

Peralta Community College District Risk Management Strategic Plan

Board of Trustees
June 23, 2009



Update and Approval

Board approval of framework for long-term risk management objectives

Strategic Planning Drivers

- Directive from Chancellor and General Counsel
- Support Mission Statement
- Align with Risk Management Unit Review

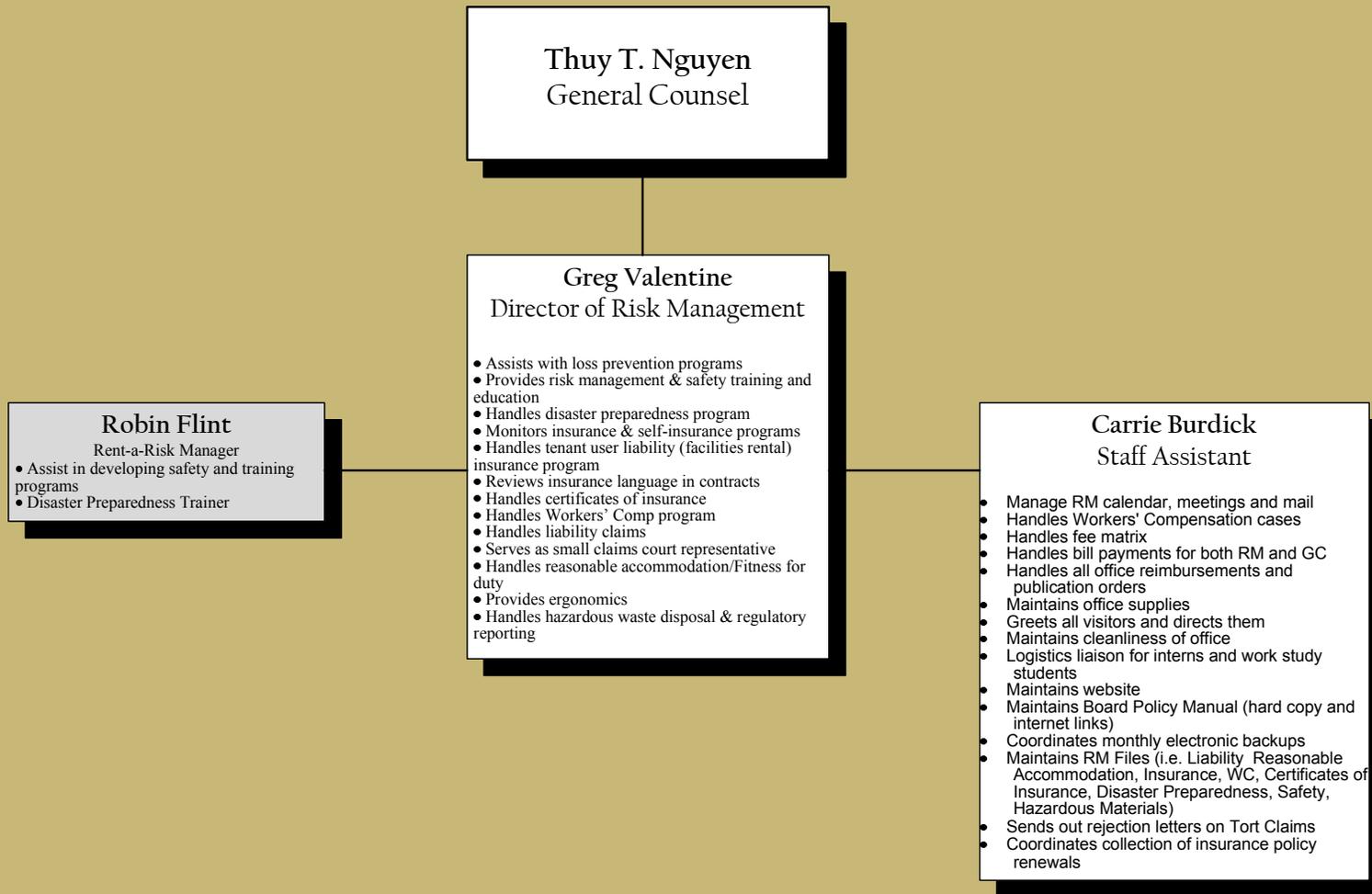
Risk Management

Major Business Processes:

