

## BOARD POLICY UPDATES, FIRST READ

MAY 16, 2018

### **REVISE: 625 SAFETY AND RISK MANAGEMENT**

Oregon Coast Community College is committed to providing a safe and healthy work and educational environment for our employees, students and visitors by:

- ~~1. Protecting the assets and other financial resources of the college against the adverse impact of catastrophic loss and to preserve the assets and service capabilities of the college from unplanned depletion or destruction.~~
2. Maintaining a high standard of service and accountability through the development and implementation of programs that improve the health, safety, and well-being of our work force, students and the public ~~and minimizing the potential for losses and risk exposure through sound risk management practices in all college facilities and activities.~~
3. Ensuring the college administration takes an active role in identifying and evaluating the risks at the college.
4. Holding safety in all operations and activities to be of primary importance.
5. Complying with laws and regulations from governments and their agencies, such as ADA, OSHA, DEQ and the State Fire Marshall.

~~Therefore the President shall establish a comprehensive risk management program to achieve the objectives above. The Chief of Finance and Operations is responsible to review current programs and provide recommendations to prevent and minimize losses. The Chief of Finance and Operations is also charged to determine how much risk the college will assume and how much to transfer to external insurance pools.~~

### **NEW: ASSET PROTECTION (RISK MANAGEMENT)**

The President shall assure that assets are protected, adequately maintained, and not placed at risk. Oregon Coast Community College will maintain a portfolio of insurance coverage sufficient to manage its property and liability risks, provide for the health and well-being of employees, protect the College and its employees while performing assigned duties, and protect students while participating in college sponsored activities.

Accordingly, the President shall designate responsibility for managing these functions.:

1. Insure against theft and casualty losses and against liability losses to Board members, staff, and the organization itself, in an amount similar to the average for comparable organizations.
2. Determine how much risk the College will assume, and how much to transfer to external insurance pools.
3. Prevent uninsured personnel from access to material amounts of funds.
4. Assure that plant and equipment are not subjected to improper wear and tear or insufficient maintenance.
5. Assure that the organization, its Board, or staff, are not unnecessarily exposed to claims of liability.
6. Assure that every purchase:
  - a. includes normally prudent protection against conflict of interest; and
  - b. of over \$100,000 for goods and services contracts, or \$150,000 for public improvements contracts includes a stringent method of assuring the balance of longterm quality and cost.

7. Protect intellectual property, information, and files from loss or significant damage.
8. Receive, process, or disburse funds under sufficient controls to meet the Board-appointed auditor's standards.
9. Invest or hold operating capital in excess of daily requirements in accordance with ORS 294.035. 21 |
10. Not endanger the organization's public image or credibility, particularly in ways that would hinder the accomplishment of its mission.

Legal Reference: ORS 30.260 – 30.265 ORS 30.285-287 ORS 243 Employee Benefit Insurance

### **NEW: FINANCIAL CONDITION (RESERVE)**

With respect to the actual, on-going financial condition and activities, the President shall avoid fiscal jeopardy and assure that actual expenditures reflect Board priorities as established in budgets and policies.

Accordingly, the President shall:

1. Not expend more funds than have been received in the fiscal year to date, except as approved by the Board.
2. Not use any long-term reserves that are not budgeted and appropriated for expenditure.
3. Require an operating reserve based on 15% of the College operating budgeted revenues, with a minimum reserve of \$XXXX
4. Settle payroll and debts in a timely manner.
5. Assure that tax payments or other government-ordered payments or filings be on time and accurately filed.
6. Make no purchases:
  - a) Of over \$10,000 without having obtained at least three competitive quotes, if available.
  - b) Of over \$100,000 without receipt of three sealed bids, if available, and subject to Board approval.
7. Acquire, encumber, or dispose of real property only with Board approval, except in extreme emergencies.
8. Pursue receivables aggressively after a reasonable grace period.
9. Comply with budget and financial policies established by the Board and College. .
10. Provide the following annual certifications, by the President and by the Chief of Finance and Operations, to the Board upon receipt of the audited financial statements:
  - a. He/she has reviewed the annual audit report;
  - b. Based on his/her knowledge, the report does not contain any untrue statement of a material fact or omission of a material fact that makes the financial statements misleading;
  - c. Based on his/her knowledge, the financial statements present in all material respects the financial condition and results of operations.
11. Establish and maintain an adequate internal control structure and procedures for financial operations and reporting.

Legal Reference: Pending