

**Sauk Valley Community College
August 31, 2020**

Action Item 5.7

Topic: *2020-2021 Risk Management Plan*

College Health Metric: **Campus Environment – College facilities and grounds are clean and updated. The campus is safe, secure and welcoming.**

Presented By: **Dr. David Hellmich and Kent Sorenson**

Presentation:

The College's *2020-2021 Risk Management Plan* has been prepared in accordance with the Local Government and Governmental Employees Tort Immunity Act (745 ILCS 10 (the "Act")). Section 9-103 of the Act states a local public entity may protect itself against any property damage or against any liability or loss which may be imposed upon it or one of its employees for a tortious act under Federal or State common or statutory law, or imposed upon it under the Workers' Compensation Act, the Workers' Occupational Diseases Act, or the Unemployment Insurance Act by means including, but not limited to, insurance, individual or joint self-insurance, including all operating and administrative costs and expenses directly associated therewith, claims services and risk management directly attributable to loss prevention and loss reduction, legal services directly attributable to the insurance, self-insurance, or joint self-insurance program, educational, inspectional, and supervisory services directly relating to loss prevention and loss reduction.

Recommendation:

The administration recommends the Board approve the *2020-2021 Risk Management Plan* as presented.

SAUK VALLEY COMMUNITY COLLEGE DISTRICT NO. 506
COUNTIES OF WHITESIDE, LEE, OGLE, BUREAU, CARROLL, and HENRY
STATE OF ILLINOIS

RISK MANAGEMENT PLAN
For the Year Ending June 30, 2021

SAUK VALLEY COMMUNITY COLLEGE DISTRICT NO. 506
RISK MANAGEMENT PLAN
For the Year Ending June 30, 2021

TABLE OF CONTENTS

	<u>PAGE</u>
OBJECTIVE	1
RISK HANDLING TECHNIQUES	2-3
TYPES OF RISKS	4-9
AUTHORITY TO ADMINISTER THE PLAN	10
MEASURING THE EFFECTIVENESS OF THE PLAN	11
SCHEDULES	
SCHEDULE 1, INSURANCE POLICY LISTING	12
SCHEDULE 2, RISK MANAGEMENT CATEGORIES and JOB ASSIGNMENTS	13-15

SAUK VALLEY COMMUNITY COLLEGE DISTRICT NO. 506
RISK MANAGEMENT PLAN
For the Year Ending June 30, 2021

OBJECTIVE

The objective of risk management is to protect an organization's assets and ability to function against the chance of loss or destruction. A risk management plan identifies, analyzes and evaluates risk and selects the best methods of treating it, for example, by a change in policy or the purchase of insurance.

RISK HANDLING TECHNIQUES

Risk handling techniques include avoiding, assuming, transferring, and reducing risk.

AVOID RISK

The College may choose, where appropriate, to refrain from entering into certain situations that have the potential to expose the institution to unnecessary risk. For example, the College may choose not to sponsor an intercollegiate football team because of the risk of personal injury. Or, it may choose not to operate a transportation service between the District's population centers and the campus because of the risk of traffic accidents. It is not always possible to choose when an activity is central to the College's mission, but in some situations risk avoidance is both possible and desirable.

College employees who consider undertaking a potentially risky activity on behalf of the College should review the activity in advance with the President's Cabinet to determine the risk-related advantages and disadvantages of proceeding.

ASSUME RISK

Some risks may be so likely to occur that they are uninsurable, yet they are important for the mission of the College and are small enough not to cause significant financial losses. For example, it is highly likely that some small equipment items will require repairs during any given year, and the cost of repair is minimal. Some other risks may be so unlikely to occur that it doesn't make economic sense to purchase insurance for them. For example, it is highly unlikely that a hurricane will hit the College, or that the College would be damaged by war. These two general types of risk will be retained by the College.

It is important to avoid unintentional acceptance of risk through unknowing exposure. All reasonable measures should be taken to reduce risks in this category. College employees should consider and report significant potential risks to the President's Cabinet before embarking on new activities.

TRANSFER RISK

Certain risks may be transferred contractually to others. For example, an organization that holds a function on campus may be asked to provide a Certificate of Insurance, a construction contractor may be asked to provide a performance bond, or a policy may be purchased from an insurance company. In the case of an insurance policy, the risk is reduced to the certain amount of the policy premium.

SAUK VALLEY COMMUNITY COLLEGE DISTRICT NO. 506
RISK MANAGEMENT PLAN
For the Year Ending June 30, 2021

The College will purchase insurance policies or require Certificates of Insurance from certain entities to control reasonably insurable risks. See Attachment A for a list of policies currently in effect.

