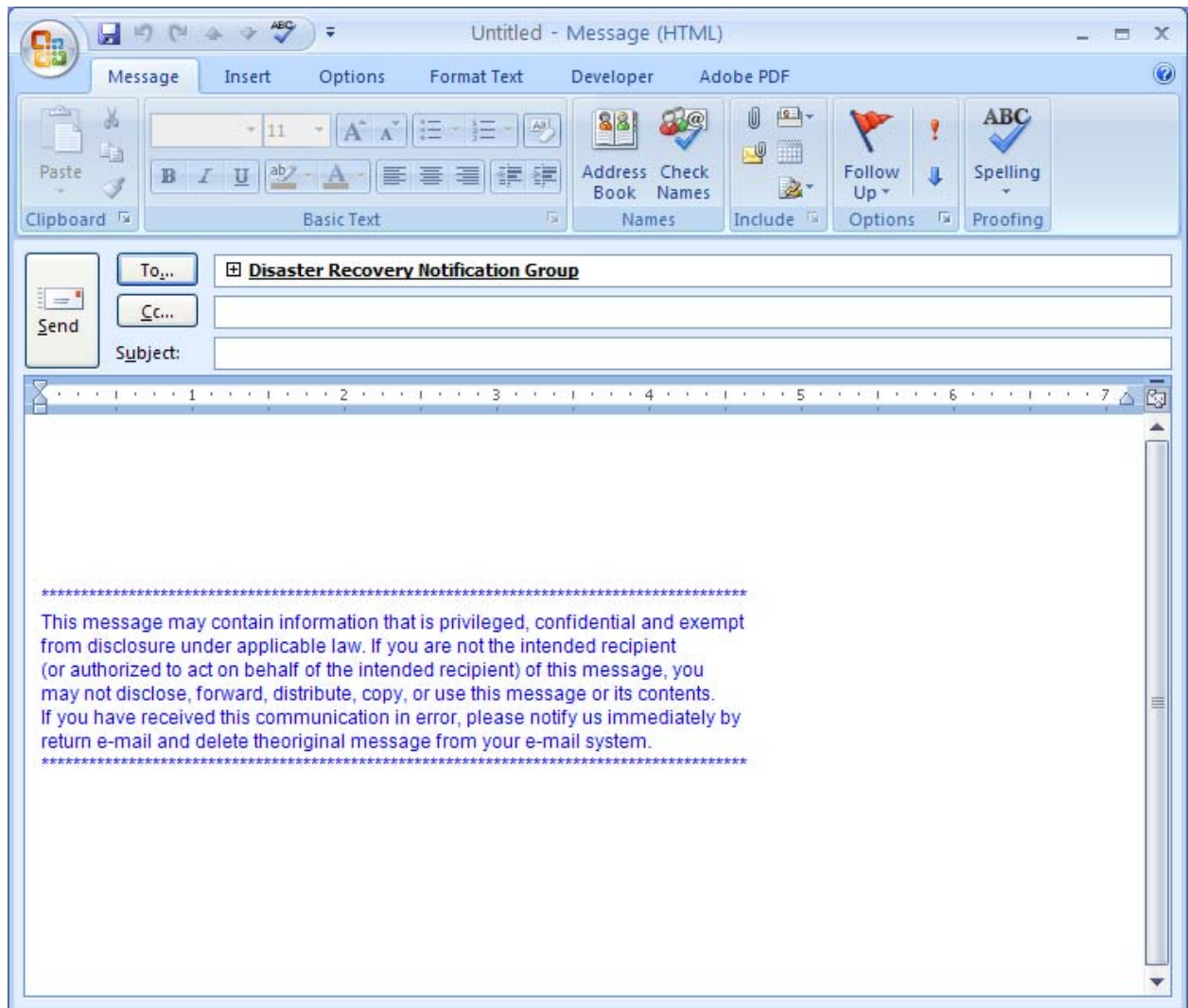
■ End --\ lastupdate 8/18/08

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DISASTER RECOVERY NOTIFICATION DISTRIBUTION

APPENDIX J

To send a Disaster emergency email to Board members and Service Providers select the **Disaster Recovery Notification Group** from the JUA address book. Enter subject and message and click send.



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**FWCJUA BOARD OF GOVERNORS WEBSITE LOGIN**

**APPENDIX K**

To access the information go to the website: <http://www.fwcjua.com/portal>  
Enter the Portal Access from the bottom link or from the menu under the MAP page.  
Enter the login information provided to you.

