

RISK MANAGEMENT
PROGRAM

COMMUNITY UNIT SCHOOL
DISTRICT NO. TWO

COMMUNITY UNIT SCHOOL DISTRICT NO. 2 RISK MANAGEMENT PROGRAM

Community Unit School District No. Two, Crawford County, Illinois ("District"), shall have in operation a comprehensive Risk Management Program ("Program"), which shall attempt to reduce the District's exposure to liability. It is of the utmost importance for the District: (1) to ensure that the constitutional, statutory, regulatory and common law health, safety and civil rights are extended to all visitors, employees and students; (2) to make certain that the District's buildings and grounds are maintained in a safe condition; (3) to provide careful supervision and protection of all the District's real personal property, including vehicles; and (4) to control and manage costs relating to injuries.

The Illinois Local Government and Governmental Employees Tort Immunity Act (745 ILCS 10/1-101 et. seq. (the "Act")) provides that a school district may levy a tax which, when collected, will pay the cost of risk management. In addition, Section 9-107 of the Act provides that funds raised pursuant to the Act may be used to do the following:

- (i) Pay the cost of insurance, individual or joint self-insurance (including reserves there on), including all operating and administrative costs and expenses directly attributable to the insurance, self-insurance, or joint self-insurance program, and educational, inspectional, and supervisory services directly relating to loss prevention and loss reduction, participation in a reciprocal insurer as provided in Sections 72, 76, and 81 of the Illinois Insurance Code, or participation in a reciprocal insurer, all as provided in settlements or judgments under Section 9-102, including all costs and reserves directly attributable to being a member of an insurance pool, under Section 9-103;
- (ii) Pay the cost of principal in interest on bonds issued under Section 9-105;
- (iii) Pay judgments and settlements under Section 9-104; and
- (iv) Discharge obligations under Section 34-18.1 of the School Code, as now or hereafter amended, and to pay the cost of risk management programs.

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Funds raised pursuant to this Section shall only be used for the purposes specified in this Act, including protection against and reduction of any liability or loss described hereinabove and under Federal or State common or statutory law, the Workers' Compensation Act, the Workers' Occupational Diseases Act and the Unemployment Insurance Act.

As further and independent authority, Section 17-2.5 of the School Code (105 ILCS 5/17-2.5) provides that a school district may levy a tax which, when collected, may be used for the following purposes related to risk management:

To pay the cost of settlements or judgments under Section 9-102 of the Act, to pay the costs of protecting itself or its employees against liability, property damage or loss, including all costs and reserves of being a member of an insurance pool, under Section 9-103 of that Act, to pay the costs of and principal and interest on bonds issued under Section 9-105 of the Act, to pay tort judgments or settlements under Section 9-104 of the Act, to the extent necessary to discharge such obligations and to pay the cost of risk care management programs in accordance with Section 9-107 of the Act.

The program shall provide for: (1) identification of the various components of the Program; (2) clearly delineated personnel responsibilities; (3) adequate insurance against liability exposure; (4) identified and allowable costs for the maintenance of the Program; and (5) ongoing review of the Program and its implementation.

DEFINITIONS

Liability. Legal responsibility of claims for injury to persons, property, reputation, character, estate, and privilege to the fullest extent comprehended by the Act. This excludes liability based exclusively on contract or criminal penalties, but includes liability based, actually or potentially, in whole or in part, on common law tort, statute, constitution, or regulation of the United States, of Illinois or any other state, or any of their subdivisions.

Risk Management. The intentional effort to avoid the incursion of liability or property damage by the School District, its Board of Education, and its agents to the fullest extent comprehended by the Act. Risk Management includes, but is not limited to, the following School District's functions:

- Avoidance of injury on District premises, at District-sponsored activities, or resulting from the condition of the District real or personal property or the actions or omissions of District agents
- Liability insurance, including commercial insurance, self-insurance, and insurance through cooperative means
- Workers compensation and unemployment insurance
- Property damage insurance
- Tort judgments and settlements
- Tort bond costs
- Legal fees and costs related to civil rights and tort actions
- Security measures for students, staff and property
- Inspection and repair costs to maintain school facilities in, or return school facilities to a safe and usable condition
- Asbestos abatement

- Blood-borne pathogen controls
- School safety and crisis management plans
- Compliance with safety and health regulation, including but not limited to those relating to student health and safety, hazardous materials, radon, lead, occupational safety and health, science and industrial/vocational educational safety, underground storage tanks, and vehicles
- Reactions or responses to accidents or threatened injuries to the extent such reactions or responses are designed to avoid aggravating the extent of injuries
- Harassment or discrimination response policies and procedures

COMPONENTS

The program shall consist of the following:

1. The School Safety/Crisis Management Plans incorporated herein by reference and as implemented by the Administration;
2. The Hazardous and Infectious Materials Board Policy and the Administration's Blood Borne Pathogens Plan, incorporated herein by reference;
3. The Asbestos Abatement Program, incorporated herein by reference;
4. The School Employees Safety Manual, incorporated herein by reference;
5. The Insurance/Compensation Program, as described herein;
6. All other Risk Management function provided for or described herein;
7. Such other Risk Management functions as may be specifically identified by the Administration; and
8. Coordination, direction and review of the Plan by the Administration and staff.

All components incorporated herein by reference shall be subject to independent revision or modification by the Board of Education or Administration without the need for revision of this Plan.