REDUCE RISK

Risk can be reduced, eliminated, or at least controlled by carrying out a loss prevention program.

All College employees have a responsibility to act with reasonable care in performing their jobs, and also to watch for and report conditions that might threaten the legal rights or safety of people on campus or that might cause loss to College property. Some employees have job duties that call for a greater degree of involvement with risk management. Those duties are included in the appropriate job descriptions. See Schedule 2 Risk Management Categories and Job Assignments, the employees whose jobs require significant risk management activities, an estimate of the percent of time spent by each such employee on risk management activities, and sample risk management statements from job descriptions.

There are four general risk management duties performed by College staff:

- a. To ensure health and safety rights are extended to all visitors, employees and students (including the protection of identities from cyber threats),
- b. To ensure buildings and grounds are maintained in a safe condition,
- c. To provide supervision and protection of the College's real and personal property, and
- d. To inspect common areas to ensure that debris or other hazards are removed or replaced.

Examples of ways in which health and safety rights are protected might include compliance with environmental and human rights regulations or planning for safe emergency building evacuation procedures. Maintaining buildings and grounds safely might include repairing roadway or sidewalk cracks or providing safe water, air quality and electrical systems. Actions that help protect property might include locking doors, storing hazardous materials safely, maintaining an emergency alert system or providing security monitoring of the facilities. Hazard inspection can be partially accomplished by reporting cleanup or repair needs to the Buildings and Grounds Department or by monitoring the proper use of hazardous chemicals. The College protects employee and student identity information through information technology controls and cyber threat training programs.

TYPES OF RISKS

The types of risks to which the College might be exposed include the following:

PHYSICAL DAMAGES TO OR LOSS OF PROPERTY

Buildings, land improvements, or personal property may be damaged by weather or other natural occurrences, heavy equipment accidents, equipment breakdowns, miscellaneous accidents, or normal wear-and-tear. Property is also subject to criminal damage or theft.

Insurance policies cover the following risks:

- a. The property-inland marine and boiler and machinery policies provide coverage on buildings, personal property, and more, generally at replacement cost.
- b. Crime insurance provides coverage for loss of money.
- c. Liability policies cover general, automobile, law enforcement, legal, malpractice, benefits claims, and foreign liability.
- d. Workers' compensation covers statutory and excess work-related claims.

Preventive maintenance helps eliminate equipment breakdowns and delay routine wear-and-tear. The Buildings and Grounds department employs a preventive maintenance schedule to care for infrastructure and maintenance property, including a water treatment program. Individual departments either arrange for service contracts or assume risk for repair of equipment in their areas.

The Buildings and Grounds department provides training for its employees in safety techniques, proper use of equipment, and other relevant topics to help prevent property losses. Employees who handle hazardous materials are responsible for keeping informed about safety procedures and for exercising due care in their operations.

The Security Department provides extended hours of coverage over campus to help deter crime and protect College property and people from safety hazards.

The College's Resource Officer provides coverage of the campus when needed during the day as well as during special events to help deter crime and protect College property and occupants from safety hazards.

SAUK VALLEY COMMUNITY COLLEGE DISTRICT NO. 506
RISK MANAGEMENT PLAN
For the Year Ending June 30, 2021

Evening administrators are assigned to take charge as the college authority in the event of incidents or emergencies that occur while they are on duty. They also assist Security Staff in observing activities on campus.

LOSS OF INCOME

Income loss may be caused by damage to property, an extraordinary enrollment decline, limitation on taxing authority, an extraordinary reduction in state funding or district property valuations, labor difficulties, aggressive competition, defaults on payment of amounts owed to the College, or some changes in laws.

The property insurance policy provides coverage for extra expenses necessary to continue classes at another location subsequent to an insured loss. It covers continuing expenses and loss of income resulting from inability to have school as a result of loss from perils insured against. It provides business interruption and extra expense if premises are closed due to a covered loss. It provides coverage for some construction costs that result from requirements of building, zoning or land use ordinance or law.

The risk of loss of income due to an extraordinary enrollment decline, reduction in state funding, decrease in property valuations, or labor difficulties is retained by the College. It would be countered either by taking steps to reduce expenses or by absorbing the loss in the Operating fund balance. The Board of Trustees has expressed a preference to maintain at least 30% of operating expenses in that fund balance in case such a situation arises.