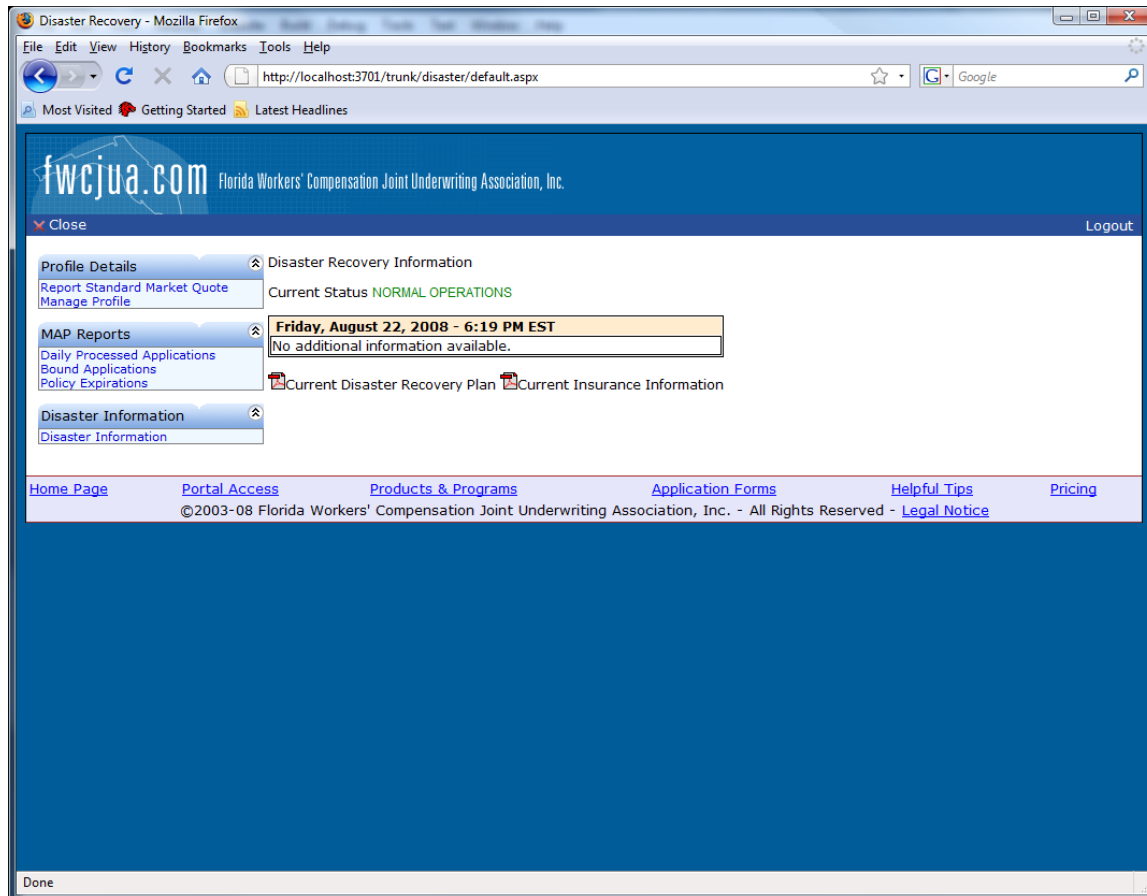
The screenshot shows a Mozilla Firefox browser window titled "FWCJUA Login Page - Mozilla Firefox". The address bar displays the URL: <http://localhost:3701/trunk/login/Login.aspx?ReturnUrl=%2ftrunk%2fPortal%2fDefault.aspx>. The page features the FWCJUA logo and the text "Florida Workers' Compensation Joint Underwriting Association, Inc." at the top. Below the logo, there is a login section with the heading "In order to continue, please log in." and a "lost password" link. The login form includes fields for "User Name:" (containing "Board") and "Password:" (masked with dots). There are "Log In" and "Cancel" buttons. Below the login form, there is a link: "If you are a carrier and would like access to MAP, click [here](#)". At the bottom of the page, there is a navigation bar with links: "Home Page", "Portal Access", "Products & Programs", "Application Forms", "Helpful Tips", and "Pricing". Below the navigation bar, there is a copyright notice: "©2003-08 Florida Workers' Compensation Joint Underwriting Association, Inc. - All Rights Reserved - [Legal Notice](#)". The status bar at the bottom of the browser window shows "Done".

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**FWCJUA BOARD OF GOVERNORS WEBSITE LOGIN**

**APPENDIX K**

Once you login you will have access to the Disaster Recovery & Emergency Preparedness Plan, any additional documents, as well as the status of operations and any special notices.



There are no logout procedures , you may simply navigate elsewhere or close your browser.

## **PHASED APPROACH TO TROPICAL STORM AND HURRICANE PREPARATION**

### **STORM CONDITION 4**

Seventy-two (72) hours prior to the forecast of arrival of gale-force winds (above 39 mph) or the storm enters an arc 400 miles from Sarasota County

- Briefing will be held with all managers regarding the storm
- Actions and evacuation routes will be reviewed, any problems discussed, and solutions determined
- Dissemination of public information will be discussed
- Obtain required supplies for Sarasota location
- Management continues to monitor storm progress

### **STORM CONDITION 3**

Forty-eight (48) hours prior to the forecast of arrival of gale force winds or the storm enters an arc 300 miles from Sarasota County

- Executive Director will notify the Board Chair of the threatening situation
- Long lead support and vendors will be contacted to prepare for execution of DR&EP Plan
  - Agility mobile relocation processes
  - Contact Travelers to discuss preparations for the storm
  - Prepare for possible relocation sites (agility trailer) and remote operations (motel/hotels, etc.)
- Personnel will begin preparation of FWCJUA office for storm
- Public and key vendor/contact information notices prepared for dissemination
- Management continues to monitor storm progress

### **STORM CONDITION 2**

Twenty-four (24) hours prior to the forecast of arrival of gale-force winds or the storm enters an arc 100 miles from Sarasota County

- Evacuation of appropriate area will begin subject to location and speed of storm
- Dissemination of public and key vendor/contact information notices will begin
- Management continues to monitor storm progress

### **STORM CONDITION 1**

Twelve (12) hours prior to the forecast arrival of gale-force winds or storm enters an arc 100 miles from Sarasota County

- DR&EP Plan is fully activated with all management team members and staff accounted for
- Communications and employee notification processes activated
- Evacuation of the office is complete or nearing completion

**DOCUMENT MANAGEMENT & RETENTION**

The Committee shall consider revisions to the FWCJUA Records Management and Retention Policy.

Attached for the Committee's consideration is the proposed revised Records Management and Retention Policy. The changes are indicated in red and yellow highlight with either strikeout or underscore for quick reference. The Policy has been revised to:

1. provide more flexibility with regard to records reviews and document purges on pages 4 & 6;
2. delete the erroneous record series title "Claims Not Covered (Claims)" on page 14, because these records are actually back-ups for accounts payable records;
3. correct the record series placement of "Financial Audits" and its corresponding retention period within the record retention schedule on page 15 (Financial audits are filed with the State and should be classified as such within the Policy);
4. add a record series title for "Underwritten Policy Information - prior to 1/1/07" and a record series title for "Underwritten Policy Information - 1/1/2007 & subsequent," both with corresponding retention periods on page 16 (Although the FWCJUA does not currently issue its policies within its office, it is appropriate that our Policy dictate the minimum term for a policy administration service provider to maintain such records.); and
5. add a record series for "Claims File Records" with a corresponding retention period on page 16 (Although the FWCJUA does not currently issue its policies within its office, it is appropriate that our Policy dictate the minimum term for a policy administration service provider to maintain such records.).

