

# RISK MANAGEMENT POLICY

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## BACKGROUND AND PURPOSE

The purpose of this document is to formalize policy guidance to reduce or eliminate losses to which Associated Students of San Francisco State University (AS) may be exposed, through the process of risk identification, evaluation, and control. Whether occurring on or off-campus, the activities of AS are susceptible to varying degrees of risk. To ensure that risks arising out of these activities are anticipated, managed, and mitigated, the AS has established a risk management process.

## POLICY STATEMENT

This policy outlines the process that is designed to protect the safety of all staff, students, and visitors as well as preserve the AS physical property in accordance with the California State University Guidelines. The Risk Management Policy is designed for AS to operate in a way that protects the health, safety, and security of clients, staff members, and volunteers while lifting up the organization’s mission and safeguarding assets needed for mission-critical programs and activities.

**APPLICABILITY TO THE POLICY**

This policy applies to all AS Board of Directors (BOD) and staff. The implementation of the AS Risk Management Policy is a shared responsibility of the BOD, AS staff, and appropriate SF State staff. It is the responsibility of management to ensure that all AS employees are aware of this policy and remain committed to its implementation. In order to ensure proper maintenance and implementation of this program, AS will seek advice, information and coordination from, as well as work in concert with, the offices of the Student Affairs and Enrollment Management, Office of the Vice President for Administration and Finance, Office of Risk Management, Office of Human Resources, and the University Police Department.

**DEFINITIONS**

Terms	Definition
<b>Associated Students (AS)</b>	The student government of San Francisco State University which serves as the official voice of students. AS promotes an enriched co-curricular student life experience and is dedicated to the empowerment of SF State’s diverse student body through a commitment to social justice and shared governance. AS provides and supports services and programs, maintains fiduciary responsibility, and engages in campus-wide collaborations and external advocacy efforts.
<b>Board of Directors (BOD)</b>	The student body of elected or appointed members who oversee and approve the activities of Associated Students at San Francisco State University.
<b>Associate Executive Director for Business Administration and Finance (AEDBAF)</b>	This position is directly responsible for the fiscal, administrative, risk management, and fundraising operations of the organization. This includes the development of a financial and operational strategy, metrics tied to that strategy, and the ongoing development and monitoring of control systems designed to preserve company assets and report accurate financial results.
<b>Assistant Executive Director of Human Resources (AEDHR)</b>	This position oversees the development and implementation of human resources policies, programs, and services. The AEDHR engages in the strategic planning process and fosters a workplace environment consistent with the values and mission of AS delivering value added services to management and employees.
<b>Assistant Executive Director of Facilities and Operations (AEDFO)</b>	This position oversees all functions associated with facility planning, construction, maintenance, safety, hazardous and environmental matters of the buildings in which AS operates. They are responsible for the ongoing development of the Facilities and

	Operations infrastructure and strategic planning.
<b>Assistant Executive Director of Marketing and Communications (AEDMC)</b>	This position oversees the Marketing and Communications of Associated Students. They are responsible for the design of all promotional materials affiliated with all departments of AS, as well as the general branding and image of the organization as a whole.
<b>Assistant Executive Director of Programs (AEDP)</b>	This position oversees the planning, development, and implementation of active co-curriculum for students throughout the departments associated with AS.
<b>Executive Director (ED)</b>	The AS Executive Director provides executive leadership, management, oversight, and strategic guidance in support of AS. Additionally, the Executive Director ensures the appropriate implementation of AS policies and procedures and provides supervision to ensure and improve the quality of operations and programs within the organization.
<b>California State University Risk Management Authority (CSURMA)</b>	A Joint Powers Authority created to establish a risk pool program for all CSU campuses and CSU auxiliary organizations.
<b>Compliance Coordinator</b>	Under the supervision of the AEDBAF, this position performs all work related to the management of organizational priorities related to audit services, risk management, contracts administration, as well as policies and procedures. They are responsible for the creation of policies related to these functional areas, training of all staff affected by them, as well as comprehensive testing and monitoring to ensure general compliance.
<b>Risk Assessment Questionnaire</b>	A questionnaire designed to outline potential elements of risk pertaining to each AS operating/ functional areas. This assessment is to be completed annually by the directors/ managers of each AS department/ program.

## ROLES AND RESPONSIBILITIES

AS seeks to involve appropriate personnel, whether BOD or staff, at all levels of the organization in the identification of risks and creation of practical strategies in order to minimize or mitigate that risk. AS seeks to make certain that the organization's approach to risk management considers diverse perspectives, and that staff understand their responsibility to protect the confidentiality of our clients, the safety and security of our facilities, the integrity our reputation, the preservation and future growth of assets, as well as the fulfillment of our mission.

