

The California State University
Office of the Chancellor
401 Golden Shore
Long Beach, California 90802

(562) 951-4000

Date: October 27, 1999

To: CSU Presidents

From: Charles Reed
Chancellor



Subject: California State University Risk Management Policy-Executive Order 715

The attached Executive Order No. 715 delegates authority and responsibility to the campus president to implement campus risk management policies consistent with the California State University Risk Management Policy guidelines. This executive order modifies existing policy, promulgated in Executive Order No. 533, in response to recommendation 5 of the Systemwide Occupational Health and Safety Audit (97-11) and recommendations from the Systemwide Risk Management Audit (98-25)

In accordance with the policy of The California State University, the campus president has the responsibility for implementing Executive Orders where applicable and for maintaining the campus repository and index for all Executive Orders.

Should you have any questions please contact Mr. Bradley Wells, Assistant Vice Chancellor, Financial Services.

CBR:gs

Distribution: Vice Presidents, Administration
Chancellor's Office Staff

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Executive Order No.: 715
Title: California State University Risk Management Policy
Effective Date: October 27, 1999
Supercedes: Executive Order No. 533

This Executive Order is issued pursuant to authority of Sections 1 and 2 of Chapter III of the Standing Orders of the Board of Trustees of the California State University. Through adoption of the following statement of policy, The California State University recognizes risk management as an integral function throughout The California State University system

Risk Management includes policies and practices designed to minimize the adverse effects of losses experienced by The California State University. These losses arise from injury to persons or damage to property and include the legal liability imposed upon the CSU when the injury or damage has been caused, in whole or in part, by the CSU or its officers or employees.

The California State University and its officers and employees are responsible for conducting CSU programs and activities in a manner that does not impose an unreasonable risk of loss or injury.

Systemwide Office of Risk Management

The Chancellor has designated an Office of Risk Management that has the responsibility for developing risk management programs, resource documents and training programs. The Director, Systemwide Risk Management shall provide guidance on the application of risk management techniques and procedures appropriate to the CSU. The Director, Systemwide Risk Management will provide an annual report of activities, trends and risk management training, including methods to prioritize risks and evaluate costs of managing risks.

Campus Risk Management Policies

Each president shall develop campus risk management policies and procedures that include an ongoing process by which appropriate administrators identify risks, perform analyses of the frequency and severity of the potential risks, select the best risk management techniques to manage the risk without unduly curtailing or modifying activities necessary to the CSU mission, implement appropriate risk management techniques and staffing standards, and monitor, evaluate and document the results.

The campus risk management policy shall include methods to prioritize risks and evaluate costs which would be incurred to provide restoration for damages sustained as well as the evaluation of funding options to ensure availability of funds. The method used should be documented as part of the risk management policy and procedures.

Campus Risk Manager/Risk Management Coordinator

Each president shall designate a Risk Manager/Risk Management Coordinator to assist campus administrators in maintaining campus risk management policies and practices. The coordinators shall develop expertise in risk management analysis and the application of risk management techniques.

Decision-making administrative personnel at the campuses should also be involved in maintaining the risk management policy at the campus. Administrative personnel should be responsible for providing advice, information and coordination leading to the full performance of risk management functions by all those having program responsibilities.

Evaluation

The campus policy should include an evaluation process that includes the collection of relevant data and an annual risk management report to the campus president.

Risk Control

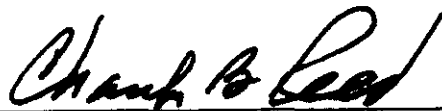
The campus risk management policy should include methods of controlling risks. The liability exposure the campus and the CSU faces for those activities which are linked to the mission of the CSU can be minimized by: transferring risk through third party waivers, hold harmless agreements, or through vendor contracting; transferring risk through personal liability, health, travel and life insurance; and preventing/controlling risk through training and supervision.

Risk Management Guidelines

Included with this Executive Order are guidelines developed by the systemwide office in consultation with campus risk managers/coordinators. These guidelines are provided to assist campuses in developing campus specific policies. The attached guidelines cover *Health and Safety for On and Off-Campus Activities (Attachment A)* and *Electrical Safety Guidelines (Attachment B)*. Campus policy implementing these guidelines should include a provision for documenting compliance and should address at a minimum those topics included in the guidelines.

Accountability

The campus policy and procedures should be reviewed annually. Periodic audits for compliance with the systemwide guidelines will be conducted. The Office of the University Auditor has provided Audit Expectations for a Model Risk Management Policy. A copy is enclosed for your consideration (Exhibit C).



Charles B. Reed, Chancellor

Dated: October 27, 1999

RISK MANAGEMENT GUIDELINES ON CAMPUS ACTIVITIES

Emergency Information:

- Identify location and use of fire pulls.
- Review both location and content of evacuation maps including meeting area for your department. Instruct students to identify at least two exits from their location in class.
- Review emergency procedures in case of fire, medical emergency, hazardous materials release, and earthquake.
- Invite any students with special needs to contact you about specific requirements in case of an emergency and make appropriate arrangements.
- Identify location of nearest phone to use in case of emergency and have change available to use public phones.
- Review campus procedures regarding the use of human subjects.

If hazardous materials or processes are present:

- Identify all materials that may be potentially hazardous.
- Review each Material Safety Data Sheet (MSDS).
- Identify any necessary personal protective equipment (PPE) required for the class.
- Review use and maintenance of PPE.
- Identify any hazardous waste generated. Review campus handling and disposal procedures.
- Identify potential hazards of equipment or processes used in department/classroom.
- Review hazardous material release procedures.
- Review safe work practices.

