



STATE *of* NEBRASKA
EXECUTIVE OFFICE

LINCOLN

EXECUTIVE ORDER

NO. 2

By virtue of the authority vested in me as Governor of the State of Nebraska, it is ordered as follows:

SECTION 1. ESTABLISHMENT OF A RISK MANAGEMENT PROGRAM.

(a) There is hereby established a risk management program for the State of Nebraska.

(b) The risk management program shall be under the direction of the Director of Insurance. Duties may be delegated to such members of his staff as he may designate.

SECTION 2. NEED FOR THE RISK MANAGEMENT PROGRAM.

The State of Nebraska, its agencies, officers and employees are exposed to a wide variety of risks in the course of providing government services to the citizens of the State. Frequently, the burden of identifying, evaluating and reacting to this risk falls on individuals within the various agencies who have no special training or knowledge in applying the techniques of risk management so as to preserve state assets. In executing the constitutional charge that I take care that the affairs of the state are efficiently and economically administered, I have determined that a considerable savings can accrue to the state through proper care of loss exposures and that the centralized procurement of insurance can eliminate duplicate coverage.

SECTION 3. RISK MANAGEMENT ROLE OF THE DIRECTOR OF INSURANCE.

The Director of Insurance is vested with the overall responsibility for developing, implementing and administering the State's risk management program.

SECTION 4. PRIMARY RISK MANAGEMENT FUNCTIONS OF THE DIRECTOR OF INSURANCE

(a) Gather and analyze all appropriate information regarding losses and loss exposure of all state agencies.

(b) Develop a policy register for all insured risk listing pertinent policy and coverage data.

(c) In cooperation with other appropriate state officials, identify facilities, conditions and situations conducive to potential exposure to loss.

(d) Prepare recommendations regarding the method of handling potential risks (e.g., loss prevention, retention, reduction, or transfer or the purchase of insurance).

(e) Negotiate the purchase of insurance coverage.

(f) Coordinate with the State Claims Board with respect to an insurance company, service company, agent or attorney in the settlement of claims against the State.

(g) Establish and maintain records regarding insurance coverage, claims and loss experience, and other pertinent information regarding risk exposures.

(h) Develop and maintain a loss prevention program.

(i) Review and analyze changes in State and Federal legislation and regulations as they apply to areas of insurance liability.

(j) Maintain appropriate levels of coverage in response to changes in requirements.

(k) Prepare and present seminars to State agencies on risk management.

The Director of Insurance shall immediately transmit a copy of this order to all State Agencies.

IN TESTIMONY WHEREOF, I hereunto subscribe my name and caused the Great Seal of the State of Nebraska to be affixed. DONE at Lincoln this 21st day of January in the Year of our Lord Nineteen Hundred and Eighty.

(s) Charles Stone

(s) Allen J. Reermann

