Office of Risk Management

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Table RK0-1

Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2027 Approved	% Change from FY 2026
OPERATING BUDGET	$4,214,457	$4,463,355	$4,365,999	$4,047,086	-7.3
FTEs	30.0	30.4	31.0	31.0	0.0
CAPITAL BUDGET	$0	$0	$0	$0	N/A
FTEs	0.0	0.0	0.0	0.0	N/A

The mission of the Office of Risk Management (ORM) is to reduce the probability, occurrence, and cost of risk to the District of Columbia government through the provision of risk identification, insurance analysis, and support to District agencies, and by efficiently and fairly administering the District's public sector Workers' Compensation, Tort Liability, and Insurance programs.

Summary of Services

ORM implements its mission through four programs: Risk Prevention and Safety (RPS); Public Sector Workers' Compensation; Tort Liability; and the Insurance program. An individual summary of services is provided by program in each section.

The agency's FY 2027 approved budget is presented in the following tables:

FY 2027 Approved Gross Funds Operating Budget and FTEs, by Revenue Type

Table RK0-2 contains the approved FY 2027 budget and Full-Time Equivalents by revenue type compared to the FY 2026 approved budget. It also provides FY 2024 and FY 2025 actual data.

Table RK0-2
($ in thousands)

	Dollars in Thousands						Full-Time Equivalents					
Appropriated Fund	Actual FY 2024	Actual FY 2025	Approved FY 2026	Approved FY 2027	Change from FY 2026	% Change*	Actual FY 2024	Actual FY 2025	Approved FY 2026	Approved FY 2027	Change from FY 2026	% Change
GENERAL FUND												
LOCAL FUND	4,214	4,463	4,366	4,047	-319	-7.3	30.0	30.4	31.0	31.0	0.0	0.0
TOTAL FOR GENERAL FUND	**4,214**	**4,463**	**4,366**	**4,047**	**-319**	**-7.3**	**30.0**	**30.4**	**31.0**	**31.0**	**0.0**	**0.0**
GROSS FUNDS	**4,214**	**4,463**	**4,366**	**4,047**	**-319**	**-7.3**	**30.0**	**30.4**	**31.0**	**31.0**	**0.0**	**0.0**

* Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private) and Special Purpose Revenue type, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2027 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2027 Approved Operating Budget, by Account Group

Table RK0-3 contains the approved FY 2027 budget at the Account Group level compared to the FY 2026 approved budget. It also provides FY 2024 and FY 2025 actual expenditures.

Table RK0-3
($ in thousands)

Account Group	Actual FY 2024	Actual FY 2025	Approved FY 2026	Approved FY 2027	Change from FY 2026	% Change*
701100C-CONTINUING FULL TIME	2,757	3,048	2,953	2,808	-144	-4.9
701200C-CONTINUING FULL TIME - OTHERS	592	496	534	442	-92	-17.2
701300C-ADDITIONAL GROSS PAY	12	6	0	0	0	N/A
701400C-FRINGE BENEFITS - CURR PERSONNEL	714	771	788	705	-82	-10.5
SUBTOTAL PERSONNEL SERVICES (PS)	**4,076**	**4,320**	**4,275**	**3,956**	**-319**	**-7.5**
711100C-SUPPLIES & MATERIALS	7	2	5	5	0	0.0
712100C-ENERGY COMM & BLDG RENTALS	0	0	1	1	0	0.0
713100C-OTHER SERVICES & CHARGES	129	140	84	73	-10	-12.3
713200C-CONTRACTUAL SERVICES - OTHER	0	0	0	10	10	N/A
717100C-PURCHASES EQUIPMENT & MACHINERY	2	2	2	2	0	0.0
SUBTOTAL NONPERSONNEL SERVICES (NPS)	**138**	**143**	**91**	**91**	**0**	**0.0**
GROSS FUNDS	**4,214**	**4,463**	**4,366**	**4,047**	**-319**	**-7.3**

* Percent change is based on whole dollars.

