Sometimes the right training happens at precisely the right time. Only weeks before the November 2015 Paris terrorist attacks, UC conducted crisis response training for Europe-based University of California Education Abroad Program staff. No one knew at the time that those training strategies would soon be put into practice against a backdrop of international terrorism.

READ FULL STORY

Higher education and health care are under pressure from many sources. There is a seeming deluge of issues affecting University operations from the regulatory, technological, socioeconomical and competitive environments. If we are to successfully adapt to change while realizing our core mission, we must strengthen our partnerships across the system among Risk Services, Internal Audit, and Compliance.

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Our lead article dramatically highlights the importance of crisis response training, and particularly the value of team response exercises using plausible scenarios. Europe-based UC staff and their partners were challenged to react to an unprecedented and tragic emergency situation in late 2015. The article reveals how the team profited from an emergency training session held one month before the event.

Carrie Frandsen, UCOP enterprise risk management program manager; David Lane, deputy compliance officer; Matt Hicks, systemwide audit director; and Hans Gude, director, enterprise risk services, UC Berkeley, offer an insightful article on how we can become a “risk intelligent” organization. Using a collaborative approach, different departments can find common ground and work productively to build lasting value. It’s a brave new concept with obvious benefits and I think we should get behind it!

UC Riverside is making the leap! Their new Enterprise Risk Management division now encompasses...
UC affiliated physicians will soon have access to robust UC risk management resources
The UC Office of Risk Services has announced the creation and impending launch of a new captive insurance company risk retention group, UC Health RRG. This new company will be a sister company to our existing captive, Fiat Lux Risk and Insurance Company. It is scheduled to launch (subject to regulatory approval) and begin issuing new insurance contracts in the summer of 2016.

READ FULL STORY

The Importance of Timely Reporting
Did you know that delayed reporting may invalidate coverage?

READ FULL STORY

Introducing New UCOP Staff
Meet Zina Slaughter, director, student health insurance program

READ FULL STORY

Making the Leap from Crisis Response to ERM at UC Riverside
One of the most notable organizational transformations at UC Riverside is the creation of an Enterprise Risk Management (ERM) division within Business & Administrative Services, which began operations October 2015. The ERM division is responsible for identifying, analyzing, preparing for, responding to and recovering from the multitude of risks that UC Riverside faces every day.

READ FULL STORY

A Productive Visit for UC’s London Underwriters
In April of this year, we welcomed a visit from a group of our London-based underwriters. In only a few days, the underwriters were able to experience the breadth of projects and processes that fuel the University’s mission.

READ FULL STORY

From the Chief, continued

diverse departments that support ERM. Their new operational structure promises a more responsive, cost-effective and efficient service to the campus.

This issue also includes an article showcasing UC Health RRG, the new reciprocal risk retention group. This new insurance company will improve our effectiveness by better supporting the myriad of physicians and physician groups affiliated with the University.

I am also pleased to share some highlights of the recent visit to UCOP by our London-based underwriters. Of course, the underwriters are familiar with our challenges and opportunities through in-depth reports and ongoing communications. But nothing replaces the value of an in-person visit to visualize the scope of our work. This visit was designed to give them a deeper understanding of the University of California, its activities beyond teaching, and unique approaches to managing risk.

Finally, we hope to see you at the annual UC Risk Summit, which will be held June 6-8 at the Marriott LAX in Los Angeles.

The Risk Summit is an amazing, exciting gathering of expert speakers and risk management professionals from throughout the UC system. I hope to see you there!

READ FULL STORY

Share the Excitement!
Take Our Daughters and Sons to Work® Event
This year’s Take Our Daughters and Sons to Work® Event was celebrated April 28. Enjoy the pictures!

READ FULL STORY
Real-world scenario training empowers UC staff’s coordinated response to Paris terror attacks

By Ines DeRomana, UCEAP director of international health, safety and emergency response, and Phillip Van Saun, UC Risk Services director of risk, security and resilience

Sometimes the right training happens at precisely the right time. Only weeks before the November 2015 Paris terrorist attacks, UC conducted crisis response training for Europe-based University of California Education Abroad Program (UCEAP) staff. No one knew at the time that those training strategies would soon be put into practice against a backdrop of international terrorism.

In October 2015, one month before the Paris terrorist attacks, UC provided crisis response training for Europe-based UCEAP staff stationed in Denmark, Germany, Italy, England, France and Spain. Conducted in London, the training was a collaborative effort designed and presented by Phillip Van Saun, UC Risk Services director of risk and resilience, and Ines DeRomana, UCEAP director of international health, safety and emergency response.

The Europe-based UCEAP staff received a half-day crisis management training session which, ironically, included a fictional scenario of coordinated terrorist attacks on Paris. When a real attack occurred on November 13, 2015, UCEAP systemwide and Paris-based UCEAP employees were prepared. They combined their recent training and their years of international emergency response experience to cope with the crisis. The UCEAP team implemented their integrated emergency response plan, which includes coordination with students, parents, UCOP and UC campuses.