- Insurance Program Management
- Risk analyses
- Risk mitigation and loss control
- Claim management
- Health and Safety Program Management
- Emergency and Disaster Preparedness

Risk Management Organization Chart

June 2009



En(vision)ing Peralta's Future



Capability Maturity Model:

- Level 1- Ad Hoc (Chaotic)-
Processes are in a state of dynamic change with little or no documentation
- Level 2- Repeatable -
Processes are repeatable with consistent results
- Level 3 - Defined -
Processes are defined and standardized
- Level 4 - Managed -
Processes are measured and monitored with appropriate metrics that allow process manipulation while maintaining quality and acceptable error rates
- Level 5 - Optimizing -
Processes are subject to continual process improvement

Risk Management - Five Year Plan

Major Business Processes:

- Insurance Program Management - **Level 3** to **Level 4**
 - Exposures are quantified and qualified
 - Improve insurance terms, conditions and pricing
 - Optimize claim management
 - Reduce ultimate outstanding liabilities
 - Enhance claim handling, reporting and training
- Action Items
 - Benchmark current program - FY2009-10
 - Optimize program placement - FY2010-11

Risk Management

Major Business Processes:

- Risk Analyses - **Level 1** to **Level 3**
 - Establish systematic risk assessments
- Action Items -FY2009-11
 - Bi-annual comprehensive Loss Control and Safety Audit - FY2009, FY2011
 - Annual Business Impact Analysis - FY2010
 - Establish Safety Inspections - FY2009-10
 - Safety Officers
 - Building Monitors
 - Project Managers

Risk Management

Major Business Processes:

- Risk Mitigation and Loss Control - **Level 1** to **Level 3**
 - Institute proactive Health and Safety processes
 - Support the maturation of the Construction Protocol process into a **Level 3** Capability
- Action Items - FY2009 - FY2012
 - Track/Report Construction Protocol metrics FY2009
 - Establish Wellness Program - FY2009
 - Initiate Safety/Risk Management Loss Control Awareness Campaign - FY2010
 - Publish annual risk management report - FY2011
 - Root cause analysis

Risk Management

Major Business Processes:

- Claim Management - **Level 3 to Level 4**
 - Review and enhance structures for investigation, file management, nurse case management, Return-to-Work, Utilization Review (UR), lien negotiation and settlement
- Action Items - FY2009 - FY2012
 - Establish parameters for fraud investigation
 - Optimize surveillance procedures
 - Comprehensive claim and past employer checks
 - Enhance settlement analysis
 - Increase cost effectiveness of UR review, nurse case management and lien negotiation
 - Formalize Return-to-Work Program

Risk Management

Major Business Processes:

- Health and Safety Program Mgmt. - **Level 2** to **Level 3**
 - Standardize training programs
 - Provide proactive safety programs
- Action Items
 - Expand and calendar training curriculum FY2009-11
 - Annual training programs for OSHA requirements
 - Semi-annual training for SEMS/NIMS requirements
 - Establish PCCD as regional training hub which includes contract education and curriculum offerings
 - Increase effectiveness of District Safety Committee
 - Develop proactive Safety Alert Program

Risk Management

Major Business Processes:

- Emergency and Disaster Preparedness - **Level 1** to **Level 3**
 - Complete Emergency and Disaster Preparedness
- Action Plan FY2009-10
 - Develop comprehensive gap analysis and project plan
 - Accelerate plan development and coordination
 - Develop multi-year test plan
 - Develop multi-year maintenance and monitoring plan

Justification



Legal Requirements

The Board of Trustees, Chancellor and District and College Management have a fiduciary responsibility to protect the health and safety of employees, faculty and students.