FY 2027 Approved Operating Budget and FTEs, by Division/Program and Activity

Table RK0-4 contains the approved FY 2027 budget by division/program and activity compared to the FY 2026 approved budget. It also provides FY 2024 and FY 2025 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

Table RK0-4
($ in thousands)

	Dollars in Thousands					Full-Time Equivalents				
Division/Program and Activity	**Actual FY 2024**	**Actual FY 2025**	**Approved FY 2026**	**Approved FY 2027**	**Change from FY 2026**	**Actual FY 2024**	**Actual FY 2025**	**Approved FY 2026**	**Approved FY 2027**	**Change from FY 2026**
AMP011-HUMAN RESOURCE SERVICES	526	518	514	482	-31	3.9	3.8	4.0	4.0	0.0
AMP016-PERFORMANCE AND STRATEGIC MANAGEMENT	1,376	1,507	1,535	1,402	-133	8.7	8.5	9.0	9.0	0.0
AMP030-EXECUTIVE ADMINISTRATION	541	471	506	445	-61	3.9	4.7	4.0	4.0	0.0
AMP000-AGENCY MANAGEMENT PROGRAM	**2,443**	**2,496**	**2,556**	**2,329**	**-226**	**16.5**	**17.1**	**17.0**	**17.0**	**0.0**
O06501-CAPTIVE INSURANCE SERVICES	121	279	198	190	-8	1.0	0.9	1.0	1.0	0.0
GO0065-INSURANCE PROGRAM	**121**	**279**	**198**	**190**	**-8**	**1.0**	**0.9**	**1.0**	**1.0**	**0.0**
O06601-RISK INSPECTIONS AND COORDIN. OF ARMRS	275	288	289	286	-4	2.9	2.8	3.0	3.0	0.0
O06602-RISK PREVENTION AND ANALYSIS	346	350	307	288	-19	1.9	1.9	2.0	2.0	0.0
GO0066-RISK PREVENTION AND SAFETY (RPS)	**621**	**638**	**596**	**573**	**-23**	**4.8**	**4.7**	**5.0**	**5.0**	**0.0**
O06701-CLAIMS MANAGEMENT	1,022	1,050	1,016	954	-62	7.7	7.6	8.0	8.0	0.0
GO0067-TORT LIABILITY PROGRAM	**1,022**	**1,050**	**1,016**	**954**	**-62**	**7.7**	**7.6**	**8.0**	**8.0**	**0.0**
PRG001-NO PROGRAM	7	0	0	0	N/A	0.0	0.0	0.0	0.0	N/A
PRG000-NO PROGRAM	**7**	**0**	**0**	**0**	**0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
TOTAL APPROVED OPERATING BUDGET	**4,214**	**4,463**	**4,366**	**4,047**	**-319**	**30.0**	**30.4**	**31.0**	**31.0**	**0.0**

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the approved funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity.** For detailed information on this agency's Cost Center structure as reflected in the District's Chart of Accounts, please see **Schedule 30-CC FY 2027 Approved Operating Budget and FTEs, by Division/Office.** Both schedules can be found in the **FY 2027 Operating Appendices**, located on the Office of the Chief Financial Officer's website. Additional information on this agency's interagency agreements can be found in **Appendix H** in the **Executive Summary, Volume 1**.

Program Description

The Office of Risk Management operates through the following 4 programs:

Insurance − administers the Captive Insurance Agency, which provides medical malpractice insurance to non-profit community health clinics in the District, as well as property insurance for risks to District government real property assets for various hazards. In addition, it works closely with the Office of Contracting and Procurement (OCP) to ensure that contracts have the appropriate insurance requirements. The Insurance program also serves as a general resource to all District agencies wishing to obtain policy and other guidance on protecting the District through insurance and other contractual risk management techniques.

This program contains the following activity:

- **Captive Insurance Services** – administers the three primary goals of the Insurance program, including the Captive Insurance Agency, the review of OCP contracts, and the provision of guidance to District government agencies on risk management techniques

Risk Prevention and Safety (RPS) – coordinates the work of Agency Risk Management Representatives (ARMRs) who systematically identify, measure, analyze, and document the District government's exposure to risk. The program also reviews and guides the activities of agency Risk Assessment Control Committees (RACC) relative to risk management plans. The purpose of the RACC is to maintain, in cooperation with ORM, a proactive and comprehensive program of risk assessment and control for agencies that minimizes the frequency, severity, and probability of losses to which agencies are exposed. It also provides training to increase District employees' knowledge of risk prevention, including the creation of Emergency Response Plans (ERPs). ERPs include agency evacuation plans and responses to various hazards, including the threat of terrorism (for example, intentional releases of hazardous materials, use of explosive devices, or acts of arson).