“It’s still hard to fully process this senseless tragedy,” says Ines, referring to that night in Paris. One Paris-based UCEAP employee praised the value of the crisis response training: “Our crisis-action training with Phillip and organized by Ines proved very useful, as we immediately teamed up to do outreach with the UC students. The scenario we worked on during that training session was similar to the real-life event. That was helpful (if eerie), as we relied on what we had just rehearsed when making decisions during that tragic night. Having role-played this allowed us to keep a cool head as we remembered the importance of teaming up, delegating, bringing in relief pitchers and keeping lines of communication open.”

Phillip and Ines recently returned from London after another collaboration between Europe based UCEAP and Risk Services, including Phillip’s presentation of a half-day training seminar focused on response to behaviors of concern.

“Unfortunately, the ‘new normal’ in higher education now includes a higher risk of violence, including at our locations around the world,” says Associate Vice President & Chief Risk Officer Cheryl Lloyd. Cheryl has therefore placed renewed focus on Risk Services support to international operations. The goal is to provide crisis and security support and awareness training directly to UC employees and students in international locations. To support this growing need, Phillip has researched and conducted international travel and security risk trainings and briefings for such diverse locations as Afghanistan, Israel, Africa and the UK.

A recent example of this service in action is the delivery of a pre-travel security briefing for a cohort of MBA students and faculty planning to travel to Israel. Although the faculty leader in this case had a wealth of experience in Israel, the majority of the students had never traveled to Jerusalem, which has experienced an increase in violence. The briefing was tailored to the specific needs of this group, focusing on the use of situational awareness and contingency planning to mitigate risk exposure.

“Having access to real-time reporting on international security and being able to translate that information into a format which better prepares our faculty and students to safely conduct their research and teaching is the goal of this effort,” says Phillip. “We are working to help our fellow UC colleagues by passing along useful and potentially life-saving advice.” Additional objectives include developing a database of country and regional profiles compiled in part by UC travelers. These profiles provide recent reports regarding “field notes” such as observations and tips regarding transportation, hotels and other helpful advice.

To learn more about international risk management training and support, contact Phillip Van Saun at (858) 583-2129 or email at philip.vansaun@ucop.edu

Learn more about UCEAP at http://uc.eap.ucop.edu/

Road accidents: the highest risk to international travelers

The most common risks for those on international travel involve day-to-day life events and, therefore, are perhaps less obvious. According to published research, the highest risk to the international traveler is from road accidents. “Simple things like knowing the rules of the road in a foreign country, researching road and weather conditions and selecting a reliable transportation service rather than self-driving are basic elements of the pre-trip planning process,” says Phillip Van Saun, UC Risk Services director of risk and resilience. Beyond this kind of common sense advice, Phillip provides UC faculty and students with specific high-risk travel briefings and training which are in part based on his first-hand experience with risk intelligence and security planning.
Towards a Risk-Intelligent Organization

Promoting systemwide collaboration and a holistic approach to risk management

By Carrie Frandsen, UCOP ERM program manager; David Lane, deputy compliance officer; Matt Hicks, systemwide audit director; and Hans Gude, director, enterprise risk services, UC Berkeley

Introduction

Higher education and healthcare are under pressure from many sources. There is a seeming deluge of issues affecting University operations from the regulatory, technological, socio-economic and competitive environments. If we are to successfully adapt to change while realizing our core mission, we must strengthen our partnerships across the system among Risk Services, Internal Audit, and Compliance. And, most importantly, we must become more strategic in where we focus our time and efforts—we must become risk intelligent.

Columbia University professor Leo Tilman defined risk intelligence as “the organizational ability to think holistically about risk and uncertainty, speak a common risk language and effectively use forward-looking risk concepts and tools in making better decisions, alleviating threats, capitalizing on opportunities and creating lasting value.”

Opportunities for Alignment

A risk-intelligent approach is built on thinking holistically about risk, speaking a common risk language, and using forward-looking risk concepts and tools. It offers us opportunities to consider, plan and manage risk in a more integrated way across the UC system. Moving to a risk-intelligent approach often involves aligning and coordinating existing independent risk assessment efforts across the campus to increase efficiency and eliminate redundancy. Encouragingly, the University’s campuses and health systems are increasingly aligning their compliance, risk and internal audit functions. This is a major step towards achieving risk intelligence. Examples of this increased alignment include:

- Cross-functional oversight committees and workgroups
- Collaboration in conducting organization-wide risk assessments
- Joint risk and compliance development and oversight of annual work plans
- Consideration of a governance, risk and compliance management technology solution
- Coordinated scenario planning sessions that improve our capability to manage issues before they become crises

Collaboration in Action

Internal Audit, Compliance and Risk Services at the Office of the President are making a strong effort to model the collaborative approach needed for this new risk intelligent approach. Senior Vice President & Chief Compliance and Audit Officer Sheryl Vacca and

Associate Vice President & Chief Risk Officer Cheryl Lloyd are leading the effort, and held a risk partners meeting on February 18, 2016 to promote ongoing collaboration.

