UC DAVIS RISK MANAGEMENT POLICY STATEMENT

UC Davis Office of Administration promotes enterprisewide risk management, emphasizing cost efficiency and quality customer service in support of the academic mission and its stakeholders, ultimately contributing to optimum organizational performance.

Because of the need to protect the assets of this enterprise against catastrophic loss (or to provide financial restitution if such a loss should occur) and the expense of such protection, risk management is a critical part of the total management of the campus.

UC Davis will apply the risk management process to the evaluation of accidental (insurable) and speculative (business, and usually not insurable) risk exposures, which includes a systematic and regular identification of loss exposures, the analysis of those exposures, the application of sound risk control practices and procedures, and risk financing techniques consistent with the University’s financial resources.

The administration of the UC Davis Risk Management Program is assigned to the Director of Risk Management, who reports to the Associate Vice Chancellor of Business Services, Office of Administration.

1. Purpose. With respect to the management of all risks, whether accidental or speculative, UC Davis shall have the following as its objectives:

   a. The protection of the University against the financial consequences of accidental or speculative risks that could result in catastrophic loss.
   b. The minimization of the total long-term cost to the University of all activities related to the identification, prevention, and control of accidental and speculative risks, and their consequences.
   c. The creation of a system of internal procedures and controls providing a periodic assessment of fluctuating exposure to loss and the campus’ risk tolerance.
   d. To promote an environment in which the UC employees as well as students and visitors can enjoy safety and security in the course of their daily pursuits.

2. Loss Control. Risk Management Services shall have responsibility and authority for the following:

   a. Identification and measurement of accidental or speculative risks.
   b. Selection of appropriate risk management techniques addressing such risks (e.g., avoidance, reduction, retention, transfer, financing).
   c. In consultation with campus departments, or from loss data, development of loss control efforts to minimize frequency and severity of claims.
   d. Development and maintenance of a Risk Information System in coordination with existing software or systems for the timely and accurate recording of losses, claims, premiums, and other risk-related costs and information as is deemed appropriate.
   e. Risk management consultation to the UC Davis campus community, including faculty, staff and students in course and scope of their work or academic endeavors.
   f. Oversee and manage all UCD liability claims filed against the Regents, and provide direction to the third-party administrator with regard to the campus’ best interests.
   g. Coordinate litigation efforts to minimize costs and ensure that the campus’ interests are being represented.

3. Risk Financing. At the local level Risk Management Services shall have responsibility and authority for the following:
a. In coordination with UCOP Risk Management, manage and administer all property/casualty programs promulgated or procured by UC Office of the President.
b. Assessment of available financial resources such as retaining losses through current expensing, funded or unfunded reserves, borrowed funds, captive insurance, separate insurer, or using contractual transfer for risk financing.
c. Purchase of commercial insurance for the campus as needed and when not otherwise provided by UCOP Risk Management.
d. Allocation of insurance premiums, uninsured losses, and other risk costs.