

All Fields Report

Program Overview

Program	Compliance, Insurance, and Liability Services
Does this program have a CTE component?	Yes
Academic Year	2014/2015
Review Period	6 Year
Service Areas	

Program Description and Goals

This section addresses the big picture. Prompts should help you describe your program and goals and the relationship to the institutional mission, vision and goals, and how the program is funded.

1. Describe the program and/or service area under review and how the program supports the mission of Santa Monica College.

In support of the Mission of Santa Monica College, the Risk Management Department addresses the institutional supporting goals of providing a *stable fiscal environment and providing a sustainable physical environment*.

The Risk Management Department coordinates a cost effective program to insure the College against property and liability losses, and coverage for injured employees, students, and athletes. Additionally, the Risk Management Department is responsible for the College's compliance to environmental and safety regulations.

Santa Monica College is a member of the Statewide Association of Community Colleges-JPA (SWACC). SWACC is a non-profit, self-funded JPA which consists of 46 California community colleges. All insurance coverages, services, and governance are specific to community colleges and all decisions are made by community college members of the JPA. SWACC was designed to provide comprehensive property and liability coverage in a single program, while addressing unique community college exposures. SWACC provides the broadest possible property & liability protection available to California community college districts. SWACC is self-funded up to \$25M for Property per occurrence and up to \$1M for Liability per occurrence. Through re-insurance, SWACC's excess insurance limits are \$250M for Property and \$25M for Liability. The College also purchases Crime, Equipment Breakdown, and Electronic Data Processing Equipment insurance coverage. As a member of SWACC, Santa Monica College pays a significantly lower premium for its insurance program than it could obtain on its own.

2. Identify the overarching goal(s) or charge/responsibilities of the program or service area. If appropriate, include ensuring/monitoring compliance with state, federal or other mandates.

For its workers' compensation program, Santa Monica College is a member of the Protected Insurance Program for Schools – JPA (PIPS) through the Southern California Community College Districts-JPA. PIPS was formed in 2003 to provide workers' compensation reinsurance protection to its members. PIPS is comprised of over 420 school and community college agencies with approximately \$10B in payroll; making it one of the top ten insurance programs in the state. PIPS was the first self-insurance program with a program structure that provides flexibility to obtain the most cost effective program pricing. Through a combination of risk transfer and risk retention, PIPS provides its members catastrophic protection to \$155M per occurrence and frequency protection up to \$1.5M per occurrence in excess of a 99% undiscounted probability level. PIPS membership provides an innovative, long-lasting, financially secure and stable insurance solution.

Keenan and Associates is the program manager for SWACC and PIPS, and the third party administrator (TPA) for the

workers' compensation program at Santa Monica College.

3. If applicable, describe how the Institutional Learning Outcomes (ILOs), Supporting Goals, and/or Strategic Initiatives of the institution are integrated into the goals of the program or service area.

Under the California Code of Regulations (CCR), it required that every employer have an effective and written Injury and Illness Prevention Program (IIPP). The IIPP covers all employees, both academic and classified, as well as students employees and volunteers. It is the responsibility of the Risk Management Department to review and update the IIPP on an annual basis, and ensure that the plan is implemented and followed. Each year, the College undergoes a safety inspection to identify existing and potentially hazardous situations. The Risk Management Department works with the Facilities Department in addressing these hazardous situations and any Occupational Safety and Health Administration (OSHA) inquiries. The department coordinates the annual safety training program for facilities and other staff members with Keenan and Associates. Topics for safety training are generally selected to address the College's most frequently occurring injuries and to address recent changes and improvements to safety procedures.

The Risk Management Department is also responsible for the Ergonomics Policy. The policy provides guidelines for employees to consider when working at their stations to minimize repetitive motion and posture related injuries. The Risk Management Department provides training, either in-person or on-line through the Keenan Safe Colleges website, individual workstation evaluations, and the purchasing of ergonomic furniture which is needed based on the evaluations.