Some requirements are:

- CCR, Title 8, Section 3200 - 3221 including Injury and Illness Prevention
- CA Emergency Services Act - Gov Code 8550-8551, 8607
- Disaster Service Workers - Gov Code 3100-3109
- Emergency Preparedness - Ed Code 66210

Legal Requirements

Standardized Emergency Management System National Incident Management System Training Guidance Matrix	SEMS Introduction 1-2 hours	SEMS EOC 8 hours	SEMS Executive 1-2 hours	ICS 100 (IS 100) 6 hours	ICS 200 (IS 200) 6 hours	ICS 300 Required by 18 hours FY 08	ICS 400 Required by 14 hours FY 09	ICS 700 2-4 hours	ICS 800B 3-4 hours	SEMS – NIMS- ICS The Combined Course <i>*Equivalent to taking SEMS Intro., ICS 100 & 200 and IS 700</i> 8 hours
Required —All staff in State and territorial governments with responsibilities for emergency management and incident response. This includes personnel from emergency management agencies, and personnel from agencies who support and interact with the NRF's 15 Emergency Support Functions and Support Annexes	X							X	X	X
Responder level —Emergency response providers and disaster workers, entry level to managerial level, including emergency medical service personnel; firefighters; medical personnel; police officers; public health personnel; public work/utility personnel; and other emergency management response personnel.	X			X				X	X	X
Supervisor level —All mid-level management, including persons serving as command staff, section chiefs, strike team leaders, task force leaders, unit leaders, division/group supervisors, branch directors, and multiagency coordination system/emergency operations center staff.	X	X		X	X				X	X

For ICS 300 and 400 it is incumbent upon Federal, State, tribal, and local emergency management/response personnel to determine who within their organizations requires training, based on local incident management organizational planning.

Legal Requirements

<p>Command Level—Typically required personnel include all persons serving as Command and General Staff in an ICS organization, select department heads with multiagency coordination system responsibilities, area managers, emergency managers, and multiagency coordination system/emergency operations center managers.</p> <p>It is recommended that ICS-300 participants utilize their skills in an operational environment before taking ICS-400. This will provide necessary context and understanding of the skills they will develop when they take ICS-400.</p>	X	X		X	X	X	X	X	X	X
<p>Emergency Managers—Executives, administrators, policy makers and officials in local jurisdictions and tribal entities with overall emergency management responsibilities as dictated by law or ordinance. Officials with overall emergency management responsibilities through delegation, and officials primarily involved in emergency planning.</p>			X				X	X		X

Plan Development Process

Establish Health and Safety Steering Committee

Utilize SMT/Executive Cabinet

- Management directives
- Monthly status review
- Budget and process recommendations



Program Funding

- Emergency Preparedness
 - Apply for grant funding - FY2010-12
 - Insurer funded grants
 - Department of Homeland Security grants for Emergency Operations Center development
 - California Office of Emergency Services planning and training funding
 - Identify other grant sources
 - Identify program deliverables eligible for Measure A funding
 - Augment risk management budget with appropriate approvals

