



San José State
UNIVERSITY

Office of the President


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President:
Dr. Robert L. Caret

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PD 2000-02

MEMO TO: Vice Presidents, Deans, Directors, Chairs &
Administrative Heads

FROM: Robert L. Caret 
President

SUBJECT: Presidential Directive 2000-02

RISK MANAGEMENT POLICY

This policy recognizes Risk Management as an essential function of San Jose State University, and implements the provisions of CSU Executive Order 715, the CSU Risk Management Policy (10/27/99), in response to the findings of the Office of the CSU Auditor Report 98-25.

DESIGNEE FOR CAMPUS RISK MANAGEMENT

The Vice President for Administration is the President's designee to oversee the risk management function at San Jose State University.

OFFICE OF SAFETY AND RISK MANAGEMENT

The Vice President for Administration has established an Office of Safety and Risk Management to develop and recommend programs, policies and procedures for campus-wide administration. The Director of Safety and Risk Management reports to the Associate Vice President for Human Resources in the Administrative Division.

The purpose of the risk management program is to ensure careful decision making that considers both programmatic needs and the reasonable measures necessary to contain the exposure of the University to risk. The Office of Safety and Risk Management provides professional advice, information, and recommendations to those involved in decision-making and program administration on campus. The Risk Management staff participates in ongoing professional development to maintain needed expertise.

PROGRAM ELEMENTS

Risk management is an ongoing process. All managers, including deans and division heads, have the responsibility to exercise the principles of risk management in programs under their purview, to seek the assistance of the

The California State University:
Chancellor's Office
Bakersfield, Channel Islands, Chico,
Dominguez Hills, Fresno, Fullerton,
Hayward, Humboldt, Long Beach,
Los Angeles, Maritime Academy,
Monterey Bay, Northridge, Pomona
Sacramento, San Bernardino, San Diego,
San Francisco, San José, San Luis Obispo,
San Marcos, Sonoma, Stanislaus

Office of Safety and Risk Management when necessary, and to implement approved recommendations. The following steps will be taken in the Risk Management process:

1. Identification of risks:
 - Define campus-relevant criteria for significant risks
 - Identify risks unique to San Jose State University
2. Evaluate the seriousness of risks through the following methods:
 - Probability analysis of risk occurrence
 - Quantitative analysis of each risk exposure
 - Rank risks in priority order of their potential impact
 - Analyze frequency and severity of loss from potential and existing risks
3. Select the best risk management technique to address risks without unduly curtailing or modifying activities necessary to the SJSU mission, i.e.:
 - Identify range of alternatives for each specified liability/risk
 - Cost/benefit analysis
4. Implement the best risk management technique
 - Specify roles and responsibilities
 - Establish goals and implementation methodology
 - Provide specific measures for accountability
 - Manage appropriate techniques, i.e., Safety and Loss Prevention, Insured and Self-Insured programs of Workers' Compensation, Property and Liability.
5. Monitor, evaluate and document the results through:
 - Qualitative and quantitative measurement against specific goals
 - Annual reporting/Accountability

RISK MANAGEMENT GUIDELINES

Where necessary, and with thorough consultation, the Director of Safety and Risk Management will develop and recommend Risk Management Guidelines for use by the various departments and offices of the University. The guidelines will address the preservation of the human, financial and physical assets of the University. Guidelines recommended by Systemwide Risk Management, the Chancellor's Office and the CSU Risk Management Authority shall be incorporated in SJSU's guidelines.

SELF-INSURANCE/PURCHASE OF INSURANCE

Insurance purchase and administration of self-insurance programs are the responsibility of the Office of Safety and Risk Management.

ACCOUNTABILITY/ANNUAL REPORT

The Director of Safety and Risk Management will provide an Annual Management Report to the President's staff. The report shall include, at the minimum, a review of current year's activities, issues, loss costs, trends, and major initiatives. The Annual Safety and Risk Management report will be submitted no later than November 30 each year.

POLICY UPDATE

This policy shall be reviewed during each annual report process, and revised as needed.

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