4. If your program receives operating funding from any source other than District funds identify the funding source. If applicable, note the start and end dates of the funding (generally a grant), the percentage of the program budget supported by non-District funding, and list any staff positions funded wholly or in part by non-District funds. Do not include awards for non-operational items such as equipment (ex. VTEA) or value added activities (ex Margin of Excellence).

N/A

Populations Served

In this section you will provide information that describes who your program or service area serves. When comparing data from different periods, use a consistent time frame (ex. Compare one fall term to another fall term)

Saved Information For Populations Served

Area/Discipline Information Pertains To

Risk Management

1. Describe who your area serves (students, staff, etc.) – both directly and indirectly. If pertinent, indicate variables such as ethnicity, race, gender, age of your client base.

The Risk Management Department serves the entire Santa Monica College community, including the classified service staff, academic personnel, administrators, students, student workers, and volunteers. The Risk Management Department works closely with the Human Resources Department, Legal Counsel, and the Health Services Department in coordinating resources and services to employees. The Risk Management Department is the District's primary contact with Keenan and Associates.

2. Discuss any significant change(s) in the population(s) served since the last full program review and the possible reasons for the change(s).

There has been no significant changes in the populations served.

Regulatory Compliance

1. Describe who your area serves (students, staff, etc.) – both directly and indirectly. If pertinent, indicate variables such as ethnicity, race, gender, age of your client base.

See other report.

2. Discuss any significant change(s) in the population(s) served since the last full program review and the possible reasons for the change(s).

See other report.

Workman's Comp

1. Describe who your area serves (students, staff, etc.) – both directly and indirectly. If pertinent, indicate variables such as ethnicity, race, gender, age of your client base.

See other report.

2. Discuss any significant change(s) in the population(s) served since the last full program review and the possible reasons for the change(s).

See other report.

Program Evaluation

In this section programs/units are to identify how, using what tools, and when program evaluation takes place. Evaluation must include outcomes assessment as well as any other measures used by the program. Please use Section D to address program responses to the findings described in this section.

Programs/units with multiple disciplines or functions may choose to answer the following questions for each area. If this is your preferred method of responding, begin by selecting a discipline/function from the drop down, answer the set of questions and click "Save", your answers will be added to the bottom of page. Do this for each discipline/function. If you would like to answer the questions once, choose "Answer Once" from the drop down.

How would you like to answer these questions?

Saved Information For Program Evaluation

Area/Discipline Information Pertains To

Risk Management

1. List your administrative unit UOs.

UO statements focus on service or operational outcomes such as:

- *Volume of unit activity*
- *Efficiency (responsiveness, timeliness, number of requests processed, etc.)*
- *Effectiveness of service in accomplishing intended outcomes (accuracy, completeness, etc.)*
- *Compliance with external standards/regulations*
- *Client/customer satisfaction with services*

Risk Management evaluation process includes the collection of relevant data and an annual report provided by Keenan &

Associates, Student Insurance Agency, City and State Compliance and Regulatory Agencies.

Property: For the last five years, property claims have been minimal. As indicated in the chart, the only year for any claim was the 2012-13, which had two claims totaling \$60K. The loss was due to water damage caused by a defective backflow valve at the Airport Campus. The water damage to the building and to the historical files/records has been repaired. The valve has been replaced and all other back flow valves have been tested and inspected for proper operation.

Liability: Claims for liability reached a high point in both frequency and severity in 2010-11 with a total amount of \$419,400 for seven claims. All other years show a small frequency of claims with a low dollar amounts. As of December 31, 2013 there have not been any liability claims for fiscal year 2013-14. The most frequently occurring causation for liability claims has been employment liability claims, i.e. settlements and discrimination cases.