If adopted by the Board pursuant to the Committee's recommendation, the revised FWCJUA retention schedule will be submitted to the Department of State, Division of Library and Information Services. It is anticipated that the Division will authorize both the placement of the "Insurance Policies Issued" records series within the FWCJUA specific Underwriting records as well as the revised placement of the "Audits/financial" records within the States General Records Schedule GS1-SL with its corresponding amended retention schedule.

**The Committee shall determine whether to recommend that the Board adopt the proposed revisions to the FWCJUA Records Management and Retention Policy.**

**FLORIDA WORKERS COMPENSATION JOINT UNDERWRITING ASSOCIATION**

**RECORDS MANAGEMENT AND RETENTION POLICY**

## **INTRODUCTION**

The Records Management and Retention Policy of Florida Workers Compensation Joint Underwriting Association ("FWCJUA") was established to comply with the Public Records Rule 119.01 effective July 1, 2007. "Public records" means all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by any agency.

An inventory of records maintained by the FWCJUA was performed to identify the record retention schedules. The retention schedules identify the FWCJUA records, and establish minimum periods of time for which the records must be retained based on the records' administrative, fiscal, legal, and historical values. The State of Florida's General Records Schedule GS1-SL was used in preparing the majority of the FWCJUA's Record Retention schedule. The retention periods set forth in the State's general records schedules are based on a combination of federal and state laws, general administrative practices, and fiscal management principles.

FWCJUA specific records not on the State of Florida's General Records Schedule GS1-SL were identified. Retention periods were established for these records based on the insurance company record retention requirements of the National Association of Insurance Commissioners' ("NAIC") Market Conduct Record Retention Model Regulation (the "Record Retention Model Regulation"); and a review of Florida's insurance statutes and regulations.

Once the minimum retention has been met, disposition of the records is recommended. Disposition may be by physical destruction or, in the case of electronic records, erasure.



**FLORIDA WORKERS COMPENSATION JOINT UNDERWRITING ASSOCIATION**  
**RECORDS MANAGEMENT AND RETENTION POLICY**

**Effective/Adopted: December 11, 2007**

**1. BACKGROUND**

Records Management is the economical and efficient management of records from their creation or receipt, through their processing, distribution and retrieval, to their ultimate destruction. Each employee is responsible for ensuring that this Policy is followed and that retention periods are in accordance with the guidelines set forth in this Policy.

The FWCJUA will manage its corporate records in accordance with all applicable laws, regulations, and/or business practices. Destruction of records shall take place only in compliance with this or other applicable policies which have been developed for business reasons in order to avoid the inference that any document was destroyed in anticipation of a specific problem.

Records that are not subject to retention may need to be retained due to otherwise unusual circumstances such as litigation or government investigation. If for any reason the FWCJUA is notified that a document should be retained or it otherwise becomes necessary for a document to be retained, the Executive Director should be notified in writing immediately. Likewise, if the FWCJUA is notified of threatened or pending litigation or investigations, or other conditions that would require a legal hold being placed on certain records, it will notify the appropriate departments in writing and direct that relevant categories of records be labeled for retention until further notice.

All changes to be incorporated in the procedures of this program will be presented to and approved by the Board of Governors.

**2. SCOPE**

This Policy applies to all employees and management and across all organizational areas of the FWCJUA. FWCJUA employees, supervisors and managers shall also ensure that contractors and consultants are provided with a copy of and are bound by this Policy where the activities of such contractor or consultant impact the records management, retention or destruction activities, and operations of the FWCJUA. Records covered by this Policy include all records created or received in conjunction with activities that relate to the transaction of FWCJUA business and operations. The format of the records to be retained may vary, e.g., hard copy original, and photocopy, facsimile, computer file, e-mail, computerized image. Regardless of the format selected, records must be safeguarded and easily accessible in accordance with this Policy.

**3. DEFINITIONS**

- A. Document or Record** - "Public records" means all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by any agency.
- B. Active Records** – Those Records that are regularly referenced or required for current uses. Under this Policy, a Record is considered Active if it meets at least one of the following criteria:
- There is a regulatory or statutory requirement to keep a Record.
  - It would be advantageous to FWCJUA to be able to access a Record quickly.
  - A Record will be needed for reference at a specific time in the future.

- C. Inactive Records – Inactive Records are those Records that need not be readily available but still must be retained for legal, fiscal, operational, or historical purposes. Inactive Records have been scanned into the electronic document system.
- D. Draft – An unfinished version of a Record. Drafts are generally iterations of Records which are generated before the Records become final; however, a draft may also be an unfinished version of a Record for which the author(s) decide that there is little or no business value to completing the Record in final form.
- E. The Record Owner - The person / custodian who generates a Record, or receives a Record from outside of FWCJUA.

#### 4. POLICY

The purpose of the Policy is to clarify and provide records retention requirements consistent with those established by the Florida Department of State Division of Library and Information Services. These requirements include the State's general retention schedules that establish the minimum period of time for which a record must be preserved including specialized schedules for preservation of records that are unique to the FWCJUA, and requirements that govern how a record must be preserved.

The same minimum period applies regardless of the form of a record; for example, if an item of written correspondence must be retained for 5 years, then an email covering the same substance must be retained for 5 years. A record must be retained according to the applicable retention schedule regardless of whether or not it is exempt from disclosure. Public records should be kept in the buildings in which they are ordinarily used.

It is the policy of FWCJUA to utilize the electronic document management system to provide for the storage of active and archived Records to meet the following objectives: satisfy legal, regulatory, and operational requirements; store necessary Records in a cost and space efficient manner; and provide for adequate and efficient retrieval of Records.

All Records and files are to be maintained in a designated office filing systems, or the electronic document management system. Records are not to be maintained in unauthorized containers or storage areas (i.e. housekeeping closets). Employees are not permitted to remove Records from FWCJUA for personal storage.