Program Funding

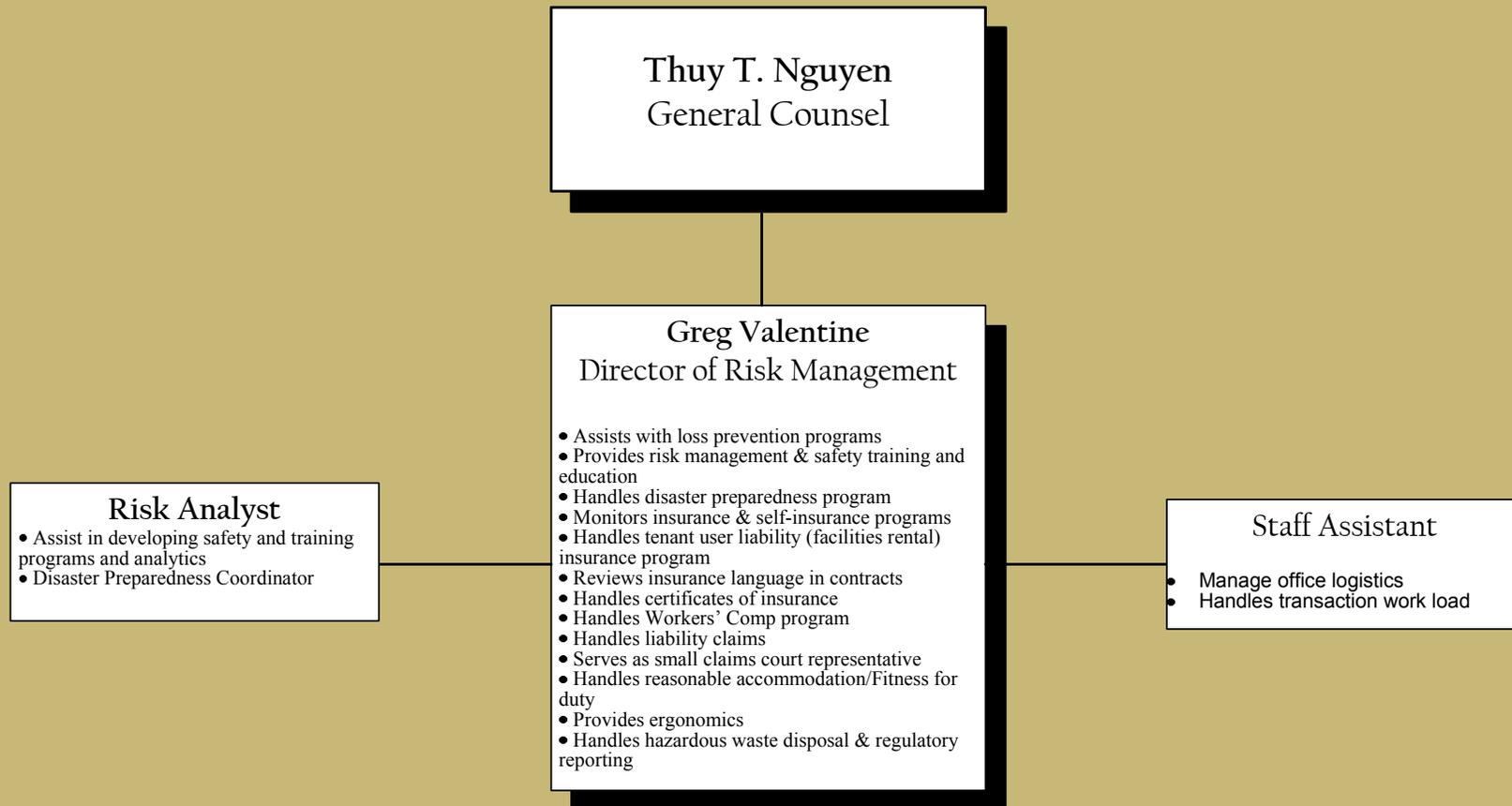
- Health and Safety, Loss Control, Claim Management (cont.)
 - Deliver proactive information
(via email, poster and other collateral materials)
 - Insurer funded loss control grants
 - Annual program budget - re-direct a portion of savings
 - Eliminate one (1) cumulative trauma claim
 - Eliminate one (1) strain/sprain claim to back or knee
 - Eliminate nuisance claims (up to \$10,000 per state law)
- Note: Average life time severity \$60,000+
(complex and multi-body parts can cost up to \$200,000+)