**RISK MANAGEMENT GUIDELINES
OFF-CAMPUS ACTIVITIES--FIELD TRIPS (LOCAL AND OUT OF STATE)**

- Select the area where the class is to be held. The faculty or instructor should visit the general area prior to the field study course or demonstrate sufficient knowledge of the area.
- Prepare a detailed day-to-day instructional agenda including health and safety instructions for all participants.
- Plan and include in the itinerary all destinations and alternates if an emergency prevents entry into the original destination. Send a copy of the itinerary to campus Public Safety.
- Plan for and accommodate students with special needs.
- Provide training for any equipment to be used on the trip.
- Review permissible conduct rules. Be sure to include the CSU policy regarding alcohol and chemical substances (i.e. No alcoholic beverages or chemical substances, except personal prescription medication, shall be transported in any state/university vehicle or personal private vehicle used in support of a university-sponsored activity).
- Review emergency preparedness processes and the crisis response plan. Distribute a handout for students with emergency phone numbers and contacts.
- Communicate codes of conduct for staff and students, addressing such issues as fraternizing, consuming alcohol, controlling activities, and conduct during "free time". Advise participants of the consequences of non-compliance and take appropriate action when aware that participants are in violation.
- For foreign study, please refer to the guidelines for International Programs.

**RISK MANAGEMENT GUIDELINES
OFF-CAMPUS ACTIVITIES--INTERNATIONAL TRAVEL**

- Every trip should require attendance at one orientation meeting (minimum) where the following information should be covered:
- Arrangements for any out-of-country visas, immunizations, etc.
- Discuss travel and packing tips, medical and health concerns, modes of transportation, hours of departure and return.
- Review background information pertaining to upcoming cultural differences that a student may experience while visiting foreign countries.
- Obtain waivers and health forms. Participants should file a waiver for medical treatment and a health questionnaire explaining any special medical problems or needs to the trip leader.
- Remind participants to carry sufficient personal medication supplies and physician documentation for medication to last the length of travel or to replace medication lost during the trip.
- Review emergency preparedness processes and the crisis response plan.
- Provide current health and safety information to participants (i.e. prophylactic precautions, viral infections carried by insects and how to protect themselves against known infectious disease breakouts – check with the World Health Organization). Provide information about emergency medical assistance, emergency evacuation, and repatriation procedures. Review options for medical insurance coverage for foreign travel.
- Identify health and safety products or services that may not be available at overseas locations.
- Conduct orientation briefings once the destination is reached which include information on health and safety, legal, environmental, political, cultural and religious conditions in the host country.
- Communicate codes of conduct for staff and students, addressing such issues as fraternizing, consuming alcohol, controlling activities, and conduct during “free time”. Advise participants of the consequences of non-compliance and take appropriate action when aware that participants are in violation.
- Review International Programs Policies and Procedures.

RISK MANAGEMENT GUIDELINES ELECTRICAL SAFETY

Accidents involving electricity pose a high risk of serious injury. Following the guidelines below will assist campus staff and students to safely use common electrical equipment.

- Do not use 2-prong ungrounded electrical devices.
- All department purchased electrical equipment must be 3-prong grounded with very limited exceptions (these should be approved through the campus Environmental Health and Safety Office).
- Do not use extension cords or power taps ("Waber Strips") as a substitute for permanent wiring.
- Extension cords and temporary power taps may be used for experimental purposes for no longer than six months or for portable tools or appliances that must be moved frequently. UL listed surge-protected power strips used with data processing equipment and voltage regulators; timers and similar controllers are exceptions. All other electrical equipment must be plugged into a permanent receptacle.*
- Do not use equipment having worn or damaged electrical cords, plugs, switches, receptacles, or cracked casings.
- Do not attempt repairs unless you are a qualified electrical technician assigned to perform electrical work by your supervisor.
- Do not use 2-pole to 3-pole adapters, cube taps, 2-prong (ungrounded) extension cords, or similar grounding bypass devices.
- All electrical devices fabricated for experimental purposes must meet state and campus construction and grounding requirements. Extension cords and other purchased equipment must be UL listed.
- For additional information on electrical safety regulations, contact your campus Environmental Health & Safety Department.

AUDIT EXPECTATIONS FOR A MODEL RISK MANAGEMENT POLICY

A document in writing signed by the campus president with campuswide applicability and distribution that:

Is labeled with a title that says it is the campus risk management policy;

Requires a on-going process for risk management and describes how it will work;

Designates the appropriate administrator(s) and their respective responsibilities;

As a minimum, meets the prescribed elements of the executive order and elaborates on any unique campus requirements;

Identifies subordinate campus detail on what will be done;

Establishes a basis for procedures to effect the policy;

Is subject to whatever protocol that campus normally follows for policy development and publication; and

Makes provision for keeping the policy up-to-date.

WHAT WILL BE DONE

Examples of the specificity that might appear in each of the five prescribed EO elements is as follows:

- Identify risks
 - Define campus-relevant criteria for significant risks
 - Require itemization of significant risks including unique campus risks that are different than those at other levels, i.e., national educational institutions or CSU systemwide program priorities
- Evaluate their seriousness
 - Probability analysis of risk occurrence
 - Quantitative analysis of each risk exposure
 - Rank risks in priority order of their potential impact
- Select best risk management technique
 - Identify range of alternatives for each specified liability/risk
 - Cost/benefit analysis of what would work best, e.g., transfer of risk by contract
- Implement appropriate risk management technique
 - Specify roles and responsibilities
 - Establish goals and implementation methodology
 - Provide specific measures for accountability such as under what circumstances the campus will do business with an entity unable to obtain insurance with an insurer rated at least A:VII by AM Best
- Monitor and evaluate results
 - Measure against specific goals – qualitative and quantitative measurements
 - Stipulate report intervals and frequency, e.g., annual cabinet-level reporting