The College's District is not subject to the Property Tax Extension Limitation Law (PTELL, commonly known as tax caps). PTELL could apply if all six of the District's counties vote on a tax cap referendum, and if a majority of the district's Equalized Assessed Valuation (EAV) is located in counties that have approved such a referendum. The limitation would be that the property tax levy could increase by no more than 5% or the rate of inflation, whichever is less. For the College, the counties of Bureau, Carroll and Whiteside have voted "no" on PTELL referenda, Lee has voted "yes," and Henry and Ogle have not voted. Lee County contains about one-third of Sauk's EAV.

The College seeks to address income threats from aggressive competition by continuously improving its offerings and operations. Several employees have responsibilities in the community that position them well to keep abreast of area educational needs and competition. The College retains the risk of income lost to competition.

SAUK VALLEY COMMUNITY COLLEGE DISTRICT NO. 506
RISK MANAGEMENT PLAN
For the Year Ending June 30, 2021

Extraordinary defaults on receivables due to the College are covered by property insurance. Routine defaults are minimized operationally through use of a collection agency and withholding of future College services (e.g., release of transcripts) from defaulters. The College retains the risk of routine defaults.

LIABILITY TO OTHERS DUE TO NEGLIGENT ACTS

Negligent acts that might result in liability include: violation of laws (Americans with Disabilities Act (ADA), Affirmative Action/Equal Employment Opportunity (AAEEO), sexual harassment, discrimination against protected groups in admissions, employment, grading or other operations, Red Flag, Gramm-Leach Bliley Act (GLBA), Family Educational Rights and Privacy Act (FERPA), Health Insurance Portability and Accountability Act (HIPAA), Occupational Safety and Health Administration (OSHA) rules, Freedom of Information Act (FOIA), etc.), inappropriate use or maintenance of facilities or equipment, insufficient safety training, and employing poorly qualified or supervised employees who commit acts that do harm to others.

Insurance policies cover the following negligent act risks:

- a. Liability insurance covers obligations due to general liability, automobile liability, law enforcement liability, liquor liability, sexual abuse or molestation, and terrorism.
- b. School Board legal liability insurance covers alleged wrongful acts related to employment.
- c. Student nurse professional liability insurance provides malpractice liability coverage for the College, nursing students and faculty members.
- d. Workers compensation insurance provides statutory and excess coverage on employees injured within the scope of their employment.
- e. Board & Professional accident insurance covers Trustees and professional employees while traveling on College business.
- f. Student accident insurance covers internship students while away from campus or home for accidental injury.
- g. Sports accident insurance covers athletic teams and coaches while traveling and engaging in athletics.
- h. Cadaver bond insurance covers proper disposition of cadavers in accordance with state law.

The risks of loss for incidents covered by liability insurance policies but with a cost less than the policies' deductibles and for incidents not covered by insurance is retained by the College. Such losses may be paid from the College's Insurance Reserve Fund.

Maintenance and security staff, along with evening administrators and other College employees, observe and report facility and equipment problems that could potentially cause harm. The maintenance department places a high priority on correcting such deficiencies. Maintenance and

SAUK VALLEY COMMUNITY COLLEGE DISTRICT NO. 506
RISK MANAGEMENT PLAN
For the Year Ending June 30, 2021

security staff receive regular safety/OSHA trainings. Maintenance staff work on a program of preventive maintenance as part of their daily assignments. Staff who handle hazardous materials receive relevant information sheets and have appropriate training.

Managers responsible for hiring work with the Director of Human Resources and Affirmative Action officer to ensure that proper procedures are followed in the hiring process. A Guide for Employment Searches explains proper procedures that must be followed in hiring employees who are appropriately qualified for their positions. Background checks are done on all employees and volunteers at the College in order to keep staff and students safe from harm. Certain positions at the college that operate machinery or drive students are required to have drug screenings. Due to blood borne pathogen requirements employees can elect to have the Hep B immunization.

Complaints regarding Affirmative Action or sexual harassment are heard by College committees that attempt to reach resolution without resorting to the legal system, in accordance with College policy. A Student Needs Coordinator works with faculty and the ADA officer to reach resolution for disability accommodation requests by students. The Student Needs Coordinator receives adequate training and participates in relevant groups to ensure he/she maintains the appropriate level of knowledge to perform her duties. The College also procures the necessary technology needs to ensure Student Needs Coordinator can effectively perform his/her function. The Director of Human Resources works with employee requests for accommodation. Counselors, Academic Advisors and other employees on campus are required to renew and have certain credentials due to Title IX requirements. Certain employees attend required training for Title IX, Affirmative Action, Clery Compliance training and Drug Free Campus.

