
D.C. Office of Risk Management

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Table RK0-1

Description	FY 2022	FY 2023	FY 2024	FY 2025	% Change
	Actual	Actual	Approved	Proposed	from FY 2024
OPERATING BUDGET	\$4,272,087	\$4,068,284	\$4,218,908	\$4,844,571	14.8
FTEs	31.2	29.7	31.0	33.0	6.5
CAPITAL BUDGET	\$63,582	\$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 2025 proposed budget is presented in the following tables:

FY 2025 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table RK0-2 contains the proposed FY 2025 budget by revenue type compared to the FY 2024 approved budget. It also provides FY 2022 and FY 2023 actual data.

Table RK0-2

(dollars in thousands)

Appropriated Fund	Dollars in Thousands						Full-Time Equivalents					
	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change		Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change	
					from FY 2024	% Change*					from FY 2024	% Change
GENERAL FUND												
Local Funds	4,272	4,068	4,219	4,845	626	14.8	31.2	29.7	31.0	33.0	2.0	6.5
TOTAL FOR GENERAL FUND	4,272	4,068	4,219	4,845	626	14.8	31.2	29.7	31.0	33.0	2.0	6.5
GROSS FUNDS	4,272	4,068	4,219	4,845	626	14.8	31.2	29.7	31.0	33.0	2.0	6.5

*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 2025 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2025 Proposed Operating Budget, by Account Group

Table RK0-3 contains the proposed FY 2025 budget at the Account Group level compared to the FY 2024 approved budget. It also provides FY 2022 and FY 2023 actual expenditures.

Table RK0-3

(dollars in thousands)

Account Group	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change	
					from FY 2024	Percentage Change*
701100C - Continuing Full Time	2,680	2,752	3,022	3,289	267	8.8
701200C - Continuing Full Time - Others	629	412	281	398	117	41.5
701300C - Additional Gross Pay	119	53	0	0	0	N/A
701400C - Fringe Benefits - Current Personnel	664	687	767	820	53	6.9
701500C - Overtime Pay	0	2	0	0	0	N/A
SUBTOTAL PERSONNEL SERVICES (PS)	4,092	3,907	4,070	4,506	436	10.7
711100C - Supplies and Materials	15	5	8	2	-6	-73.3
712100C - Energy, Communications and Building Rentals	0	0	2	1	-1	-50.0
713100C - Other Services and Charges	161	127	137	334	196	143.2
713200C - Contractual Services - Other	0	1	0	0	0	N/A
715100C - Other Expenses	0	6	0	0	0	N/A
717100C - Purchases Equipment and Machinery	4	23	2	2	0	-25.0
SUBTOTAL NONPERSONNEL SERVICES (NPS)	180	161	149	338	189	127.4
GROSS FUNDS	4,272	4,068	4,219	4,845	626	14.8

*Percent change is based on whole dollars.

FY 2025 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table RK0-4 contains the proposed FY 2025 budget by division/program and activity compared to the FY 2024 approved budget. It also provides FY 2022 and FY 2023 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

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024
(AMP000) AGENCY MANAGEMENT PROGRAM										
(AMP011) Human Resource Services	517	400	505	517	12	3.9	3.8	4.0	4.0	0.0
(AMP016) Performance and Strategic Management	1,403	1,456	1,471	1,533	62	9.7	8.6	9.0	9.0	0.0
(AMP023) Resource Management	175	0	0	0	0	0.0	0.0	0.0	0.0	0.0
(AMP030) Executive Administration	427	551	534	806	272	3.9	3.8	4.0	6.0	2.0
SUBTOTAL (AMP000) AGENCY MANAGEMENT PROGRAM	2,523	2,407	2,511	2,856	345	17.5	16.3	17.0	19.0	2.0
(GO0065) INSURANCE PROGRAM										
(O06501) Captive Insurance Services	174	197	174	425	251	1.0	1.0	1.0	1.0	0.0
SUBTOTAL (GO0065) INSURANCE PROGRAM	174	197	174	425	251	1.0	1.0	1.0	1.0	0.0
(GO0066) RISK PREVENTION AND SAFETY (RPS)										
(O06601) Risk Inspections and Coordination of ARMRS	270	156	269	266	-4	2.9	2.9	3.0	3.0	0.0
(O06602) Risk Prevention and Analysis	313	330	298	307	10	2.0	1.9	2.0	2.0	0.0
SUBTOTAL (GO0066) RISK PREVENTION AND SAFETY (RPS)	583	486	567	573	6	4.9	4.8	5.0	5.0	0.0
(GO0067) TORT LIABILITY PROGRAM										
(O06701) Claims Management	992	977	967	990	23	7.8	7.7	8.0	8.0	0.0
SUBTOTAL (GO0067) TORT LIABILITY PROGRAM	992	977	967	990	23	7.8	7.7	8.0	8.0	0.0
TOTAL PROPOSED OPERATING BUDGET	4,272	4,068	4,219	4,845	626	31.2	29.7	31.0	33.0	2.0