Workers' Compensation: The Frequency and Severity Chart for Workers' Compensation illustrates the high number of claims and the high cost of the program. In both 2010-11 and 2011-12, the dollar amount for the claims totaled over \$1 million. In 2011-12 and 2012-13, there were over 70 claims. The top occupations for claims are *clerical* and *custodians* which represent approximately 70% of all workers' compensation claims. The most frequent causes for workers' compensation claims are *strains* and *slips and falls*. Of special note, *repeaters* represent 43% of all claims.

2. Describe when and how the program assesses these UOs and uses the results to inform program planning including:

- **how outcomes are assessed and how often**
- **the assessment tool(s) used**
- **the sample (who gets assessed)**
- **how and when the program reviews the results and who is engaged in the process**

Throughout the year Risk Management can access data from Keenan P&C Bridge online. The program allows Risk Management to review risk management data, such as, safety & loss control and exposure management. Data for workers compensation and/or property & liability can be reviewed on the P&C Bridge dashboard. It provides a summary of total open and closed claims; amount paid per fiscal year, etc. Therefore, Risk Management can use data throughout the year to evaluate what methods to use to effectively reduce loss exposures for the new fiscal year.

A pre-renewal meeting is scheduled prior to the end of the fiscal year. The pre-renewal meeting includes, but not limited to:

Reviewing and discussing the District's Experience Modification for Property & Liability (P&L) and Workers' Compensation; loss stratification; P&L losses; renewal comparison; rate increases; excess property program structure; terms & conditions; losses; claims and claim trends; activity trend data; comparisons; changes in self-funded liability and property rates on a probability level; changes in excess liability & property coverage terms & conditions; equipment breakdown coverage renewal; crime and EDP coverage renewal; workers' compensation loss exposures; trends; and claims analysis.

3. What other evaluation measures does your administrative unit use to inform planning? (For example, completion of program goals, program activity, content review, opinions of clients, etc.) Note your target goals and whether your unit is meeting them.

Student Claims: The chart for student claims, which includes student athlete claims, shows a peak of 126 total number claims during the 2012-13 year. The total dollar amount for these claims was \$121,822, or \$966 per claim. This was a dramatic change from the year before, 2011-12, at \$164 per claim. The most current year, 2013-14, shows both a decline

in the number of claims to 73 claims and the cost per claim at \$777 per claim as compared to 2012-13. Since the annual cost for insurance is based primarily on the frequency and severity of claims during the past years, it is important for the college to continue efforts to reduce claims.

Self-Insured Claims: Each year the college pays for miscellaneous claims which are below the deductible amount of \$25,000. There are usually less than 10 claims per year and amount to \$30,000 or less. Recently, there has been an increase in the number of claims related to vehicle incidents.

Compliance with regulatory agencies: In addition to monitoring insurance rates and claims, the Risk Management Department is current with all annual testing, inspections, evaluations, plans and permits as follows:

1. Consolidated Contingency Plan for the City Unified Program Agency (CUPA) permit which includes the college's Hazardous Materials Business Plan (HMBP). The HMBP consists of the Hazardous Waste Materials, Hazardous Waste Generator, Underground Storage Tanks programs.
2. The college, in conjunction with Keenan and Associates, has updated the Injury and Illness Prevention Plan (IIPP).
3. The college has developed a protocol for responding to inquiries from the Occupational Safety and Health Administration (OSHA). There have been an average of two inquires each year.
4. The college has updated the Chemical Hygiene Plan with the exception of designating a permanent Chemical Hygiene Officer for the campus.
5. The college has successfully met the standards and requirements for the City of Santa Monica Air Pressure and Wastewater permits.
6. The college has upgraded the boilers and diesel generators to meet the South Coast Air Quality Management District's standards.
7. The Risk Management Department arranges for environmental/ air samplings as needed.
8. The Risk management Department arranges for ergonomic evaluations as needed.