Program Funding

- Health and Safety, Loss Control, Claim Management
 - Wellness program
 - Primarily a self-funded program
 - Annual kick-off budget (cost = \$5,000)
 - **Leverage resources from Health Care providers**
 - Monthly information campaign
(e.g. Blood pressure, heart disease, diabetes, etc.)
 - Leverage existing fitness and health facilities
 - Allow morning, noon and after-work access
 - Allow District, College and employee fitness initiatives
(e.g. Group fitness classes, group nutrition and diet)
 - Secure group discounts from local health clubs

Program Resources

Risk Management Organization Chart FY2011



Current Actions

- Regional Training - Emergency Prep for Community Colleges
Exec. Seminar, Campus Emergencies - November 2009
- Spring Training Series - First Aid/CPR/AED completed
- Emergency planning - Earthquake and Pandemic Awareness Exercises
Develop Gap Analysis and Project Plan
Disaster supplies distribution



District Mission Statement

We are a collaborative community of colleges.

Together, we provide educational leadership for the East Bay, delivering programs and services that sustainably enhance the region's human, economic, environmental, and social development.

We empower our students to achieve their highest aspirations. We develop leaders who create opportunities and transform lives.

Together with our partners, we provide our diverse students and communities with equitable access to the educational resources, experiences, and life-long opportunities to meet and exceed their goals.

Department Mission Statement

The Board of Trustees and the Chancellor have a moral and legal duty to its students, faculty, staff and employees to provide sound governance and leadership at both strategic and operational levels in order to protect their health, welfare, and safety through their commissioning of a best practices risk management program.

As a best practices program, risk management will support the goals and objects of the District and its Colleges through its risk management processes for assessing risk, conducting decision support analysis, implementing/supporting processes and measuring/monitoring effectiveness.

Risk Management

Major Business Processes:

- Insurance Program Management - **Level 3**
 - Exposures are quantified
 - Insurable interests, limits, exclusions and terms are known
 - Insurance contract is defined and tested
 - Renewal and claim processes are standardized
 - BP 6.38 Risk Management
 - BP, AP 6.57 Workers' Compensation Claim Settlement Authority

Risk Management

Major Business Processes:

- Risk Analyses - **Level 1**
 - Past risk assessments conducted on an as needed basis
(e.g. Loss Control and Safety Audit, 2006-07 by ASCIP)
 - Root cause analysis performed as needed
 - BP 6.38 Risk Management

Risk Management

Major Business Processes:

- Risk Mitigation and Loss Control - **Level 1**
 - Cal OSHA follow-up is reactive process
 - Health and Safety is reactive process
 - Construction Protocol process is maturing into a **Level 2** Capability
 - Management communication is maturing into a **Level 2** Capability

Risk Management

Major Business Processes:

- Claim Management - **Level 3**
 - Notification and reporting are defined and standardized
 - Third Party Administrators have best practices in place and their claim management systems are SAS70 compliant*
 - Processes are in full compliance
 - BP 2.35 Claims for Money or Damages
 - BP, AP 6.57 Workers' Compensation Claim Settlement Authority
 - BP 6.63 Reporting Accidents Involving District Vehicles

SAS 70 is an acronym for Statement on Auditing Standard 70; it was developed and is maintained by the AICPA (American Institute of Certified Public Accountants).

Risk Management

Major Business Processes:

- Health and Safety Program Management - **Level 2**
 - Ad hoc training schedule
 - Limited proactive safety programs
 - Complaint driven process
 - BP, AP 2.32 Preserving a Drug-Free Environment
 - BP 6.59 Environmental Policy
 - BP 6.60 Health and Safety Policy
 - BP 6.62 Hazardous Materials Management
 - BP 6.95 Smoking
 - BP, AP 3.14 Disability Non-Discrimination Policy and Reasonable Accommodation for Employees

Risk Management

Major Business Processes:

- Emergency and Disaster Preparedness - **Level 1**
 - Plans are in various states of readiness
 - Ad hoc test plan
 - Training plan is incomplete
 - Resources are in various states of readiness
 - BP 6.60 Health and Safety Policy
 - BP 6.70 Disasters
 - BP 6.88 Emergency Projects

Legal Requirements

→Public Assistance through OES

Public agencies include state agencies and departments, cities, counties, city and county, school districts, community college districts, special districts and certain private non-profit agencies. The following table describes implementation criteria for the five main public assistance disaster programs administered by OES: Director's Concurrence, Governor's Proclamation of a State of Emergency, Fire Management Assistance Program (FMAG), Presidential Declaration of an Emergency, and Presidential Declaration of a Major Disaster.

