

State of Rhode Island
Department of Administration

OFFICE OF ACCOUNTS AND CONTROL

SECTION A-19

POLICY/PROCEDURE NUMBER

SUBSECTION

EFFECTIVE DATE / PAGE NUMBER

January 1, 1964 / 1 of 1

POLICY / PROCEDURE

AMENDMENT

/ REVISION

REPAIRS TO INSURED STATE PROPERTY

November 1, 2010

Section 37-11-1 of the Rhode Island General Laws provide for comprehensive insurance coverage on state property to protect the state against loss from fire and other risks.

Section 2 of this chapter stipulates that: "Whenever state property is damaged or destroyed, the officer, board, division, department, or commission having charge of the state property shall promptly report the loss to the Director of Administration. The Director of Administration shall forthwith make an investigation for the purpose of determining whether or not the restoration or replacement of any of the property is necessary or desirable. The restoration or replacement as the Director of Administration shall deem necessary or desirable shall be paid for out of the recoveries from the insurance hereinbefore authorized."

REPORTS:

Reports should be made to the Department of Administration Risk Management Unit. The Risk Manager will negotiate and make settlements with the insurance companies for damage claims. All recoveries from insurance companies will be deposited into the insurance recovery fund RIFANS account 10.68.1395101.03.

REPAIRS:

Purchase requisitions charged against the insurance recovery fund account will be requested by the agency concerned, and originated by the DOA Central Business Office in consultation with the Risk Management Unit. Such requisitions, or subsequently the payments, require the approval of the Risk Manager. Whenever emergency or temporary repairs are immediately necessary to protect state property, the agency concerned, with prior approval of the Risk Management Unit, will notify the DOA Central Business Office to originate Purchase Orders charged to the Insurance Recovery Fund account.

PAYMENTS:

Payments from the insurance recovery fund account for the cost of repairing damages must be limited to the amount of the recovery from the insurance company. Therefore, when the deductible insurance clause is in effect, this amount will be a charge against the current appropriations of the agency whose property is being repaired, and that portion of the purchase requisition or payment voucher shall require agency approval of this charge.