

To: Campus Presidents
Campus Risk Managers



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Date: March 01, 2012

Subject: Technical Letter re: California State University Campus Risk Management Policy

Code: RM 2011-05

Overview: Executive Order 1069 provides the Assistant Vice Chancellor, Risk Management and Public Safety the authority for the development and implementation of systemwide risk identification, policies, hold harmless provisions and insurance requirement guidelines.

Audience: Campus Presidents and Risk Managers

Action Item: Pursuant to EO 1069, this letter addresses risk management policy.

Summary: This letter defines risk management policy requirements by the California State University.

I. Campus Risk Management Policies

The President is delegated responsibility for implementing and maintaining campus risk management policies and procedures. This includes an ongoing process by which 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 and consistent with the CSU mission, implement appropriate risk management techniques and staffing standards, and monitor, evaluate and document results.

The campus risk management policy shall consider all risks and 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.

There shall be a practice of regularly reviewing, updating as warranted and documenting a review of the risk management, emergency management, business continuity, occupational health & safety and public safety (police services) and related policies, procedures and

assessments. This review shall document the date of review, include a statement from the reviewer that the policy was reviewed and conforms to campus and systemwide policy and procedures. The statement must be signed by the reviewer.

Further, each campus must develop and maintain risk management policy that includes ongoing risk assessments for: on campus activities; off campus activities; travel abroad; electrical safety, cyber risk and field trips. Policies must adhere to applicable executive orders, technical letters and/or coded memoranda.

A. 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, contracts (indemnity, hold-harmless, insurance and risk management applicable clauses) 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.

B. Evaluation

The campus policy shall include an evaluation process that includes the collection of relevant data and an annual risk management report to the campus president with a copy to the Assistant Vice Chancellor for Risk Management and Public Safety. The annual report can be done on a calendar or fiscal year basis.

C. Risk Control

The campus risk management policy shall include methods of controlling risks that can impact the mission of the CSU. The risk 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, through vendor contracting; transferring risk through personal liability, health, travel and life insurance; preventing/controlling risk through training and supervision; and by analyzing the risk in a manner that considers the whole campus organization and not only its individual components.