The implementation of the Risk Management Policy is a responsibility shared by all BOD members, AS management, and staff. It is the responsibility of management to ensure that all AS employees are aware of the policy and remain committed to its implementation. The designated point person for risk management for the organization as a whole shall be the Compliance Coordinator under the supervision of the Associate Executive Director of Business Administration and Finance. The Compliance Coordinator is responsible for conducting yearly

risk assessments of all departments of AS, providing a report summarizing the findings and potential actions regarding the risk assessment to the AS executive team and BOD, as well as conducting intermittent testing of potential risk areas to ensure continued compliance and appropriate mitigation of risk. This position should work closely with, and seek council from, the University's office of Risk Management whenever circumstances warrant it.

All AS employees are obligated to report to their supervisor and the AEDHR and/or HR Generalist any situation that they think poses an occupational safety hazard and/or puts AS at risk of loss.

Risk management and mitigation is the shared responsibility of all members of AS. Although there is a delegation of duties specific to each area of AS, all executive members should work in conjunction with the Compliance Coordinator to ensure that risks are being properly mitigated and that policies and procedures accurately and efficiently address risk concerns. All executive team members are responsible for the periodic review of all policies and procedures organization wide in order to ensure relevancy and accuracy in process, training, and intent as well as ensuring the continuous training and development of knowledge in all areas with heightened potential for risk. Specifically, the break down of duties and responsibilities shall be as follows, with each executive member performing, at a minimum, the duties listed:

### **1. Executive Director (ED)**

The ED shall have the ultimate responsibility for creation, implementation and evaluation of the Risk Management program. They shall assign staff to design and carry out safety and risk management activities, as well as to perform the annual review of the same. ED will further keep the BOD apprised of the emerging threats and opportunities facing the organization.

### **2. Associate Executive Director for Business Administration and Finance (AEDBAF)**

Under the supervision of the AEDBAF, the Compliance Coordinator shall implement and evaluate risk management practices organization wide. They shall serve as the AS representative to the CSU Risk Management Authority (CSURMA) and the Office of the Chancellor, as well as the main point of contact for all AS Directors, Managers and Supervisors on all matters related to Risk Management. The AEDBAF and/or Compliance Coordinator shall meet these objectives by engaging in, the minimum, the following:

- a. Create policies and procedures for all administrative, business and financial activities.
- b. Supply appropriate contract language including insurance specifications, hold harmless clauses and professional liability to protect AS and the University.
- c. Centralization of signature authority in cases where the organization is binding in a contractual agreement with any party(s), ensuring that appropriate hold harmless statement is signed off on, appropriate insurance is secured, and all other necessary documentation is obtained and complete (in conjunction with the AEDP, below)

AEDBAF and/or Compliance Coordinator shall also be responsible for informing and advising the ED on any potential significant risks arising from the organizational activities.

### **3. Assistant Executive Director of Human Resources (AEDHR)**

The AEDHR shall develop and implement injury and illness prevention programs in compliance with various regulatory requirements. The AEDHR shall be responsible for the development and implementation of HR policies and procedures as they pertain to equitable hiring and workers' compensation management practices. The AEDHR shall be responsible for employee related benefit programs such as unemployment insurance, disability leave, and family medical leave. The AEDHR shall also be responsible for handling claims that allege employment inequity such as Equal Opportunity Commission claims as well as providing training in these topics. The AEDHR shall also be responsible for creating, implementing, and evaluating the training tools for all organizations Managers and Supervisors to utilize as they perform their duties, and train other employees on adherence to all aspects of organizational activities designed to minimize and manage risk. The AEDHR shall be responsible for informing and advising the ED of all potential risks arising from the organizational activities.

### **4. Assistant Executive Director of Facilities and Operations (AEDFO)**

The AEDFO shall establish standards and conduct programs that address public safety, such as fire prevention, emergency preparedness, traffic control and building security. The AEDFO shall confer with campus representatives to formulate policies, determine need for building safety programs and ensure cooperation and coordination of building activities with public safety agencies.

### **5. Assistant Executive Director of Marketing and Communications (AEDMC)**

The AEDMC shall be responsible for protecting the societal standing and brand of AS and identifying and mitigating any potential risks that might tarnish public perception of the organization. The AEDMC shall be responsible for identifying and managing potential risk arising from engagement in marketing activities of AS, and protecting the safety of personnel receiving or engaging in marketing services sponsored by AS.

### **6. Assistant Executive Director of Programs (AEDP)**

The AEDP shall be responsible for identifying and managing potential risk arising from engagement in programmatic activities of AS, and protecting the safety of personnel receiving or engaged in delivering services for programs sponsored by AS. AEDP shall meet these objectives by engaging in the following:

- a. Creation of policies and procedures for all programmatic activities
- b. Review of the appropriate insurance requirements for engaging with various types of performers, speakers, artists and contractors
- c. Centralization of signature authority in cases where the organization is binding in a contractual agreement with any party(s), ensuring that appropriate hold harmless statement is signed off on, appropriate insurance is secured, and all other necessary documentation is obtained and complete

## RISK MANAGEMENT PROCESS

AS shall manage risk through a three-step process:

- Anticipation / Identification
- Evaluation
- Control

This management process is designed to allow AS to carry out its mission with the lowest practicable risk exposure.