ADMINISTRATION

The general overall responsibility for the development and maintenance of the Program rests with the Treasurer of the District, under direct supervision, guidance and control of the Superintendent. The Treasurer and Superintendent shall be responsible for the development of the Program, identifying the various components of the Program, and delegating responsibilities for these components to the appropriate personnel. It is expected that the Treasurer will continually evaluate the effectiveness of the Program with the Superintendent and apprise the Board of needed revisions, additions or deletions to the components and assigned responsibilities.

The Superintendent shall actively oversee the Treasurer's direction of the Program, remain aware of the Program's operation and be responsible for the ultimate recommendations to the Board and maintenance of all components of the Program.

All building principals and other administrators shall be responsible for ensuring that employees under their supervision are performing those Risk Management functions assigned to those employees.

INSURANCE/COMPENSATION

One primary component of the Risk Management Program is the provision of an insurance/compensation program that will provide protection to the District against liability. Portions of this component shall include, but are not limited to the following:

1. Purchases of insurance consultant services if needed.
2. Premiums for the various necessary insurance, workers compensation, unemployment compensation, property damage insurance, etc.
3. Pay judgments or settlements arising against the District.
4. Pay for all legal fees and costs connected with protecting or defending the District against liability.
5. Allowance for the time expended by assigned District personnel concerning the above delineated assignments.

The Treasurer is assigned the responsibility for the administration of this component to the Risk Management Program, and shall serve as the District's liaison to the various consulting services, claim and adjustment services, and insurance companies. In addition, the Treasurer shall be responsible for all communications concerning claims against, or on behalf of the District.

STAFF TRAINING

Each employee with assigned Risk Management functions shall be provided with appropriate information and training as to those functions. That information and training shall include provision of and instruction in the Safety Manual or a similar set of safety guidelines.

JOB DESCRIPTIONS

The following job assignments shall be included in the appropriate employee job description:

Superintendent – The Superintendent shall oversee the Business Manager/Chief Finance Officer's administration of the District's Risk Management Program

and shall be responsible for appropriate recommendations to the Board of Education relating to that Program.

Treasurer – The Business Manger/Chief Financial Officer shall administer the District’s Risk Management Program, including, but not limited to coordinating the assignment of Risk Management functions, designating appropriate Risk Management expenses and administering the insurance/compensation component of the Program.

The Superintendent, together with the Treasurer and the Personnel Manager along with any other appropriate administrator, shall develop, implement and maintain revisions to job descriptions to expressly include Risk Management functions consistent with the Program for other employees.

REVIEW AND REVISION

The Treasurer shall regularly review the operation of the Program, provide for needed revisions and modifications, and recommend actions by the Board of Education as necessary. Part of this review function is to identify, define and assign Risk Management functions and to assign and revise assignments of the estimated percentage of work hours dedicated to Risk Management functions as shown in the attached Schedule of Salary Cost Assignments.

COST ASSIGNMENT

All District expenditure related to the development, implementation, maintenance, review and revision of the Program should be charged and accounted for as expenses of the District’s Tort Immunity Fund. This shall include that portion of employee salaries, wages, and benefits estimated as reflecting that employee’s work hours dedicated to Risk Management functions as shown in the attached Schedule of Salary Cost Assignments, as that Schedule may be from time to time revised. This shall also include those insurance premiums and management costs and legal fees and costs related to protecting the District from liability.

SCHEDULE OF SALARY COST ASSIGNMENTS

The following reflects an estimate of the portion of work hours dedicated to assigned Risk Management functions for each described employee/employer category:

Superintendent	20%
Business Manager	25%
Treasurer	25%
Insurance Adm/Personnel Dir	20%
Building Principals	30%
Dean/Assistant Principals	35%
Unit Maintenance	65%
Head Custodians	50%
Secondary Custodians	35%
Science Teachers	5%
Physical Ed Teachers	20%
Vocational Teachers	10%
School Nurse	80%
Head Cooks	10%
Cook's Helpers	10%
Special Services Director	30%
School Secretaries	10%
Noontime Supervisors	80%
Athletic/Coaches Stipends	10%
Athletic Directors	10%

Resolution Approving Risk Management Program

Whereas, the School Code and Illinois Local and Government and Government Tort Immunity Act authorize the implementation of Risk Management Programs by school districts and the use of tort immunity levies to pay the costs related to those programs;

Whereas, the District has incurred and continues to incur expenses relating to the avoidance of tort liability through Risk Management and related programs;

Whereas, the Administration has developed a Risk Management Program and recommended it's adoption by the Board of Education;

Now therefore, be it resolved by the Board of Education of Community Unit School District No. Two, Crawford County, Illinois as follows:

Section 1. The Risk Management Program as proposed by the Administration is hereby adopted as the Risk Management Program for Community Unit School District No. Two.

Section 2. The Superintendent, the Treasurer, and the rest of the Administration and staff of Community Unit School District No. Two are directed to implement and operate the Risk Management Programs as provided by the terms of the Program.

Section 3. This resolution takes effect upon its adoption.

AYES: 5

NAYS: 0

ABSTAIN: —

ABSENT: 2

**Board of Education
Community Unit School District #2
Crawford County, Illinois**

By: 
School Board President

Attest: 
School Board Secretary

Date: November 19, 2018