This program contains the following 2 activities:

- **Risk Inspections and Coordination of ARMRs** – pursuant to subchapter XX of the Comprehensive Merit Personnel Act, ORM has inspectors who conduct risk assessment and safety inspections of District government buildings. The inspections are based on federal Occupational Safety and Health Act guidelines and are intended to ensure a safe and healthful work environment for employees and users of District government facilities. ORM also coordinates a Risk Management Council that is made up of ARMRs. The Risk Management Council is intended to coordinate the work of ARMRs to reduce District government risk exposure and to cultivate a culture of risk awareness and management in the government; and
- **Risk Prevention and Analysis** – is tasked with using the information and data from ORM's various programs, as well as from members of the Risk Management Council and other sources, to conduct analyses for the purpose of reducing the District's overall exposure to risk.

Tort Liability – investigates and resolves tort liability claims filed against the District of Columbia. Effective January 20, 2004, the Mayor delegated to the Office of Risk Management the authority to accept notice of claim letters under D.C. Official Code § 12-309. As such, individuals can file claims against the District of Columbia for loss, damage, or injury. An action may not be maintained against the District of Columbia for unliquidated damages to person or property unless, within six months after the injury or damage was sustained, the claimant, his agent, or attorney has given notice in writing to the Mayor of the District of Columbia of the approximate time, place, cause, and circumstances of the injury or damage. Under certain circumstances, reports of the Metropolitan Police Department may also satisfy the notice requirement provided that they contain all of the information required by the statute. The Tort Liability program also pursues subrogation claims against third parties whose acts of negligence have resulted in damage to District government property.

This program contains the following activity:

- **Claims Management** – investigates and resolves tort liability claims filed against the District of Columbia under D.C. Official Code § 12-309, and pursues subrogation claims against third parties.

Agency Management – provides for administrative support and the required tools to achieve operational and programmatic results. This program is standard for all agencies using performance-based budgeting.

Program Structure Change

The Office of Risk Management has no program structure changes in the FY 2027 approved budget.

FY 2026 Approved Budget to FY 2027 Approved Budget, by Revenue Type

Table RK0-5 itemizes the changes by revenue type between the FY 2026 approved budget and the FY 2027 approved budget. For a more comprehensive explanation of changes, please see the FY 2027 Approved Budget Changes section, which follows the table.

Table RK0-5
($ in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
LOCAL FUND: FY 2026 Approved Budget and FTE		**4,366**	**31.0**
Removal of One-Time	MULTIPLE PROGRAMS	-2	0.0
LOCAL FUND: FY 2027 Recurring Budget		**4,364**	**31.0**
Increase: To support nonpersonnel service costs	AGENCY MANAGEMENT PROGRAM	2	0.0
Decrease: To align personnel services and fringe benefits with projected costs	MULTIPLE PROGRAMS	-319	0.0
LOCAL FUND: FY 2027 Mayor's Proposed Budget		**4,047**	**31.0**
No Change		0	0
LOCAL FUND: FY 2027 District's Approved Budget		**4,047**	**31.0**
GROSS FOR RK0-D.C. OFFICE OF RISK MANAGEMENT (RK0)		**4,047**	**31.0**

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the approved funding for interagency projects funded within this agency, please see **Appendix H, FY 2027 Interagency Budgets,** in the **Executive Summary, Volume 1** located on the OCFO's website.

FY 2027 Approved Operating Budget Changes

Table RK0-6 contains the approved FY 2027 budget by fund compared to the approved FY 2026 budget.

Table RK0-6

Appropriated Fund	FY 2026 Approved	FY 2027 Approved	% Change from FY 2026
LOCAL FUND	$4,365,999	$4,047,086	-7.3
GROSS FUNDS	**$4,365,999**	**$4,047,086**	**-7.3**

Mayor's Proposed Budget

Increase: ORM's proposed Local funds budget includes an increase of $1,520 in the Agency Management program to support nonpersonnel service costs related to purchased assets and rental equipment.

Decrease: ORM's proposed Local funds budget includes a net decrease of $318,934 across multiple programs to properly align the budget with projected salary and fringe benefits costs.

District's Approved Budget

No Change: ORM's budget reflects no change from the Mayor's proposed budget to the District's approved budget.