### 1. Anticipation and Identification

The first step of the annual risk management process will consist of the following method, used to anticipate and identify risks related to the campus environment and AS activities:

- 1) Each organizational area shall complete a general risk assessment questionnaire to better isolate areas of risk and potential areas for improvement. This assessment shall be distributed on a yearly basis to all managers/directors by the Compliance Coordinator. The Compliance Coordinator is also responsible for following up with the departments regarding potential risks identified through the assessment and should amend the questionnaire as needed to better reflect pertinent policies and procedures of AS. .
- 2) Each organizational area shall identify any emerging or new potential elements of risk not currently captured in the risk assessment worksheet to be discussed with the Compliance Coordinator so that they may be added to the Risk Assessment Questionnaire.

When completing the Risk Assessment Questionnaire, staff will be alerted to whether a deficiency in any area of review could potentially lead to:

- A situation that can lead to death, injury, or inappropriate treatment of employees, students and guests.
- Physical damage to AS property
- Loss of revenues due to property damage
- Liability claims against AS due to damage to non-AS property, and
- Losses resulting from fraudulent or criminal acts

### 2. Evaluation

After reviewing the Risk Assessment Questionnaire from each department, the Compliance Coordinator will evaluate which areas pose the greatest risk to the organization. In addition to the questionnaire, the Compliance Coordinator will also speak with individual managers/ directors in order to gain a more comprehensive understanding of the department as well as the nature of the potential risk. This poses an opportunity for further communication and joint cooperation between the Administration and the individual department(s) in an attempt to better mitigate risk as well as develop policies and procedures that will work more seamlessly with the functional demands of each affected department. All identified risks that potentially pose a significant risk to AS shall be evaluated by the Compliance Coordinator in cooperation with the ED and the executive team based on the following criteria:

- Severity – the amount of human harm or property loss that can occur

- Frequency of Exposure – how often the event or activity takes place
- Predictability – the ability to anticipate loss associated with specific activities or conditions
- Probability – the actuarial chance of a loss

Identified risks will be researched and summarized by the Compliance Coordinator who is then responsible for disseminating this information in the form of a Risk Assessment Report which is given to the ED, AEDs, and presented to the Board of Directors. This report should summarize the different risks that have been identified through the annual risk assessment as well as potential or suggested courses of action that can be taken by each area to better mitigate the risk(s). The Compliance Coordinator will work in conjunction with the executive administration team to create, implement, and educate departments on new policies and procedures. Although the Compliance Coordinator will be responsible for the ongoing monitoring and testing of these policies, the ED, AEDs, and directors/ managers of each department are ultimately responsible for ensuring that risks are being appropriately mitigated throughout their area.

### **3. Control**

Based on the above criteria and assessment, the ED and the executive team shall determine what method of control provides the most effective means of risk reduction without compromising the mission of AS. The general types suitable control techniques used shall include:

- Avoidance
- Loss Prevention and Reduction
- Risk Transfer

The responsibility and cost enforcing the control measure(s) shall be that of the department that controls or generates the activity presenting the risk exposure, subject to the concurrence of the ED and the BOD. Random testing will be conducted by the Compliance Coordinator to ensure that controls are sufficient.

### **4. Program Monitoring**

The Compliance Coordinator shall continually review and monitor the AS activities to ensure the goals of the risk management programs are achieved. The Compliance Coordinator will also be responsible for preparing an annual Risk Assessment Report summarizing potential risks and strategies to mitigate identified risks and share these findings with the BOD for their approval and concurrence. At this time, an update to the previous years report may be provided. This evaluation process is intended to ensure that the risk management program remains effective and, thus, reduces AS's exposure to foreseeable risks and associated losses.

## **INSURANCE**

AS currently participates in the CSURMA, a collaborative risk management program between the CSU and qualified Auxiliary Organizations. CSURMA is a quasi-public entity that established pooled group insurance and

related risk management functions for the benefit of those who participate in the program. AS is responsible for any liability claim, up to a predetermined deductible, brought against AS and/or its employees, who are acting within the course and scope of their employment.

1. General Liability (GL) coverage is provided for the following:
  - a. Errors and Omissions Liability
  - b. Educators' Legal Liability
  - c. Medical Malpractice
  - d. Employment Practices Liability
  - e. Sudden and Accidental Pollution Legal Liability
  - f. Small Watercraft Liability
  - g. Defense Costs for Covered Occurrences
  - h. Student Professional Liability
  - i. Crime (ID Fraud)
  - j. Fidelity Crime Insurance
2. Workers' Compensation
3. Unemployment Insurance (UI) Non-Industrial Disability Leave (NDI), Industrial Disability Leave (IDL)
4. Property
5. Special Events
6. Foreign Travel Liability
7. Student Travel Accident Insurance
8. Vendors/Contractors Liability

AS may also purchase additional insurance should it be deemed necessary.

## **FORMS**

None.

## **RISK MANAGEMENT POLICY APPROVAL AND REVISION HISTORY**

Risk Management Policy was Reviewed and Approved by the AS Board of Directors on	01/27/2016
Risk Management Policy was Reviewed and Approved by the AS Board of Directors on	06/12/2019