

F28.0 RISK MANAGEMENT

POLICY

Spectrum Society operates in an environment that poses various potential risks. To minimize risks, Spectrum is regulated by external authorities including Community Living B.C., Workers Compensation Board, Ministry of Children and Family Development, Community Care Licensing, and others. Internally, Spectrum's executive team reports to the Board of Directors, who have ultimate responsibility for determining the level of risk to be tolerated and strategies for minimizing risks.

"Risk management" refers to the identification of activities and situations that pose a potential risk, and the development of strategies to minimize these risks. Risk management planning provides an opportunity to make responsible choices about how Spectrum carries out its day to day operations.

Policy

Spectrum's executive team is delegated the responsibility to develop, manage and report on risk management as part of the annual strategic planning process.

The overall goals of the risk management plan are:

1. prevention of harmful events
2. protection of individuals served, employees, volunteers and sub-contractors
3. protection of Spectrum's reputation and assets
4. continuity of Spectrum's services

Risk management is everyone's responsibility.

Procedure

Risk management often involves balancing competing interests or points of view. The risk management plan may involve several dimensions, including training, provision of equipment or tools, development of policies and procedures, setting clear expectations and controls, and ensuring appropriate levels of supervision.

Risk management planning involves the following steps:

- Risk identification and evaluation
- Identify strategies to minimize risk: eg. avoid or modify certain activities
- Contain the effects of damaging or harmful events
- Restore and recover in the event of harmful events and provide feedback to improve the system
- Monitor and update the risk management plan regularly

An annual risk management plan will be developed by Spectrum's executive team and reviewed by the Board of Directors. The risk management plan will be included in Spectrum's Annual

Report which is distributed to individuals, families, staff, funders and other stakeholders, and also posted on the Spectrum website.

The *Society* will provide insurance coverage that fully protects its assets, its employees, volunteers and visitors, as well as its day to day business activities. To obtain the best insurance coverage at the lowest possible price the *Society* will call for insurance tenders every three years.

The Executive Director shall discuss the insurance requirements of the *Society* with its carrier on an annual basis to ensure that the *Society's* general liability insurance coverage is sufficient to adequately protect staff, volunteers and all the assets of the *Society*. Furthermore, the *Society's* comprehensive insurance² policy shall also be reviewed and evaluated within the same time frame.

Any planned activity that is not normally part of the *Society's* regular activities, and which has a risk component, must be reported to the Executive Director not less than ten working days prior to the commencement of the event. All accidents, property losses, injuries, and potential third party incidents must also be reported immediately to the Executive Director.

The Human Resources Department shall be responsible for reducing the cost of personnel losses to both the individual and the *Society* by providing employee claims administration, training, education and other types of personnel insurance coverage (benefits).

Under no circumstances may a department, or an unauthorized individual, initiate a claim or agree to a settlement or an action, on behalf of the *Society*.

² Typically comprehensive coverage includes such things as third party liability, property insurance including a tenant liability clause (if appropriate), wrongful dismissal, and coverage to recover losses resulting from the commissions of errors or omissions.