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

Note: For more detailed information regarding the proposed 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 2025 Proposed Operating Budget and FTEs, by Division/Office**. Additional information on this agency's interagency agreements can be found in **Appendix H**. All schedules can be found in the FY 2025 Operating Appendices, Volume 6 located on the Office of the Chief Financial Officer's website.

Program Description

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

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.

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

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 2025 proposed budget.

FY 2024 Approved Budget to FY 2025 Proposed Budget, by Revenue Type

Table RK0-5 itemizes the changes by revenue type between the FY 2024 approved budget and the FY 2025 proposed budget. For a more comprehensive explanation of changes, please see the FY 2025 Proposed Budget Changes section, which follows the table.

Table RK0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2024 Approved Budget and FTE		4,219	31.0
No Change		0	0.0
LOCAL FUNDS: FY 2025 Recurring Budget		4,219	31.0
Increase: To align personnel services and Fringe Benefits with projected costs	Multiple Programs	102	0.0
Decrease: To offset projected adjustments in personnel services costs	Agency Management Program	-53	0.0
Enhance: To support the expansion of legal analysis, subrogation, and the District's return to work initiative	Agency Management Program	335	2.0
Enhance: To support operations for Real Time Appraisals (one-time)	Insurance Program	250	0.0
Reduce: To recognize costs savings in Equipment & Machinery	Agency Management Program	-2	0.0
Reduce: To recognize costs savings in Supplies & Materials	Agency Management Program	-6	0.0
LOCAL FUNDS: FY 2025 Mayor's Proposed Budget		4,845	33.0
GROSS FOR RK0 - OFFICE OF RISK MANAGEMENT		4,845	33.0

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

Note: For more detailed information regarding the proposed funding for interagency projects funded within this agency, please see Appendix J, FY 2025 Interagency Budgets, in the Executive Summary budget volume.

FY 2025 Proposed Operating Budget Changes

Table RK0-6 contains the proposed FY 2025 budget by fund compared to the FY 2024 approved budget.

Table RK0-6

Appropriated Fund	FY 2024 Approved	FY 2025 Proposed	% Change from FY 2024
Local Funds	\$4,218,908	\$4,844,571	14.8
GROSS FUNDS	\$4,218,908	\$4,844,571	14.8

Mayor's Proposed Budget

Increase: ORM's proposed Local funds budget includes an increase of \$101,602 in personal services across multiple programs to align personnel services and Fringe Benefits with projected costs.

Decrease: ORM's proposed Local funds budget includes a decrease of \$53,103 in the Agency Management Program to partially offset the projected increase in personal services costs.

Enhance: ORM's proposed Local funds budget includes an increase of \$334,663 and 2.0 Full-Time Equivalent (FTEs) in the Agency Management Program to support the expansion of legal analysis, subrogation, and the District's return to work initiative. Additionally, the proposed Local funds budget includes a one-time increase of \$250,000 in nonpersonnel services in the Insurance program to support operations for Real Time Appraisals.

Reduce: ORM's proposed Local funds budget includes an overall decrease of \$7,500 in nonpersonnel services in the Agency Management Program. This adjustment consists of \$1,500 to recognize costs savings in equipment & machinery; and \$6,000 to recognize costs savings in supplies & materials.