All Record Owners are required to schedule an annual review **in the third quarter of each year** of Records retained in the work area under the general supervision of the Executive Director, or his or her designee. During this annual review, the previous year's Records will be purged of material deemed non-essential such as: extra copies, drafts, notes, and worksheets based on the record retention schedules.

#### 5. AUTHORITY

- A. Only the Executive Director, with prior approval of the Board of Governors, has the authority to approve or change retention periods to accomplish the business needs of the FWCJUA, if it complies with the Florida Department of State Retention requirements.
- B. The Executive Director, or his or her designee, has the authority to accept or reject files prepared for storage. Rejected files will be identified to the user and instructions provided on correct manner to prepare files for storage.
- C. The Executive Director and his or her designee are the sole FWCJUA employees authorized to extend some or all of the retention periods set forth herein. They may do so in the event of litigation; an investigation by a governmental agency or body; a tax or other audit; to comply with any state or federal law or court order; or for any other reason deemed substantially important to justify suspension. The assignment of such authority by the Executive Director to his or her designee must be in writing and the assignment acknowledged by the designee.

## **6. RESPONSIBILITIES**

- A.** The Executive Director has the responsibility for the overall administration and enforcement of this Policy.
- B.** Employees, contractors and consultants are responsible for creating, disseminating, maintaining, protecting, retaining and disposing of Records in strict compliance with this Policy. Employees, contractors and consultants are responsible for addressing any questions or concerns regarding these instructions to their supervisor or the Executive Director's designee. When a Public Records request, litigation, a government investigation or an audit is pending or is reasonably foreseeable, relevant Records must not be destroyed until authorization by the Executive Director is received.
- C.** The Executive Director, or his or her designee, is responsible for;
  - Maintaining procedures to issue control and obtain stored Records for Public Records requests or internal record requests.
  - Maintaining procedures for the storage, retrieval, and disposition of all Active and Inactive Records and maintaining documentation for disposition of Active and Inactive records.
  - Maintaining an inventory of all Records and developing record management procedures for Records, and identifying and protecting vital and permanent Records.
  - Advising on security measures to protect Records from improper disposal and training employees and contractors in the use and compliance of this Policy.
  - Providing support for external audits of Records.
- D.** The Record Owner is responsible for:
  - Preparing files for storage in accordance with the guidelines set forth in this Policy.
  - Retaining Active Records.
  - Transferring Records to the Executive Director, or his or her designee, upon reassignment or termination.
- E.** All FWCJUA employees are responsible for ensuring that Records are created, used, maintained, preserved, and destroyed in accordance with this Policy. The unauthorized destruction, removal, or use of FWCJUA Records is prohibited. Noncompliance with these instructions can result in liabilities for both FWCJUA and its employees, including legal sanctions, fines, penalties and possible imprisonment. Moreover, employees who do not comply with the instructions will be subject to disciplinary action up to and including termination.

## **7. PROCEDURES**

- A.** This Records Management and Retention Policy is designed to assist FWCJUA employees, agents and contractors in the following:
  - Implementing and maintaining an effective Records Management process
  - Appropriate retention of records
  - Appropriate labeling, storage and retrieval of records ready for archive
  - Appropriate destruction of records no longer required or needed
- B.** An inventory of records maintained by the FWCJUA and the identification of existing retention schedules or the establishment of new retention schedules that can be applied to those records.
- C.** The Department of State, State Library and Archives of Florida established the General Records Schedule GS1-SL that will be used to identify the majority of the FWCJUA Records, and to prepare and update the Record Retention schedule. FWCJUA specific records not on the General Records Schedule must be submitted to the Department of State Division of Library and

Information Services on the Records Retention Form (Exhibit B) with a proposed retention schedule. A separate form must be submitted for each "record series" (i.e., category of document). Until a retention schedule has been established for a record series, the records are not eligible for disposal.

- D. The record series title along with the retention date will be used to label the documents in the electronic document management system. Using the record series titles shall assist with properly identifying retention dates and running reports to aid in document destruction time periods.
- E. Once a year the FWCJUA will receive a compliance statement from the Department of State Division of Library and Information Services Records Management program, with questions to be answered concerning the FWCJUA compliance with records disposition laws, rules, and procedures.
- F. To appoint the Records Management Liaison Officer (RMLO) the Executive Director (Records Custodian) needs to submit an RMLO appointment form (Exhibit C) to the Department of State Division of Library and Information Services. The RMLO will serve as the primary point of contact between the FWCJUA and the Department of State records management program. The RMLO appointment form is resubmitted every year along with the compliance statement to the Department of State.
- G. Prior to disposition of any of the FWJCUA records, a Records Disposition Document form (Exhibit D) must be filled out and forwarded to the Executive Director or his or her designee. This is to ensure that retention requirements have been satisfied. The minimum requirements for each records disposition are the identification and documentation of the following: (a) Schedule number; (b) Item number; (c) Record series title; (d) The inclusive dates; and (e) The volume in cubic feet.
- H. Inactive Records must be transferred to the electronic document management system or scheduled for destruction as required by this Policy.
- I. ~~In the third quarter of each year,~~ **Once a year,** the Executive Director, or his or her designee, shall arrange for and coordinate a purge day (or days). During a purge, all hardcopy and electronic records, in all work areas, should be reviewed to assure compliance with this Policy. This includes hardcopy records held in file drawers, desks, etc., and common storage areas, as well as electronic records found on workstations, disks, etc. Prior to purging a Records Disposition Document form (Exhibit D) must be filled out and signed by the Executive Director, or his or her designee.

## 8. **RETENTION**

- A. FWCJUA records shall be maintained and retained in accordance with this Policy.
- B. The Florida Department of State's General Records Schedule GS1-SL was used to establish the minimum records retention periods for most records that are held by the FWCJUA. The minimum retention periods for FWCJUA specific records not on the State's schedule will be submitted to the Department of State Division of Library and Information Services on the Records Retention Schedule Form (Exhibit B) to establish the retention schedules.

