

# STATE RISK NEWSLETTER

## SUMMER

## 2025

### From the Director's Office

Happy New "Fiscal" Year! Pursuant to KRS 56.070, all property owned by the Commonwealth is insured through the Finance and Administration Cabinet, Division of State Risk and Insurance Services. During the most recent legislative session, House Bill 524 was enacted, officially changing the name of the Fire and Tornado Fund to the Commonwealth's Property & Casualty Insurance Fund. While the Fund remains fully operational, the updated name accurately reflects its expanded scope of coverage beyond fire and tornado-related events. Importantly, the bill also preserved the Fund's self-retention limit of \$5 million.

#### Some key policy reminders for FY 2026

- For each covered property claim, the agency remains responsible for a \$10,000 deductible per occurrence.
- Notify State Risk Underwriting Section ([StateRiskUnderwriting@ky.gov](mailto:StateRiskUnderwriting@ky.gov)) within **30 calendar days of acquiring any new or newly acquired buildings or contents**.
- Report any loss or damage within **7 business days after the date of loss** to State Risk Claims Section ([FT.PropertyClaims@ky.gov](mailto:FT.PropertyClaims@ky.gov)).
- Submit a completed **Notice of Loss form within 14 business days** following the date of loss to State Risk Claim Section ([FT.PropertyClaims@ky.gov](mailto:FT.PropertyClaims@ky.gov)).
- Return the Proof of Loss form to the State Risk Claims Section ([FT.PropertyClaims@ky.gov](mailto:FT.PropertyClaims@ky.gov)) within 7 business days of receipt to receive reimbursement for covered expenses.
- Fine Arts must be scheduled with State Risk, **regardless of value**.

We appreciate your continued partnership and look forward to working with you in the year ahead. Any questions, please feel free to reach out to me directly at 502-782-5444 or via email at [Sheri.Whisman@ky.gov](mailto:Sheri.Whisman@ky.gov)

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# CHARGE WITH CARE

**MAKE SAFETY A PRIORITY WHEN PLUGGING IN DEVICES**

**CHARGING A CELLPHONE** is something we all do every day. Here are some things to consider to make sure you're charging your devices safely.

**Cords.** Whether you need a replacement or just want an extra phone charger, it can be tempting to purchase the lower-priced option rather than the higher-priced charger from the manufacturer.

Only purchase charging devices and electronics from trusted sources and be sure they have been tested or marked by a nationally recognized testing laboratory like Underwriters Laboratories. It's also important to inspect your charging cords for damage. As soon as you see damage to a cord, stop using it.

**Location.** It's safest to charge your devices on cool, well-ventilated surfaces away from flammable objects. A well-ventilated spot will help prevent your device from overheating. Devices tucked under a pillow, nestled on the carpet or resting on a bed or couch don't allow for this. Keep your plugged-in device away from water. Phones, laptops and wireless speakers are not equipped with a safety mechanism known as a ground fault circuit interrupter, which shuts off power to the device when it gets wet. (Source: **Kentucky Living—February 2024**)





# Missing or Damaged Ceiling Tiles

By Cecil Sowers, Safety Coordinator

Properly installed ceiling systems allow smoke detectors, heat detectors, and fire sprinklers to operate correctly in the event of a fire. They also provide a barrier to the spread of smoke and fire. Breaking, displacing, or removing ceiling tiles enable hot gases and smoke from a fire to rise and accumulate above detectors and sprinklers. Doing so delays their activation, enabling fires to rapidly grow larger before an alarm and response occur.

Ceiling tile breakage, displacement, or removal often occurs as a result of mechanical system repair or maintenance. Because fires are unpredictable, intact tiles must be returned to their intended positions as soon as possible following repairs. Office occupants often move aside or remove ceiling tiles, typically to improve personal comfort by altering local air currents.



This impacts not only the person who moves the tile, but endangers all building occupants. Older ceiling tiles may also contain asbestos, disturbing them can cause yet another health hazard. ***Do not disturb older ceiling tiles until they have been properly tested.***

The smoke and hot gases from a fire decrease in concentration as height and horizontal distance from the center of the fire increase. Once the smoke and hot gases reach the ceiling, they travel horizontally, creating a “ceiling jet.” This ceiling jet is what typically triggers smoke alarms, heat detectors, and sprinkler systems. Removal of ceiling tiles can enable smoke and hot gases to rise above the remaining ceiling system, circumventing the fire protection systems located at or slightly below the level of the ceiling.