The College has placed emergency procedure guidelines and telephones in all classrooms to improve communications and quick response to emergency procedures. Four Evacutrac stairway evacuation devices are in place to assist wheelchair-bound individuals who need to exit the building without using an elevator. Security staff have access to first aid kits and megaphones to use in emergencies. Automated electronic defibrillators (AEDs) are located in the hallways on each floor, and Security and Fitness Center, and other staff have been trained in their use.

The College requires certain entities to provide a Certificate of Insurance, sometimes with the College named as an additional insured. Such entities may include:

1. Outside organizations that conduct their own training on campus;
2. Outside organizations that hold major events on campus;
3. Other organizations when the situation is deemed appropriate by the Vice President Business Services.

Athletic Trainers are required to be on site during sporting events on campus to be able to respond to any emergencies.

The College's Resource Officer creates and implements "active shooter" policies, participates in the development of and evaluate current safety plans, provides training to staff and students related to school safety and investigates all threats and/or acts of school violence and takes necessary enforcement actions.

The Director of Facilities and the Dean of Information and Security coordinate required inspections of the College's emergency management equipment and services. Core switch maintenance includes the need for a 4 hour response for emergency situation. E2Campus, our student and staff alert system, is used to notify students and staff of emergency situations.

The College has established an Information Security Policy which will ensure compliance with GLBA, FERPA, HIPAA and Red Flag regulations.

LOSSES THROUGH FRAUD OR CRIMINAL ACTS

The College could experience loss of assets through fraud or criminal acts committed by employees or others.

Insurance policies cover the following risks:

- a. Property insurance provides coverage on buildings and personal property in accordance with the statement of values.
- b. The crime policy provides coverage for loss of money both on and away from premises.
- c. School Board legal liability insurance covers alleged wrongful acts on the part of Trustees and employees of the College.
- d. A fidelity bond covers dishonesty of all employees on a blanket basis.
- e. A school treasurer bond provides bond coverage for the school treasurer in amounts required by law.

The College's School Resource Officer, Security and maintenance staff and evening administrators watch for criminal acts as part of their duties while touring the facility. Building doors are locked when there is no activity on campus. Security maintains communications with local police.

SAUK VALLEY COMMUNITY COLLEGE DISTRICT NO. 506
RISK MANAGEMENT PLAN
For the Year Ending June 30, 2021

Computers and software are protected by password and firewall from access by unauthorized users. The College's Information Services Department ensures the College's information technology environment is secure and preventative measures are appropriate given the current environment. Additionally, the College's Information Services Department also maintains a training plan and oversees an internal phishing campaign to ensure employees are aware of the risks posed by external cyber threats.

Cash is protected through access control and internal accounting controls.

SAUK VALLEY COMMUNITY COLLEGE DISTRICT NO. 506
RISK MANAGEMENT PLAN
For the Year Ending June 30, 2021

AUTHORITY TO ADMINISTER THE PLAN

The authority to administer the risk management plan is assigned to the Vice President of Business Services. Many tasks associated with the plan are delegated to other College employees. See Schedule 2 Risk Management Categories and Job Assignments the employees whose jobs require significant risk management activities, an estimate of the percent of time spent by each such employee on risk management activities.

SAUK VALLEY COMMUNITY COLLEGE DISTRICT NO. 506
RISK MANAGEMENT PLAN
For the Year Ending June 30, 2021

MEASURING THE EFFECTIVENESS OF THE PLAN

The effectiveness of the risk management plan is assessed through several vehicles:

1. Annual review of insurance policies and loss experience with the insurance consortium and broker (by Vice President of Business Services).
2. Annual review of risk management-related expenditures in the budget (by Vice President of Business Services, Director of Facilities, Dean of Information & Security and Affirmative Action Officer).
3. Review of security incidents and worker's compensation claims (by Director of Facilities, Dean of Information & Security, Security Lead, Vice President of Business & Facilities, and Emergency Preparedness Committee).
4. Program review of Security department, conducted every five years (Dean of Information & Security and Security Lead).
5. Annual Campus Security Report (by Dean of Information & Security, and Security Lead).
6. Annual Affirmative Action Plan (by Affirmative Action Officer).
7. Periodic safety inspections by fire marshal (with Director of Facilities).
8. Annual review of attorney's assurance letter issued to financial statement auditors (by Vice President of Business Services).
9. Monthly review of attorney's bill (by President).