## 9. **LEGAL HOLD**

- A. Litigation - When the FWCJUA is notified that a potential cause of action is pending or underway, records related to that cause should **NOT** be disposed of in any manner. The FWCJUA shall consult its legal counsel to determine when the records become eligible for disposition.
- B. Public Records Requests - According to Section 119.07(1)(f), F.S., public records may not be disposed of for a period of 30 days after the date on which a written request to inspect or copy the record was served on or otherwise made. If a civil action is instituted within the 30-day period to

enforce the provisions of this section with respect to the requested record, the custodian shall not dispose of the record except by order of a court of competent jurisdiction after notice to all affected parties.

- C. A legal hold remains effective until it is released in writing by the Executive Director. After such written notice, all records relevant to the legal hold may be returned to their normal handling procedures and retention schedules.

## **10. STORAGE AND RETRIEVAL**

- A. Procedures have been implemented to ensure the FWCJUA electronic storage system includes the following:
  - (1) Reasonable controls to ensure the integrity and reliability of the system.
  - (2) Reasonable controls to prevent and detect the unauthorized creation of, addition to, alteration of, deletion or deterioration of electronically stored records.
  - (3) An inspection and quality assurance program evidenced by regular evaluations of the electronic storage system, including electronic checks of electronically stored books and records.
  - (4) A retrieval system that includes an indexing system and the ability to reproduce legible and readable paper copies.
- B. E-mail. Electronic mail (e-mail) communications are records and shall be retained and destroyed in accordance with this Policy.
- C. Reasonable Accessibility. The FWCJUA electronic document management system shall permit the necessary records to be easily located and retrieved.
- D. Storage Structure. Procedures shall be implemented to ensure that to the greatest extent possible similar records (e.g., similar record types, record categories, and records with similar retention periods) are stored together. Electronic records shall be stored in a logical structure utilizing the record series category, file folder structures to the greatest extent reasonably possible.
- E. Identification and Indexing. A description of the records to be stored and shall include the Record Series title, a description, inclusive dates, and volume. Electronic records shall be indexed in a manner and method to ensure the stored records can be located and retrieved promptly and efficiently.
- F. Technology Standards. Appropriate standards established and utilized promoting uniformity of storage and retrieval. Electronic records are stored in a format that permits viewing and printing of a legible and complete facsimile of the original record. The electronic storage system shall utilize standardized formats of electronic records for storage. For example, Tagged Image File Format (TIFF) is a common file format for digital images. Other common file formats include Graphics Interchange Format (GIF) Joint Photographic Expert Group (JPEG), Bit Map (BMP), and Portable Document Format (PDF).
- G. Digital Media. Procedures shall be implemented regarding the digital media utilized for storage. Digital media may be magnetic, optical, or both. Magnetic media include magnetic disks (e.g. hard disk drives, floppy disks, and removal cartridges); magnetic tape (e.g., reel-to-reel and cartridge format); and Digital Audio Tape (DAT). Optical media includes compact disks (CD-ROM, CD-R and CD-RW); Write-Once, Read Many (WORM) disks; erasable optical (EO) disks, and Digital Versatile Disk (DVD, DVD-ROM, DVD-RAM, DVD+RW).
- H. Security – Confidential Records. Confidential, proprietary, restricted, or limited access records (“Confidential Records”) shall be clearly identified as such. Confidential Records shall be stored

in a segregated area or location. At the time Confidential Records are stored, a description of the records will also contain a description of the access limitations and restrictions, including individuals (by name and title) responsible for regulating access to the records. Appropriate clearance and confirmation of authorization shall be identified on the Removal from Storage Record.

- I. Preservation of Electronic Records. Computer systems upon which records are stored shall utilize industry standard anti-virus software, which shall be kept current. Records loaded onto electronic storage systems shall be screened for viruses before transfer. If a computer system is dedicated to record storage, it shall not be connected or networked to other systems. The system shall have appropriate means for downloading or transferring records to an electronic medium and sent through a separate unconnected system.
- J. All electronic records shall be maintained in a manner and utilize technology that provides the ability to print a paper copy of the electronic record. Scanned images of paper records shall utilize technology that creates an exact or near exact facsimile or copy of the paper record. The technology utilized for storage of electronic records shall also permit the efficient migration to new formats as technology advances so that electronic records will continue to be accessible and readable for as long as the record is required to be retained.

## **11. DESTRUCTION**

- A. The Executive Director, or his or her designee, shall determine the retention status of all hardcopy and electronic records by reviewing them against the retention schedules in this Policy.
- B. The Executive Director and his or her designee will receive periodically, but not less than quarterly, a report of all documents ready for destruction based on the retention schedules. Prior to authorizing destruction, the Executive Director, or his or her designee, will review the report and make any inquiries of Record Owners to determine whether there is any reasonable basis to extend the retention period for particular Records. Once determined, a Records Disposition document must be filled out and signed. The Records Disposition document will then be approved by the Executive Director, or his or her designee.

**EXHIBIT A****RECORD RETENTION SCHEDULE**

The record series titles and minimum retention periods listed below are from the State of Florida General Records Schedule GS1-SL. The FWCJUA specific records series that will be submitted to the Department of State Division of Library and Information Services are included as well as a descriptive document at the end of this schedule.