Regulatory Compliance

1. List your administrative unit UOs.

UO statements focus on service or operational outcomes such as:

- *Volume of unit activity*
- *Efficiency (responsiveness, timeliness, number of requests processed, etc.)*
- *Effectiveness of service in accomplishing intended outcomes (accuracy, completeness, etc.)*
- *Compliance with external standards/regulations*
- *Client/customer satisfaction with services*

See other report.

2. Describe when and how the program assesses these UOs and uses the results to inform program planning including:

- **how outcomes are assessed and how often**

- the assessment tool(s) used
- the sample (who gets assessed)
- how and when the program reviews the results and who is engaged in the process

See other report.

3. What other evaluation measures does your administrative unit use to inform planning? (For example, completion of program goals, program activity, content review, opinions of clients, etc.) Note your target goals and whether your unit is meeting them.

See other report.

Workman's Comp

1. List your administrative unit UOs.

UO statements focus on service or operational outcomes such as:

- *Volume of unit activity*
- *Efficiency (responsiveness, timeliness, number of requests processed, etc.)*
- *Effectiveness of service in accomplishing intended outcomes (accuracy, completeness, etc.)*
- *Compliance with external standards/regulations*
- *Client/customer satisfaction with services*

See other report.

2. Describe when and how the program assesses these UOs and uses the results to inform program planning including:

- how outcomes are assessed and how often
- the assessment tool(s) used
- the sample (who gets assessed)
- how and when the program reviews the results and who is engaged in the process

See other report.

3. What other evaluation measures does your administrative unit use to inform planning? (For example, completion of program goals, program activity, content review, opinions of clients, etc.) Note your target goals and whether your unit is meeting them.

See other report.

D1: Past year's Objectives

As part of the planning process, programs are expected to establish annual objectives that support the program's goals. Please document the status of the program/function's previous year's objectives. Add comments if you feel further explanation is needed.

Objectives

Objective:

Since the annual cost for insurance is based significantly on the frequency and severity of claims during the past years, it is the primary objective of the Risk Management Department to reduce claims. To achieve this objective, the Risk Management Department, along with Keenan and Associates, engages in the development of Risk Improvement Action Plan. The purpose of the Risk Improvement Action Plan is to provide a foundation and framework for creating achievable goals aimed at reducing the number of employee injuries and reducing the cost of workers' compensation claims. Each year the claims are reviewed to identify the major loss drivers and to identify the occupations that have incurred the majority of the District's losses. The Risk Improvement Action Plan is a series of activities based on providing training to reduce the major loss/cost drivers. The Risk Improvement Action Plan also incorporates safety awareness, safety training, and the implementation of safety protocols to prevent injuries and correct unsafe practices and conditions.

The following is a list of the activities:

1. Conduct an annual safety inspection and develop a corrective action plan
2. Develop and coordinate annual Risk Improvement Action Plan and utilization of Keenan Safe Colleges
3. Conduct specialized trainings (i.e. scissor lift training and cart driver training)
4. Conduct ergonomic trainings and evaluations
5. Conduct mandated trainings (i.e. air and blood borne pathogens training)
6. Coordinate air/environmental samplings as needed
7. Conduct hazardous materials handling training

Status: Completed

Comments:

Looking Back

In this section, please document what you did last year as a result of what you described in Section C.

1. Describe any accomplishments, achievements, activities, initiatives undertaken, and any other positives the program wishes to note and document.

None

2. Summarize how the program or service area addressed the recommendations for program strengthening from the executive summary of the previous six-year program review.

None

3. Describe any changes or activities your program or service area has made that are not addressed in the objectives, identify the factors (e.g., licensure requirements, state or federal requirements, CCCO mandates, regulations, etc.) that triggered the changes, and indicate the expected or anticipated outcomes.

None

4. If your program received one time funding of any kind indicate the source, how the funds were spent and the impact on the program (benefits or challenges).