Type of Assistance	Program Name and Authority	Cost Share Requirements	Implementation Criteria
Funding to restore damaged public infrastructure (e.g. roads, buildings, utilities)	State Public Assistance CDAA – Director's Concurrence with local emergency	75% State 25% Local	Local agency must proclaim an emergency and request a "Director's Concurrence" within 10 days of an event. A Governor's proclamation of a state of emergency is not required for the OES Director to provide CDAA funding to repair damaged public facilities.
Reimbursement of local emergency response costs, debris removal, <u>and</u> funding to restore damaged public infrastructure	State Public Assistance CDAA – Governor's Proclamation of a State of Emergency	75% State 25% Local	Local agency must proclaim an emergency and request the Governor to proclaim a state of emergency within 10 days of an event. The request should include dates of the event, an IDE, areas affected, and appropriate type of assistance needed.
Reimbursement for fire suppression costs	FMAG Stafford Act	75% Federal 25% Local	Responsible fire agency must request FMAG assistance while the fire is still burning out of control. Neither local nor state emergency proclamations are necessary for the implementation of this program.
Reimbursement of local emergency response and debris removal costs	Federal and State Public Assistance Stafford Act and CDAA – Presidential Declaration of an Emergency	75% Federal 18.75% State 6.25% Local	Local agency must proclaim an emergency and request the Governor to proclaim a state of emergency within 10 days of an event. The Governor has 5 days to request federal assistance. Local government should provide detailed information including dates of the event, an IDE, areas affected, appropriate type of assistance needed.
Funding to restore public infrastructure* <u>and</u> reimbursement of emergency response and debris removal costs	Federal and State Public Assistance Stafford Act and CDAA – Presidential Declaration of a Major Disaster	75% Federal 18.75% State 6.25% Local	Local agency must proclaim an emergency and request the Governor to proclaim a state of emergency within 10 days of an event. The Governor has 30 days to request federal assistance. Local government should provide detailed information including dates of the event, an IDE, areas affected, and appropriate type of assistance needed. *Funding beyond what is necessary to restore a facility may also be approved for hazard mitigation measures to ensure that future similar damage will not occur. These mitigation projects include cost-effective improvements to the current design and capacity of the existing facility.
Funding to provide crisis counseling services	FEMA Crisis Counseling Program Stafford Act	75% Federal 25% State	This program is funded by FEMA and administered through the state Department of Mental Health. Benefits may be short term or long-term (up to 9 months).

Legal Requirements

→ Public Assistance Through Other Agencies

The following table describes the implementation criteria for disaster assistance programs available to public entities through federal agencies other than FEMA. Through CDAA, the state may also cost share with these federal programs.