If a fire starts in a room with a missing ceiling tile, the ceiling jet can travel to the hole created by the missing tile and will rise into the space above the drop ceiling, which typically lacks monitoring devices. This may delay smoke detectors from receiving the smoke concentration needed to actuate them and to send an alarm signal. Most of the heat may also rise into the space above the ceiling, bypassing heat detectors and sprinklers completely. This renders them ineffective until the smoke and heat fill the space above, greatly lengthening the time it takes for them to actuate. Because fires can double in size each minute, this delay enables a fire to grow much larger and become more difficult to extinguish.

Missing ceiling tiles are not just a risk to those in the area where the tiles were removed. Space above a drop ceiling system often provides a route for air to be drawn back to a conditioner ductwork and fan that re-circulates the air. Therefore, smoke that enters this space is often spread to other areas in the building, exposing other occupants to smoke and toxic gases. Minimizing the number of unnecessary ceiling openings will make a building safer for all occupants. Employees should report any unnecessary ceiling openings to appropriate maintenance authorities.

- OSHA requires that safeguards designed to protect employees during an emergency (e.g., sprinkler systems, alarm systems, fire doors, exit lighting) must be in proper working order at all times. (29 CFR 1910.37(a)(4)). Missing or damaged ceiling tile may have an adverse effect on certain systems.
- NFPA requires that smoke barriers be provided to subdivide building spaces for the purpose of restricting the movement of smoke (NFPA 101 8.5.1).
- OSHA requires employee alarm systems to provide warning necessary for reaction time for safe escape of employees from the workplace or the immediate work area, or both. *Missing ceiling tiles would delay the activation of detection and alarm systems, thereby decreasing the time for safe evacuation* (29 CFR 1910.165(b)(1)).

## Definitions

- **Smoke Barrier:** A continuous membrane, or a membrane with discontinuities created by protected openings, where such membrane is designed and constructed to restrict the movement of smoke.
- **Ceiling Jet:** A stream of risen smoke and hot gases that travel horizontally along the bottom of an intact ceiling.

Reference: The Office of Compliance, NFPA 101 and The Department of Labor.



# Essential Hot Work Safety Tips

By Cecil Sowers, Safety Coordinator

1. **Avoid hot work** - If you can avoid hot work, then do. Alternatives like cold cutting or pre-fabricating elements in a more controlled environment may be possible.
2. **Visit the hot work area** - Hot work areas need to be safe. You can't possibly assess the risks without taking a look at the hazards.
3. **Do a risk assessment** - Hot work is a source of ignition. And that's a fire hazard, your hot work assessment is a record of your visit to the hot work area.

- Identify the hazards.
- Assess who might be harmed.
- Decide what controls are needed.
- Record your findings.
- Review and update as necessary.

4. **Check for flammable substances** - Check what current and previous uses are and check that they have been properly isolated and decontaminated before starting work.
5. **Remove combustible materials** - Remove, or cover, combustible materials:

- In the hot work area.
- In the area beneath the hot work.
- In breaches in floors, walls, ceilings where sparks could enter.
- Other sides of walls.

6. **Wear proper PPE (Personal Protective Equipment)** - PPE is your last line of defense when you are doing hot work, so while the other safety tips will reduce the risk of a fire in your workplace, you can still get exposed to heat, sparks and fumes from the process.
7. **Check the Fire Alarm** - Since fire alarms can detect smoke and heat, you might need to disable an alarm to avoid setting it off during hot works. But that creates even more of a risk if you can't detect fires early. Where possible, only isolate the detector that will be affected by the hot work.
8. **Reduce the risk to people** - Restrict the access within the hot work area to only essential workers. Other people should not be allowed within the work area.
9. **Get two fire extinguishers** - At least two fire extinguishers should be available in the hot work area. If one fails, you have a backup. If one runs out, you have another.
10. **Use a Hot work permit** - The best way to control hot work is by using a hot work permit the permit tells you:

- Where the work is permitted.
- When hot work is permitted.
- Who is involved.
- What precautions are in place.
- When hot work must finish.