SAUK VALLEY COMMUNITY COLLEGE DISTRICT NO. 506
RISK MANAGEMENT PLAN
For the Year Ending June 30, 2021

SCHEDULE 1 INSURANCE POLICY LISTING

	Coverage	Retention	
		ICCRMC	SVCC
Illinois Community College Risk Management Management Consortium (ICCRMC)			
Liability*	20,000,000	500,000	
Property	500,000,000	200,000	5,000
Equipment and Boiler	100,000,000	100,000	5,000
Crime			
Funds transfer	1,025,000	25,000	10,000
Non-funds transfer	1,100,000	100,000	10,000
Workers' Compensation	Statutory	650,000	
Foreign Travel	2,000,000		
Identify Protection	1,000,000	25,000	10,000
Volunteer Accident	50,000		
Sports Accident	25,000		
Catestrophic	500,000		
Student Accident	525,000	25,000	
Crisis Response		250,000	50,000
School Treasurer's Bond	4,750,000		
Cadaver Bond	1,000		
Notary Bond	10,000		

* Includes: General liability, medical malpractice, law enforcement liability, campus security, employee benefits, student practices, auto liability, and Board/educators legal liability

SAUK VALLEY COMMUNITY COLLEGE DISTRICT NO. 506
RISK MANAGEMENT PLAN
For the Year Ending June 30, 2021

SCHEDULE 2 RISK MANAGEMENT CATEGORIES and JOB ASSIGNMENTS

RISK MANAGEMENT CATEGORIES

Category	Description
I	Ensure the health, welfare, safety and evacuation of all visitors, employees and students during adverse and/or emergency conditions at the College. Primary point of contact during administrator operations for the college; category requires communicating observations to Security, the appropriate supervisor, or the President's office. (Administrators)
II	Members of Emergency Preparedness committee who meet regularly to determine procedures for dealing with emergencies.
III	Personnel in this category have risk management activities as an integral part of their job duties.

JOB ASSIGNMENTS

Title	Categories			
	I	II	III	Total
President	3%			
Coordination of risk management activities with strategic initiatives an direction of the College			9%	
Liaison between College attorney and Board of Trustees			1%	
				13%
Vice President of Academics and Student Services	3%	2%		
Supervision of risks management activities related to Title IX and athletic programs			2%	
				7%
Vice President of Business Services	3%	2%		
Risk Management Plan implementation and monitoring			4%	
ICCRMC Liaison			2%	
Supervision and processing of insurance claims			4%	
				15%

SAUK VALLEY COMMUNITY COLLEGE DISTRICT NO. 506
RISK MANAGEMENT PLAN
For the Year Ending June 30, 2021

Title	Categories			
	I	II	III	Total
Director of Information & Security	3%	2%		
Supervision of College security staff and consultants			18%	
Emergency preparedness policymaking			15%	
Information Security education and policymaking			10%	
Liaison with local public safety agencies			5%	
Risk Management Plan implementation and monitoring			4%	
Administer College's annual compliance trainings			3%	
				60%
Director of Human Resources	3%			
Supervision over hiring policy and practices			7%	
Supervision over the College's training and awareness for employee accommodations, affirmative action, and sexual harassment			8%	
				18%
Director of Facilities	3%	2%		
Supervision over the College's maintenance program and safety of College personnel and general public on College property			10%	
Supervision over precautions to ensure College property is safe for College personnel and general public while on College property			10%	
				25%
Athletic Director	3%			
Supervision over the College's athletic programs risk management and athlete safety awareness and initiatives			15%	
				18%

SAUK VALLEY COMMUNITY COLLEGE DISTRICT NO. 506
RISK MANAGEMENT PLAN
For the Year Ending June 30, 2021

Title Descriptions	Categories			
	I	II	III	Total
Disability Support Coordinator				
Supervisor disability support staff through ADA policy and procedures			20%	
Provide ADA awareness and trainings to College personnel			10%	
Participate in continuing education for ADA rules/regulations			10%	
Supervise maintenance and implementation of College ADA policies and procedures			10%	
				50%
Dean of Student Services	3%	2%		
Supervision of risks management activities related to Title IX and athletic programs			2%	
				7%
Director of Research and Planning	3%	2%		5%
Dean of Health Professions	3%			3%
Director of Enrollment Services	3%			3%
Dean of General Education and Transfer Programs	3%			3%
Director of Financial Assistance	3%			3%
Dean of Institutional Advancement	3%			3%
Dean of Business & CTE	3%			3%
Additional Emergency Preparedness Committee Members				
Eric Forman		2%		2%
Dallas Knack		2%		2%
Dave Habben		2%		2%
Security Staff				
Will Canales			80%	80%
Allison Thayer			80%	80%
Kylie Piper			80%	80%
Title IX Stipends				
Dan McCollum			100%	100%
Pam Medema			100%	100%