**12. Accounting, Budget & Finance**

<b><u>ACCOUNTING, BUDGET &amp; FINANCE</u></b>	
<b>RECORD SERIES TITLE</b>	<b>RETENTION PERIOD</b>
<u>Bank Statements: Reconciliation</u>	<u>Current + 7 years</u>
Analysis Statements	Current + 7 years
Investment Statements	Current + 7 years
Statements / Reconciliations	Current + 7 years
SunTrust Investments	Current + 7 years
Sweep Statements	Current + 7 years
<u>Budget Records: Approved Annual Budget</u>	<u>Permanent</u>
Budget - Annual	Permanent
<u>Disbursement Records: Detail</u>	<u>Current + 7 years</u>
ACH / EFT	Current + 7 years
Check Payments	Current + 7 years
<u>Financial History Summary Records</u>	<u>Permanent</u>
Financial Statement Summary Detail	Permanent
NCCI Applications	Permanent
Service Carrier Interest	Permanent
Service Carrier Monthly Report	Permanent
<u>Financial Reports: Annual (Local Government) Supporting Documents</u>	<u>Current + 7 years</u>
Bad Debt Write-Offs	Current + 7 years
Journal Entries	Current + 7 years
Payroll Bi-weekly	Current + 7 years
<u>Property Control Records</u>	<u>Current + 7 years</u>
Fixed Asset Package	Current + 7 years
<u>Receipt/Revenue Records: Detail</u>	<u>Current + 7 years</u>
Check Deposits	Current + 7 years
Increase/Decrease Adjustment	Current + 7 years
<u>Receipt/Revenue Records: Summary</u>	<u>Current + 7 years</u>
Recoveries	Current + 7 years
RSI Monthly	Current + 7 years

### 13. Board, Committee & Executive

<b><u>BOARD/COMMITTEE &amp; EXECUTIVE</u></b>	
<b>RECORD SERIES TITLE</b>	<b>RETENTION PERIOD</b>
<u>Administrator Records: Agency Director/Program Manager</u>	<u>Current + 10 years</u>
Anti Fraud Plan/Premium Fraud Investigators	Current + 10 years
Annual Report of Grievances	Current + 10 years
Board/Committee Bulletin	Current + 10 years
Deposit & Advanced Premium	Current + 10 years
Misc. Analyses - Old Application Report	Current + 10 years
Monthly Report	Current + 10 years
Rate Analysis	Current + 10 years
Service Provider/Producer Bulletin	Current + 10 years
<u>Committee/Board Appointment Records</u>	<u>4 years after term of office or committee/board is abolished</u>
Board/Committee Contact List	4 yrs after term of office or committee/board is abolished
Board Election Appts	4 yrs after term of office or committee/board is abolished
Board Selection Records	4 yrs after term of office or committee/board is abolished
Code of Conduct/Conflict Board Signature	4 yrs after term of office or committee/board is abolished
Committee Structure	4 yrs after term of office or committee/board is abolished
<u>Committee/Board Appointment Records - Non Selected Applicants</u>	<u>Current + 4 years</u>
<u>Correspondence and Memoranda: Program &amp; Policy Development</u>	<u>Current + 5 years</u>
Correspondence	Current + 5 years
Information Notice	Current + 5 years
Faxes	Current + 5 years
<u>Legislation Records</u>	<u>Retain until obsolete, superseded, or administrative value is lost</u>
Enabling Statute	Retain until obsolete, superseded, or administrative value is lost
<u>Minutes: Official Meetings (Supporting Docs)</u>	<u>Current + 2 years after adoption of the official minutes</u>



#### 14. Board/Committee Policy

<b><u>BOARD/COMMITTEE POLICY</u></b>	
<b>RECORD SERIES TITLE</b>	<b>RETENTION PERIOD</b>
<u>Charters/Amendments/Bylaws/Constitutions</u>	<u>Permanent</u>
Articles of Incorporation	Permanent
Audit Committee Charter	Permanent
Bylaws	Permanent
Operations Manual	Permanent
<u>Minutes: Official Meetings</u>	<u>Permanent</u>
Agenda	Permanent
Agenda Topic Listing	Permanent
Minutes	Permanent
<u>Resolutions</u>	<u>Permanent</u>
Bank Resolution Records	Permanent
Business Plan/Forecast	Permanent
Code of Conduct Policy	Permanent
Conflict of Interest Policy	Permanent
Executive Compensation Plan	Permanent
Investment Policy	Permanent
Procurement Policy	Permanent
Records Management & Retention Policy	Permanent
Travel and Expense Policy	Permanent

#### 15. Executive/Administration

<b><u>EXECUTIVE/ADMINISTRATION</u></b>	
<b>RECORD SERIES TITLE</b>	<b>RETENTION PERIOD</b>
<u>Administrative Convenience Records</u>	<u>Administrative Convenience Records</u>
<u>Advertisements: Legal</u>	<u>Current + 5 years</u>
Legal Classified	Current + 5 years
<u>Attendance &amp; Leave Records</u>	<u>Current + 3 years</u>
Vacation Requests	Current + 3 years
<u>Calendars</u>	<u>Current + 1 year</u>
Calendars	Current + 1 year
<u>Correspondence and Memoranda: Administrative</u>	<u>Current + 5 years</u>
Bad Debt Write Off Authorizations	Current + 5 years
Correspondence: Administrative	Current + 5 years
Legal Correspondence	Current + 5 years
Faxes	Current + 5 years
<u>Directives/Policies/Procedures</u>	<u>Current + 7 years</u>
Accounting Policies & Procedures	Current + 7 years
Claims Procedures	Current + 7 years
Document Retention Procedures	Current + 7 years
Reporting Manual	Current + 7 years
Underwriting Procedures	Current + 7 years
<u>Information Request Records</u>	<u>Current + 1 year</u>
<u>Inventory: Agency Records</u>	<u>Retain until obsolete, superseded, or administrative value is lost</u>
<u>Mail - Registered &amp; Certified Receipts</u>	<u>Current + 1 year</u>
<u>Mail - Undeliverable</u>	<u>Current + 1 year</u>
<u>Records Disposition Documents</u>	<u>Permanent</u>
<u>Records Retention Schedules - Agency</u>	<u>Permanent</u>