11. **Fire Watch** - You should continuously watch for fire hot work, but the risk isn't over when the hot work ends. Sparks and smolder can develop into a fire minutes or even an hour later in the right conditions. Your fire watch should include continued checks 30 minutes after the work, and regular checks at 20-minute intervals for up to 120 minutes after completion.

A fire watch can (and should) be done physically, but if you are regularly doing hot work, investing in thermal imaging equipment can be worthwhile. Rather than waiting until the next physical check, thermal imaging gives you constant monitoring for quicker fire detection.

**Don't close the hot work permit until the fire watch is complete, including the last visual inspection of the work area (final fire check).**

12. **Hot work during sprinkler impairments is prohibited.**

The Division of State Risk and Insurance Services does have Hot Work Permits and can distribute them upon request. Hot Work Safety Tips are for informational and educational purposes.



# Who, What, When, Where, and Why? Reporting Accidents and Other Relevant Information to KSAP

By Sandy Etherington

When an employee is involved in an accident while driving a vehicle insured through KSAP, there may be questions about who reports the accident, when the accident is required to be reported, or if the accident is of a type that must be reported.

## **Question:** Who reports the accident to KSAP?

**Answer:** The involved employee. The employee must report the accident to their supervisor **and** to KSAP via the [KSAP Incident Portal](#). If the employee is unable to report the accident to KSAP due to extenuating circumstances, their supervisor must report it. In some cases the involved agency will have a designated claims contact who is responsible for reporting accidents to KSAP, so be sure to confirm how your agency reports accidents before inputting one into the Portal.

## **Question:** When does the accident have to be reported to KSAP?

**Answer:** Accidents must be reported on the same day they occur, unless extenuating circumstances make that impossible. Timely reporting is critical—any delay may impact KSAP's ability to assess, manage, and resolve claims effectively. Under current policy, KSAP reserves the right to deny coverage if an accident is not reported promptly, and it has exercised this right in previous cases.

## **Question:** What type of accidents are required to be reported to KSAP?

**Answer:** **ALL** accidents must be reported to KSAP. Accidents involving contact with other vehicles or property must be reported regardless of whether any bodily or property damage was initially reported. No-contact accidents must be reported as well. No-contact accidents occur when the actions of one driver cause another driver to crash, but the insured vehicle does not make contact with the other vehicle(s). When in doubt about whether to report an accident to KSAP, report it.

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When an employee is involved in an accident while driving a vehicle insured through KSAP, there may be questions about who reports the accident, when the accident is required to be reported, or if the accident is of a type that must be reported.

**Question: When should the vehicle be preserved?**

**Answer:** Vehicles should be preserved as-is after an accident if the accident involves a death or other significant bodily injury either to the involved employee or a third party. Minor accidents do not necessarily require preservation of the vehicle unless the agency has received a preservation of evidence letter.

**Question: What is a preservation of evidence letter?**

**Answer:** A preservation of evidence letter, also known as a spoliation letter, is a formal demand from a claimant or an attorney to keep and preserve evidence. Each letter will specifically describe what evidence is to be preserved; they typically include the vehicle, any data from the vehicle (including GPS), photos of the scene of the accident or the vehicles involved, dashcam or other video footage, etc. Once a preservation letter is received, all evidence outlined in the letter **MUST** be preserved. If it is not preserved, sanctions may be imposed by the Court and adverse jury instructions may be given if the accident results in a trial. If the evidence was disposed of or is otherwise unavailable by the time the preservation of evidence letter is received, those consequences do not necessarily apply.

**Question: What should agencies do if they receive a preservation of evidence letter?**

**Answer:** Agencies should immediately report the letter to their legal office **and** to KSAP so that the listed evidence can be preserved.

In addition to reporting all accidents and preservation of evidence letters, it is important to remember that anything related to an accident can and should be reported. This includes legal complaints, settlement demands, and other correspondence from claimants and attorneys. Failing to promptly report accidents and relevant information or correspondence inhibits KSAP's ability to mitigate claims, ultimately affecting agencies' premiums.