Type of Assistance	Program Name/Lead Federal Agency and Authority	Cost Share Requirements	Implementation Criteria
Watershed restoration	Emergency Watershed Program / NRCSS Division of the U.S. Department of Agriculture Section 216, P.L. 81-516 and Sections 403-405, P.L. 95-334	75% NRCS 18.75% State 6.25% Local	Eligible activities include providing financial and technical assistance to remove debris from streams, protect destabilized streambanks, establish cover on critically eroding lands, repair conservation practices, and the purchase of flood plain easements. This program does not require a Presidential disaster declaration before it is implemented. However, in order for the sponsoring agency to be eligible for state cost share, the Governor must have proclaimed a state of emergency for the event. For additional information refer to: www.nrcs.usda.gov
Emergency flood and post-flood activities	USACE Emergency Operations / USACE Flood Control and Coastal Emergencies Act (P.L. 84-99)	100% USACE	The USACE may provide manpower, supplies, and equipment for flood-fighting, debris clearance and temporary levee repairs during the emergency period and up to a maximum of 10 days thereafter. This program does not require a Presidential disaster declaration before it is implemented. For additional information refer to: www.usace.army.mil
Restoration of publicly sponsored flood control structures	USACE Rehabilitation Program/USACE Flood Control and Coastal Emergencies Act (P.L. 84-99)	100% USACE	The USACE Rehabilitation program provides assistance for permanent repairs to federal system levees. Although USACE covers the repair costs, the local sponsoring agency may be required to purchase additional soil and must sign "Hold Harmless" agreements and other applicable assurances before work can begin. This program does not require a Presidential disaster declaration before it is implemented. For additional information refer to: www.usace.army.mil
Emergency repairs to federal roads and highways	FHWA Emergency Relief (ER) Program/FHWA Title 23, U.S.C., Section 125	100% FHWA if performed within 180 days of an event.	This program may be implemented upon a Presidential Declaration or by special request from the Governor when a state of emergency has been proclaimed. The FHWA ER program is administered through Caltrans. For additional information refer to: http://www.fhwa.dot.gov/programadmin/erelief.html
Permanent restoration of damaged federal aid highways	FHWA ER Program / FHWA Title 23, U.S.C., Section 125	88.53% FHWA 8.6% State 2.87% Local	FHWA funds 88.53 percent of repairs upon a Presidential Declaration or by special request from the Governor when a state of emergency has been proclaimed. The FHWA program is administered through Caltrans in close coordination with OES. For additional information refer to: http://www.fhwa.dot.gov/programadmin/erelief.html
Long-term economic redevelopment	HUD Disaster Recovery Initiative/ HUD Section 122 of the Housing and Community Act of 1974, as amended	75% Federal 18.75% State 6.25% Local	Funds earmarked for certain HUD projects may be transferred to emergency projects if not covered by FEMA and are in the best interest of the post-disaster stricken community. California Department of Housing and Community Development administers this program. For additional information refer to: http://www.hud.gov/offices/cpd/communitydevelopment/programs

Program Funding - Federal Pre-Disaster Mitigation Grant

Overview The federal Pre-Disaster Mitigation Grant Program (PDM) provides funds for hazard identification, mitigation strategies, and public partnerships. More specifically, PDM:

- Supports development of the hazard mitigation planning process at the state and local levels and funds high priority projects from these plans.
- Provides a continuous flow of funding to states for hazard mitigation, whether the state has experienced a recent disaster or not.
- Supports local communities in becoming disaster resistant by providing technical and financial assistance to state and local governments in implementing cost-effective pre-disaster hazard mitigation measures.
- Helps to reduce injuries, loss of life, and damage and destruction of property, including damage to critical services and facilities under the jurisdiction of state or local governments.

Authority and Administration The PDM is authorized under the Stafford Act, Section 203, amended by Section 102 of the Disaster Mitigation Act of 2000. FEMA will administer this new program through OES.

Applicant Eligibility Communities that wish to participate in this program must demonstrate commitment to the implementation of hazard mitigation activities within their jurisdiction.

Planning and Project Grants Planning grants assist the state and its communities in developing a multi-hazard mitigation plan. Planning grants may also be used for technical assistance including risk assessments, project development, community outreach and education. (Funds applied to planning grants cannot exceed 10 percent of the state's allocation)

Project grants will be awarded in accordance with the priorities cited in the State Hazard Mitigation Plan. Project grants may be used to reimburse costs for acquisitions or relocations of vulnerable properties, structural retrofits, vegetation management (e.g., shaded fuel breaks, defensible space), public information and educational programs.