## 16. Contracts

RECORD SERIES TITLE	CONTRACTS RETENTION PERIOD
<u>Bid Records:Non-Capital Improvement</u>	<u>Current + 5 years after awarded</u>
RFP's	Current + 5 years after awarded
<u>Contracts/Leases/Agreements: Capital Improvement/Real Property</u>	<u>Current + 15 years after completion or termination of contract/ lease/ agreement</u>
Office Space - Lease	Current + 15 years after completion or termination of contract/ lease/ agreement
<u>Contracts/Leases/Agreements: Non-Capital Improvement</u>	<u>Current + 5 yrs after completion or termination of contract/ lease/ agreement</u>
401K	Current + 5 yrs after completion or termination of contract/ lease/ agreement
Actuary	Current + 5 yrs after completion or termination of contract/ lease/ agreement
Audit & Tax	Current + 5 yrs after completion or termination of contract/ lease/ agreement
Banking/Investment	Current + 5 yrs after completion or termination of contract/ lease/ agreement
Collections	Current + 5 yrs after completion or termination of contract/ lease/ agreement
Consultant	Current + 5 yrs after completion or termination of contract/ lease/ agreement
Engagement/Legislative	Current + 5 yrs after completion or termination of contract/ lease/ agreement
General Counsel	Current + 5 yrs after completion or termination of contract/ lease/ agreement
FSIFGA Agreement	Current + 5 yrs after completion or termination of contract/ lease/ agreement
NCCI	Current + 5 yrs after completion or termination of contract/ lease/ agreement
Office Equipment	Current + 5 yrs after completion or termination of contract/ lease/ agreement
Office Services	Current + 5 yrs after completion or termination of contract/ lease/ agreement
Payroll	Current + 5 yrs after completion or termination of contract/ lease/ agreement
<u>Insurance Records: Agency</u>	<u>Current + 5 years after final disposition of claim or expiration of policy</u>
D&O Insurance	Current + 5 years after final disposition of claim or expiration of policy
Dental Insurance	Current + 5 years after final disposition of claim or expiration of policy
Disability & Life	Current + 5 years after final disposition of claim or expiration of policy
Fidelity Bond	Current + 5 years after final disposition of claim or expiration of policy
FSA	Current + 5 years after final disposition of claim or expiration of policy
Health Insurance	Current + 5 years after final disposition of claim or expiration of policy
Property & Liability Insurance	Current + 5 years after final disposition of claim or expiration of policy
Workers Comp. Audit	Current + 5 years after final disposition of claim or expiration of policy
Workers Comp Insurance	Current + 5 years after final disposition of claim or expiration of policy

**16. Contracts (Cont)**

<u>Reinsurance Program</u>	<u>No less than 25 years, and at least 2 years after final claim is closed</u>
Loss Portfolio Transfer Agreement	No less than 25 years, and at least 2 years after final claim is closed
Reinsurance Program Contract	No less than 25 years, and at least 2 years after final claim is closed
<u>Service Provider Records</u>	<u>No less than 25 years, and at least 2 years after final claim is closed</u>
Performance Bond	No less than 25 years, and at least 2 years after final claim is closed
Policy/Admin Managed Care Provider	No less than 25 years, and at least 2 years after final claim is closed

**17. Human Resources/Personnel & Payroll**

<b><u>HUMAN RESOURCES, PERSONNEL &amp; PAYROLL</u></b>	
<b>RECORD SERIES TITLE</b>	<b>RETENTION PERIOD</b>
<u>Employment Application and Selection Records</u>	<u>Permanent</u>
Application	Permanent
<u>Payroll Record: Deduction Authorizations</u>	<u>6 years after separation or termination of employment</u>
Direct Deposit	6 years after separation or termination of employment
FSA Enrollment	6 years after separation or termination of employment
W-4	6 years after separation or termination of employment
<u>Pension Records: Plan/Fund</u>	<u>Permanent</u>
401K Bi-weekly	Permanent
401K Quarterly	Permanent
401K Summary Plan Des.	Permanent
5500	Permanent
<u>Personnel Records: Non-Florida Retirement System (Local Government)</u>	<u>Permanent</u>
401K Enrollment Beneficiary	Permanent
Form I-9	Permanent
Resignation Letter/Employee Exit Checklist	Permanent
Dental Insurance Application	Permanent
Health Insurance Application	Permanent
Life Insur. App. Beneficiary	Permanent
Employment Offers	Permanent
<u>Personnel Records: Supplemental Documentation</u>	<u>6 years after separation or termination of employment</u>
Code of Conduct Signature Page	6 years after separation or termination of employment
Conflict of Interest Signature Page	6 years after separation or termination of employment
Disciplinary Action/Warning	6 years after separation or termination of employment
Employee Administration Documents	6 years after separation or termination of employment
Employment Verification	6 years after separation or termination of employment
Salary Changes/Reviews	6 years after separation or termination of employment

## 18. IT/Technical

<b>RECORD SERIES TITLE</b>	<b><u>IT/TECHNICAL</u> RETENTION PERIOD</b>
<u>Electronic Records Software and Documentation</u>	<u>Retain as long as software-dependent records are retained</u>
Licensing	Retain as long as software-dependent records are retained
Software	Retain as long as software-dependent records are retained

## 19. Maintenance/Property/Security

<b>RECORD SERIES TITLE</b>	<b><u>MAINTENANCE/PROPERTY/SECURITY</u> RETENTION PERIOD</b>
<u>Disaster Preparedness Plans</u>	<u>Current + 5 years</u>
Disaster Recovery & Emergency Preparedness Plan	Current + 5 years
<u>Disaster Preparedness Drill Records</u>	<u>Current + 2 years</u>
<u>Equipment/Vehicle Maintenance Records</u>	<u>Current + 1 year after disposition of equipment.</u>
Equipment Maintenance Records	Current + 1 year after disposition of equipment
Asset Invoices	Current + 1 year after disposition of equipment
<u>Inspection Reports: Fire/Security/Safety</u>	<u>Current + 4 years after inspection</u>
Inspections	Current + 4 years after inspection
Inspections Report – Fire Extinguisher	Current + 4 years after inspection
<u>Inventory: Agency Property</u>	<u>Current + 3 years</u>
<u>License Occupational</u>	<u>Current + 1 year after expiration, revocation, or denial of license</u>
License Occupational	Current + 1 year after expiration, revocation, or denial of license

