OREGON UNIVERSITY SYSTEM

SECTION: Finance & Administration
TITLE: Risk Management Program Policy
NUMBER: XXX.XXX
EFFECTIVE DATE: February 15, 2013

POLICY/PURPOSE
The State Board of Higher Education Finance & Administration Committee (Committee) hereby establishes the Oregon University System (OUS) Risk Management Program to protect the life safety, reputation, financial, operations, and property risks associated with the System’s broad scope of enterprise activities. The OUS Office of Risk Management (ORM) shall conduct this program in a transparent manner using best practices and industry standards for risk financing including risk retention and transfer, and risk controls while supporting an enhanced culture of risk mitigation within the system.

AUTHORITY
The ORM program is comprised of the following distinct functions including the Risk Oversight Committee, the Risk Council, and the Office of Risk Management.

The Risk Oversight Committee (ROC) has responsibility for overseeing the strategic direction of the program and is chaired by the OUS vice chancellor for finance and administration, a non-voting ex-officio member. The ROC is comprised of representatives from each campus who are decision-makers for setting or approving the strategy and goals of the program including levels of self-insured retention, commercial insurance versus self-insured hazards, incentive program strategy, risk control strategies, and sustainability levels of the Risk Fund and major financial decisions including allocation methodologies and dollars to support the Risk Fund.

The Risk Council is comprised of representatives who execute the program strategy at each campus. This strategy may include the implementation and management of incentive programs, crisis management and safety programs, providing insurance renewal data, identifying potential risks, reporting claims, supporting claims investigations, and supporting enterprise loss prevention programs and compliance as needed. This group is chaired by the Chief Risk Officer (CRO) and helps establish policies and procedures for transactional elements of the program and provides the annual report to the ROC and others as needed.

The CRO manages the Office of Risk Management (ORM), and reports administratively and functionally to the OUS vice chancellor for finance and administration. The ORM manages the operations of the program on behalf of the System, including executing the insurance renewal strategy, managing broker and consultant activity, discharging the financial obligations surrounding payments for the program including premiums and claims transactions, and administering the data and records supporting the program.
The ROC authorizes the vice chancellor for finance & administration and the CRO or designee with signature authority for management of the ORM program. The ORM program consists primarily of the purchase of property, casualty, workers’ compensation, and allied health insurance including student health insurance, settlement of claims, management of incentive programs, training and education programs, and other program needs as required. The Committee also authorizes the vice chancellor for finance and administration with signature authority for management of the ORM program.

**RISK FINANCE**
The financing for this program is provided through the establishment of a Risk Fund consisting of three sub-funds for Casualty, Property, and Workers’ Compensation. The ROC has oversight for this fund and the fund transactions are managed through the OUS Office of Business Services. This Fund is established and described in OUS Risk Fund Policy.

**RISK CONTROL**
The OUS Risk Control function includes those efforts that minimize risk that may impact the enterprise system. This may include, but is not limited to, education and training programs, incentive programs as approved by the ROC, integrated crisis management and business continuity programs, integrated environmental health & safety programs, study abroad and international programs, risk identification tracking and reporting, claims reporting, claims investigation, claims settlements, data analysis, and risk assessments for contracts, leases, or other operations and other programs and reviews as requested or needed.

University management shall report and identify claims to the ORM in a timely manner, defined as soon as practicable. University management shall report to the ORM any time a claim or demand is made for property, monetary value, or right against a campus or the System consistent with guidelines from System insurance policies. OUS Risk Management has a responsibility to train campus management authorities.

University management and Chancellor’s Office staff shall forward all tort claim notices to the CRO immediately upon receipt. OUS Claims handling procedures are established through an internal policy approved by the Risk Council.

The Committee hereby authorizes the CRO or designee to manage risk control programs for the System in an integrated manner. This includes full and complete access to records, documents, physical properties, or personnel records relevant to claims investigations as necessary, including all electronic or cyber documents. **All investigative records and materials related to losses or potential claims will be treated as confidential work product developed in anticipation of potential litigation.** Privacy and security of records will be managed in compliance with Oregon public records law.

**DOCUMENT HISTORY**
- Oregon State Board of Higher Education Committee on Finance & Administration on February 15, 2013