None

Moving Forward

Discuss and summarize conclusions drawn from data, assessments (SLO, UO) or other evaluation measures identified in Section C and indicate responses or programmatic changes planned for the coming year(s) including:

- **how the assessment results are informing program goals and objectives, program planning, and decision-making**
- **specific changes planned or made to the program based on the assessment results**

None

D2: Coming year's Objectives (Moving Forward)

Objective #1

Objective:

None

Area/ Discipline/ Function Responsible: All

Assessment Data and Other Observations:

External Factors:

Other Factors

None

Timeline and activities to accomplish the objective: None

Describe how objective will be assessed/measured: None

Comments: None

Community Engagement

In the prompts that follow, please delineate the partnerships you have with the rest of the SMC community as well as those you have with external organizations.

1. If applicable, describe how your department staff members engage in institutional efforts such as committees and presentations, and departmental activities.

None

2. If applicable, discuss the engagement of program members with the local community, industry, professional groups, etc.)

None

3. Discuss the relationship among program staff and unit engagement with other units or areas of the college.

None

Current Planning and Recommendations

The following items are intended to help programs identify, track, and document unit planning and actions and to assist the institution in broad planning efforts.

1. Identify any issues or needs impacting program effectiveness or efficiency for which institutional support or resources will be requested in the coming year. [This information will be reviewed and considered in institutional planning processes but does not supplant the need to request support or resources through established channels and processes].

There is currently one staff member, Risk and Insurance Coordinator, in the Risk Management Department. The coordinator handles the day to day activities of the department and the Vice President of Business and Administration acts as the administrator for the program. The Vice Presidents is an executive board member of the Statewide Association of Community Colleges (SWACC), which manages the property and liability insurance program for the District, and an executive board member of the Protected Insurance Program for Schools (PIPS), which manages the workers' compensation program for the District. The Risk Management Department has been without a manager for the past three years.

2. If applicable, list additional capital resources (facilities, technology, equipment) that are needed to support the program as it currently exists. [This information will be reviewed and considered in institutional planning processes but does not supplant the need to request resources through established channels and processes].

N/A.

3. If applicable, list additional human resources (staffing, professional development, staff training) needed to support the program as it currently exists. [This information will be reviewed and considered in institutional planning processes but does not supplant the need to request resources through established channels and processes].

The department is understaffed for the size of the program and college. It is recommended that the District hire a Risk/Safety Manager in order to develop a pro-active approach in the prevention and in the management of the District's losses.

The Risk Management Department budget is adequate for the department's current and future needs. Additionally, any costs to general fund for more personnel should be offset in the reduction of claims and insurance costs.

Future Planning and Recommendations

The following items are intended to help programs identify, track, and document unit planning and actions and to assist the institution in broad planning efforts.

1. Projecting toward the future, what trends could potentially impact the program? What changes does the program anticipate in 5 years; 10 years? Where does the program want to be? How is the program planning for these changes?

None

2. If applicable, list additional capital resources (facilities, technology, equipment) that will be needed to support proposed changes. [This information will be reviewed and considered in institutional planning processes but does not supplant the need to request resources through established channels and processes].

None

3. If applicable, list additional human resources (staffing, professional development, staff training) that will be

needed to support proposed changes. [This information will be reviewed and considered in institutional planning processes but does not supplant the need to request resources through established channels and processes].

None

4. If applicable, note particular challenges the program faces including those relating to categorical funding, budget, and staffing.

None

5. Summarize any conclusions and long term recommendations for the program resulting from the self evaluation process.

None

6. Please use this field to share any information the program feels is not covered under any other questions.

None

Evaluation of Process

Please comment on the effectiveness of the Program Review process in focusing program planning.

It has been quite some time since the last program review for the Risk Management Department. Upon review, it is clear that the department is understaffed and growing in responsibilities, complexity, and volume as the college is expands in the number of students, buildings and staff. It is also evident that it is cost effective for the District to participate in the self-insured SWACC and PIPS programs. This program review process was very beneficial in increasing awareness of the causations and the impact on the costs of risk management.

