

Risk Avoidance Program

Guidelines



MICHIGAN MUNICIPAL
RISK MANAGEMENT
A U T H O R I T Y

RISK AVOIDANCE PROGRAM (RAP) GUIDELINES

The success of MMRMA depends heavily upon an effective partnership with its Members. To encourage the partnership, MMRMA has created the Risk Avoidance Program (RAP).

The MMRMA mix of Member services, competitive pricing and, most importantly effective loss control, has been successful to the extent that funds are available to assist Member efforts in risk management programs and projects. RAP was established in 1997 to assist in projects that are innovative, with a high potential of solving specific risk management problems of government agencies. Because the program fosters cooperation between MMRMA and its Members, as well as cooperative efforts among Members, projects that are designed to promote collaboration in their implementation and management are given priority.

The program does not participate in funding routine operations. RAP is not intended to supplement local funding when Member budgets should cover the cost of financing a governmental operation. Examples include addition of staff, purchase of operating equipment, building improvements/maintenance, or compliance with state or federal statutes.

MEMBER QUALIFICATIONS

The longevity of Membership will be a factor considered in the approval and amount granted. Since risk management projects usually result in cost savings in future years, Members with long continuous membership will be given priority.

Assistance may also be available to independent training organizations that offer benefits to MMRMA Members. They must be nonprofit and not competitive with MMRMA in any way. Their request must be Member or MMRMA staff sponsored and involve Member or staff participation. No grants will be awarded directly to non-Members.

First year MMRMA Members are not eligible for RAP funding.

PROJECT SELECTION CRITERIA

The proposed project must present a unique and innovative approach to solving a specific risk management problem or set of related problems.

The impact of the project must be identifiable and measurable.

- Statistics or other available data, demonstrating the severity or extent of the problem(s), will enhance the possibility of the grant.
- The project's plan of action must have a high probability of solving the problem(s).

- The project should demonstrate a solution to a problem(s) and must not duplicate similar efforts already undertaken by the Member.
- The budget for the project and time expended must be realistic and accomplished in a reasonable period of time.

Priority will be given to projects that:

- Involve a partnership between Members or the Member and an independent organization.
- Involve Members that are sharing in the funding of the project with other MMRMA Members or independent organizations.

APPLICATION

A project manager(s) and other employees involved in the project's implementation must be identified. A time table, along with status dates, may be required for projects of 60 days or more in duration.

Members must provide a complete description of the proposed project. Data and information documenting the problem should be presented. The description must closely follow the application form. The description must include the project's goals and plan of action or activities to be used in accomplishing the goals, objectives, and expected results. Attachments may be included to further communicate the scope and benefits of the project.

Supplemental information may be required including written materials, cost estimates, or oral presentations to our risk management staff, MMRMA Advisory Committees and/or Membership Committee.

A projected start-up date and completion date should be provided. If such dates cannot be firmly established, an estimate of the start/completion must be included.

If the benefit of the project exceeds the Member's geographic area, information on what geographic area it would serve or what other Members would benefit should be provided.

If public agencies, nonprofit organizations or community groups will be involved in the project's management, implementation, or funding, a description of how each is involved, along with documentation of their commitments, should be included.

The portion of the project for which the applicant is seeking RAP assistance should be stated, identifying funding by the Member or other sources.

SELECTION PROCESS

The applicant may request a specific grant amount. RAP program applications must be submitted to the Risk Control Department of MMRMA. Depending on the type of project, an initial review will be done by the risk consultant with the appropriate experience and background. The Director of Risk Management will review and discuss the merits of the application with the risk consultant, underwriting and/or claim personnel.

At the discretion of the Risk Management Department, MMRMA advisory committees may be consulted concerning the merits of the application and potential benefits. These advisory committees consist of the upper and lower peninsula law enforcement, DPW, parks & recreation, fire/EMS, administrative (personnel/land use), telecommunications/911 and Court Security.

Upon the recommendations of Risk Control, the Membership Committee will consider the application based on the merits and projected benefits of the project. The Committee will decide what, if any, funding will be made available and any further controls or intervention by MMRMA staff or others. The applicant has the obligation to use funds granted in compliance with the description and use outlined in the application. Failure to do so will result in the discontinuance of future funds, and an obligation for reimbursement of funds granted.

MISCELLANEOUS

Aside from the application lacking the project's clearly stated purpose and design, a poorly written description is a frequent reason for proposal rejection. The applicant should not completely rely upon his or her own judgment. Assistance in developing and writing the proposal is encouraged. Prior to preparing or submitting an application, Members may consult with the Risk Control staff on the planning and application. Please print or type.

It should be noted that MMRMA is in risk management to prevent liability injuries to others. Although the safety of its Members' employees is important, projects intended to improve workplace safety or reduce workers' compensation losses will not fall under the jurisdiction of RAP.

PRIOR TO SUBMITTING YOUR APPLICATION FOR RAP - CHECK THE FOLLOWING:

Membership Qualifications

Do you meet the membership qualifications?

- Longevity of membership is important.
- Cooperative programs are encouraged.

Selection Criteria

Does your identified project meet the selection criteria?

- Identifiable and measurable
- Indicates a high probability of success
- Addresses a need and is not a duplication
- Budget and project must be realistic and accomplished in a reasonable time period.

Application

The application should include the following prior to submittal:

- Project manager(s) and employees involved in implementation should be identified.
- If the project's duration is over 60 days, a time table should be included.
- Complete description of the proposed project. This should include but is not limited to:
 - Data and information documenting the problem.
 - Project's goals and plan of action.
 - Anticipated results.
 - (Attachments may be included to further define the scope and benefits of the project.)
- Supplemental information such as written materials, cost estimates or oral presentations may be required.
- Projected start and completion dates.
- Identification of geographic region, if outside of the Member's area.
- Identify other groups that will be involved in the project's management, implementation or funding.
- Identify the portion of the project for which the applicant is seeking RAP assistance.
- All required signatures have been completed and included with the application.

Risk Control reserves the right to reject applications that are missing signatures, budgetary information, supporting documentation or are otherwise incomplete. Typed or word processed applications are required.

For additional information concerning the Risk Avoidance Program (RAP), please contact:

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