# Did you know....



## Safe Driving Requires Good Eyesight!

Beginning January 1, 2025, Kentucky drivers will need to pass a vision test to renew their driver's license, as required by a law passed in 2021. You can either get a vision screening at a KYTC Driver Licensing Regional Office or have a vision specialist perform the test and submit the signed, state-approved form.

Good eyesight is important for safe driving. This new requirement aims to promote highway safety by ensuring that all drivers maintain good vision throughout their driving career.

For more details on the vision screening requirements, visit [drive.ky.gov/visionscreening](https://drive.ky.gov/visionscreening).

## SAFE DRIVING TIPS

To stay focused and drive safely, prioritize eliminating distractions, maintaining a safe following distance, and keeping your eyes on the road, while also practicing defensive driving techniques.

### 1. Eliminate Distractions:

- a. Avoid texting, calling or even looking at your phone while driving.
- b. Avoid eating or drinking, this can take your hands off the wheel and your eyes off the road.

### 2. Practice Defensive Driving:

- a. Maintain a safe following distance by giving yourself enough space to react to unexpected situations. Two seconds is the minimum for safe driving, that's one-thousand and one, one-thousand and two.
- b. Scan the road ahead and be aware of your surroundings.
- c. Anticipate potential hazards: look for debris, pedestrians, cyclists, and other vehicles that could pose a danger
- d. Be prepared for other drivers to make mistakes and react accordingly.

**STAY PRESENT and FOCUSED on the task of DRIVING!**



# State Risk Playground

A P I R P A J G F W D C Q T W  
U L B S G W N N P T S A T A T  
R L A Y P J I U Q P Q N G E O  
C T W R Y J D X A R X D B L Z  
J F T P M K G C I B T L T C F  
X B K Y Z S E M B Q G E B D B  
G B W B Z H K T Z H J H R M X  
C V X J E B X S X B Q C K V A  
V I M A B O K A T C S I K F E  
X Y T Q Y K J S F N Q V T J W  
L E V J A N V U W C B A P A W  
R T R E L E C T R O N I C S O  
W Z B K R Y X S B V A Q O U E  
S D R O C N O I S N E T X E P  
I F J R W K J B Q P U B D T Z

- ⚡ Never overload electrical outlets with too many **electronics**.
- 🔥 Keep flammable items at least three feet away from a **space heater**.
- 🔊 Test smoke and carbon monoxide **alarms** every month.
- 🔌 **Extension cords** should only be used temporarily. Damaged or frayed cords should be thrown away.
- 🕯️ Never leave a **candle** burning in an empty room.



# State Risk Mailboxes

To help keep emails organized and to ensure they are processed in a timely manner, we have mailboxes dedicated to each program.

**Below is a listing of all the mailboxes associated to our programs**

**Property Underwriting:**

**[StateRiskUnderwriting@ky.gov](mailto:StateRiskUnderwriting@ky.gov)**

**Property Claims:**

**[FT.PropertyClaims@ky.gov](mailto:FT.PropertyClaims@ky.gov)**

**Sprinkler Program:**

**[StateRiskSprinklerProgram@ky.gov](mailto:StateRiskSprinklerProgram@ky.gov)**

**Boiler Program:**

**[StateRiskBoilers@ky.gov](mailto:StateRiskBoilers@ky.gov)**

**KSAP Underwriting:**

**[KSAPUnderwriting@ky.gov](mailto:KSAPUnderwriting@ky.gov)**

**KSAP Auto Claims:**

**[KSAPAutoClaims@ky.gov](mailto:KSAPAutoClaims@ky.gov)**



# Staff Directory

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**Buryl Thompson, Assistant Director**  
**Teresa Cook, Fiscal Manager**

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## Commonwealth Property & Casualty Insurance Fund

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## Kentucky Self Insured Auto Program

**Underwriting:** [KSAPUnderwriting@ky.gov](mailto:KSAPUnderwriting@ky.gov)

**Claims:** [KSAPAUTOClaims@ky.gov](mailto:KSAPAUTOClaims@ky.gov)

**Sandy Etherington, Insurance Program Manager**  
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## Risk Management

**Sheri Whisman, Director**

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## Commercial Liability/Special Event Policies/Public Official Bonds

**Buryl Thompson, Assistant Director**

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## Sprinkler, Boiler and Safety Program

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