Executive Summary

These fields to be filled out by the Program Review committee. Reports will be sent to the program and will be available on-line to populate relevant fields in the annual report and the next 6 year report.

Narrative

Risk Management is the area responsible for coordinating a cost effective program that insures the College against property and liability losses and coverage for injured for injured employees, students, and athletes. The department is also responsible for College compliance with environmental and safety regulations.

To control costs and minimize exposure, the College is a member of Joint Powers Authorities (JPAs): the Statewide Association of Community Colleges-JPA (SWACC), a self-funded, non-profit providing comprehensive property and liability coverage; and the Protected Insurance Program for Schools –JPA (PIPS) which provides worker’s compensation reinsurance protection to its members. Both of these JPA memberships enable the College to obtain significantly lower insurance premiums than would be possible to obtain individually and provide stable solutions. Keenan and Associates, the program manager for SWACC and PIPS, also serves as the third party administrator for SMC’s workers’ compensation program.

Risk Management is responsible for myriad activities and requirements to ensure the College is current with all annual testing, inspections, evaluations, plans and permits. These include such disparate activities as permitting for the Consolidated Contingency Plan for the City Unified Program Agency (CUPA), which includes the College's Hazardous Materials Business Plan (HMBP); updating the California Code required Injury and Illness Prevention Plan (IIPP) and the Chemical Hygiene Plan; ensuring standards and requirements for Air Pressure and Wastewater permits and South Coast Air Quality Management District are met; and arranging for environmental/air samplings and ergonomic evaluations.

Annual insurance costs are based on the frequency and severity of claims in past years. Thus the primary objective of Risk Management is to reduce claims. A Risk Improvement Action Plan, aimed at reducing the number of employee injuries and reducing the cost of workers' compensation claims, is one tool employed to achieve reductions. Each year claims are reviewed to identify loss drivers and occupations incurring the majority of losses and an annual plan developed to provide training, and implement protocols to prevent injuries and correct unsafe practices and conditions.

Currently Risk Management has one full-time employee, the Risk and Insurance Coordinator. The Risk/Safety manager position has been vacant for three years. The responsibilities, complexity and volume of issues addressed by Risk management have increased, especially as more and newer buildings, and the staff to support them, have come on line. Another area seeing an increase in risk are those covered by Title IX, particularly in sexual harassment. To be more proactive in the prevention and management of District losses the College should review staffing levels needed to accomplish Risk Management objectives and responsibilities effectively and efficiently

Program Evaluation

Risk Management has developed unit outcomes focusing on identified targets for reducing claims and insurance costs. A series of activities to support reaching outcomes targets has been developed and delivered. These are reviewed annually. The self-evaluation process has resulted in increased analysis of causations and the impact on the costs of risk management. Although the report did not list specific annual objectives it is clear Risk Management engages in regular review of claims and costs and develops annual plans to address these through targeted training and other activities. The department is also current with all annual testing, inspections, evaluations, plans and permits.

Commendations

Risk Management is commended for:

1. Participation in JPAs (SWACC, PIPS) to reduce College exposure to risk and gain cost savings.
2. Efforts such as training which have resulted in reductions on claims payouts.
3. Successful efforts to cover all the risk management bases with very limited staff.

Recommendations for Program Strengthening

The committee recommends Risk Management consider the following to further strengthen the program:

1. Work with appropriate staff and areas to ensure findings and solutions from ergonomic training and reviews are incorporated into furniture guidelines.
2. Develop a long term staffing plan.

Recommendations for Institutional Support

The committee recommends the institution consider the following to support Risk management:

1. Review staffing of Risk Management in light of increased risks and responsibilities.
2. Evaluate the impact not having a Chemical Hygiene Officer has on the level of risk the College bears.
3. Add chemical checks to the curriculum approval process.

Attached File Upload

Attached Files

Liability Chart

Property Chart

Student Injury Chart

Workers' Comp. Chart