## 20. Reinsurance

<b>RECORD SERIES TITLE</b>	<b><u>REINSURANCE</u> RETENTION PERIOD</b>
<u>Reinsurance Program</u>	<u>No less than 25 years, and at least 2 years after final claim closed</u>
Actuarial Analysis of Exposure	No less than 25 years, and at least 2 years after final claim closed
<b>Claims Not Covered (Claims)</b>	<b>No less than 25 years, and at least 2 years after final claim closed</b>
LPT Monthly/Quarterly	No less than 25 years, and at least 2 years after final claim closed
Reinsurance Notification	No less than 25 years, and at least 2 years after final claim closed
Reinsurance Recovery Received	No less than 25 years, and at least 2 years after final claim closed
Reinsurance Reimbursement Request	No less than 25 years, and at least 2 years after final claim closed
Reinsurance Notification Summary Rpt	No less than 25 years, and at least 2 years after final claim closed

## 21. Reporting/Filing

<b>REPORTING &amp; FILINGS</b>	
<b>RECORD SERIES TITLE</b>	<b>RETENTION PERIOD</b>
<u>Audits: Auditor General</u>	<u>Current + 10 years</u>
Auditor General	Current + 10 years
<u>Audits: Independent</u>	<u>Current + 10 years</u>
<b>Audit/financial</b>	<b>Current + 10 years</b>
Auditors Report on Internal Controls	Current + 10 years
Travelers Operational Review	Current + 10 years
Trip Report/Claim Review	Current + 10 years
<u>Audits: State/Federal</u>	<u>Current + 10 years</u>
AHCA Compliance Survey	Current + 10 years
Audit OIR Market Conduct Exam	Current + 10 years
<u>Federal and State Income/Employment Tax Form/Reports</u>	<u>Current + 25 years after filing or reporting date</u>
940	Current + 25 years after filing or reporting date
941	Current + 25 years after filing or reporting date
1096/1099	Current + 25 years after filing or reporting date
UCT-6	Current + 25 years after filing or reporting date
W-3 / W-2	Current + 25 years after filing or reporting date
Unemployment Tax Rate	Current + 25 years after filing or reporting date
<u>Federal &amp; State Tax Forms/Reports</u>	<u>Current + 25 years after filing or reporting date</u>
DOL Assessments	Current + 25 years after filing or reporting date
DOL USL&H	Current + 25 years after filing or reporting date
Federal Tax Return-1120PC	Current + 25 years after filing or reporting date
Intangible Personal Property	Current + 25 years after filing or reporting date
Premium Taxes	Current + 25 years after filing or reporting date
Tangible Personal Property	Current + 25 years after filing or reporting date
<u>Financial Reports: Comprehensive Annual (Local Government)</u>	<u>Permanent</u>
Financial Detail	Permanent
<u>Records Management Compliance Statements</u>	<u>Current + 1 year</u>
Records Management Compliance Statements	Current + 1 year
<u>State Reporting &amp; Other Filings</u>	<u>Current + 25 years after filing or reporting date</u>
Abandoned Property	Current + 25 years after filing or reporting date
Actuarial Analysis & Opinion	Current + 25 years after filing or reporting date
<b>Audit/financial</b>	<b>Current + 25 years after filing or reporting date</b>
Corp Business Report	Current + 25 years after filing or reporting date
Financial Statements Annual & Quarterly	Current + 25 years after filing or reporting date
Forms Filing	Current + 25 years after filing or reporting date
Managed Care Arrangement Renewal	Current + 25 years after filing or reporting date
Mgmt. Disc & Analysis	Current + 25 years after filing or reporting date
Minimum Premium	Current + 25 years after filing or reporting date
NCCI Financial Calls	Current + 25 years after filing or reporting date
Operations Manual Revisions	Current + 25 years after filing or reporting date
Program to Eliminate the Deficit	Current + 25 years after filing or reporting date
Rate Filing	Current + 25 years after filing or reporting date
Reinsurance Program Filing	Current + 25 years after filing or reporting date
Statistical Codes Filing	Current + 25 years after filing or reporting date

## 22. Underwriting

<b><u>UNDERWRITING</u></b>	
<b>RECORD SERIES TITLE</b>	<b>RETENTION PERIOD</b>
<u>Application Related Records</u>	<u>7 years from date received</u>
Applications	7 years from date received
Audit Disputes	7 years from date received
Bound	7 years from date received
Certificate of Insurance	7 years from date received
DFS Consumer Complaints	7 years from date received
Rejected	7 years from date received
Withdrawn	7 years from date received
<u>Agency Producer Records</u>	<u>7 years from date received</u>
Agency Misconduct	Permanent
Revocation/Suspension	Permanent
Authorization Package	7 years from date received
Certificate of Insurance	7 years from date received
E/O Expiration	7 years from date received
Expiration Notice	7 years from date received
Rejected/Returned Package	7 years from date received
<u>Collection Activity Records</u>	<u>Current + 10 years after receipt of final payment</u>
Bankruptcy	Current + 10 years after receipt of final payment
Mid AM-Collection Summary	Current + 10 years after receipt of final payment
Settlements	Current + 10 years after receipt of final payment
<u>Litigation Case Files</u>	<u>7 years after case closed</u>
Fraud Investigations	7 years after case closed
Legal Correspondence	7 years after case closed
Legal Documents (Bankruptcy, Final Orders, Release, Etc Claims & Apps)	7 years after case closed
Legal Opinions	7 years after case closed
Litigation Files	7 years after case closed
<u>Underwritten Policy Information - prior to 1/1/07</u>	<u>10 years after FINAL policy expiration</u>
<u>Hard Copies &amp; Electronic Copies of Insurance Policies Issued &amp; Related Records – prior to 1/1/07</u>	<u>10 years after FINAL policy expiration (i.e., includes any and all renewals of a policy within one record)</u>
<u>Underwritten Policy Information - 1/1/07 and subsequent</u>	<u>25 years after FINAL policy expiration</u>
<u>Insurance Policies Issued &amp; Related Records – 1/1/07 and subsequent</u>	<u>25 years after FINAL policy expiration (i.e., includes any and all renewals of a policy within one record)</u>
<u>Claim File Records</u>	<u>20 years after claim is closed</u>
<u>Claim File Records</u>	<u>20 years after claim is closed</u>