The key take-away from this meeting was that we can all continue to partner in supporting the University in identifying emerging risks, monitoring and reporting on risk and compliance issues and evaluating control effectiveness. A collaborative approach not only improves efficiency by leveraging efforts to identify potential risks; it can offer a more comprehensive view of risk issues under review by campus and health system leadership.

We are all working to support the University in achieving its common objectives, which include the governance, assurance and management of risk and compliance. A coordinated, risk intelligent approach helps us make, as Professor Tilman says, “better decisions, alleviating threats, capitalizing on opportunities and creating lasting value.”
The annual UC Risk Summit is being held this year at the Marriott LAX in Los Angeles, June 6-8, 2016. University of California department and unit staff throughout the system are invited to attend this year’s UC Risk Summit. This annual gathering of UC professionals is an opportunity to connect with colleagues to share perspectives, best practices, challenges and solutions.

**Highlights of this year’s Risk Summit:**

- EVP/CFO Nathan Brostrom will update conference attendees on the state of the UC. His presentations in 2014 and 2015 were very well received.

- Shola Richards, UCLA Health training director, presenting “Managing Reputational Risk through Customer Service.” As a keynote speaker, everyone will have the opportunity to hear Shola talk about the impact of positive customer service. The short story is that good service is easier to provide than poor service and if you treat all your customers with the same good service, everyone wins. But really, the message is more about how to have positive interactions.

- Drone use in research is an emerging area of risk. Representing UC’s Center Of Excellence For Unmanned Aerial Systems, Brandon Stark, director, campus & public safety, UC Merced, will present several sessions on drones and host an informational booth June 7 where conference attendees can see non-operational drones.

- “Targeted Wellness” features a video and panel discussion about WorkStrong, UC’s injured worker program. Learn about the program from the team of Alison Frink, UCLA Health, Warner Hudson, UCLA Health, and Mark Priven, Bickmore. WorkStrong provides holistic treatment and support for injured employees that treats the whole package, not just the injury. The video includes a success story: the employee had been injured multiple times. The WorkStrong program got him working with a personal trainer, a dietician, and kept him engaged. The result—as he mentions in the video—is overall better health. The program has a 39 percent return on investment.

“The UC Risk Summit is a unique connection point for UC staff. It is an opportunity to learn from expert speakers, attend hands-on workshops and network with colleagues throughout the system who share each other’s goals and challenges,” says Associate Vice President & Chief Risk Officer Cheryl Lloyd. “I look forward to seeing you there!”

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**UC to Launch New Captive Insurance Company**

By Courtney Claflin, executive director, captive programs

The UC Office of Risk Services has announced the creation and impending launch of a new captive insurance company, UC Health RRG. This new company will run parallel to our existing captive, Fiat Lux Risk and Insurance Company. Subject to regulatory approval, it is scheduled to launch and begin issuing insurance policies in the summer of 2016.

UC Health RRG is an insurance company created to provide medical malpractice insurance to physicians and physician groups affiliated with our UC medical centers. Currently, the UC system educates and trains a majority of physicians in California. UC Health RRG is a direct response to the desire to provide and support enhanced UC physician integration strategies for these physicians.

These strategies include improving the coordination of patient care, increasing patient engagement, enhancing patient outcomes and providing more efficient health care delivery. Additional physician benefits include coordinated defense provisions during malpractice litigation and world class UC clinical risk management.

UC Health RRG will be led by the five UC medical center chief strategy officers along with UC AVP/Chief Risk Officer Cheryl Lloyd and UC Deputy General Counsel, Health Law & Medical Center Services Rachel Nosowsky. When the company becomes operational, it will also include leadership positions elected by the insured independent physicians.
Timely Reporting: A Risk Management Essential

Delayed reporting may have far-reaching consequences

By Katie Pickard, risk consultant, Alliant Insurance Services

Did you know that late reporting of claims may invalidate coverage? The University of California Office of the President Risk Services purchases insurance coverage to provide for recovery in the event of a first party claim or defense and payment in the event of a third party claim.

We are all familiar with auto insurance policies and the importance of timely reporting because it touches our personal lives in that most of us drive automobiles and we know the drill - www.DMV.ca.gov.

Auto claims are first party (damage to the vehicle or belongings in the vehicle) or third party (UC driver may be at fault for the accident and a third party(s) is seeking recovery for damages).

• Be sure that you have evidence of insurance to show the other driver(s).
• Be sure that you collect evidence of insurance from the other driver(s).
• Collect contact information from any witnesses and passengers in other vehicle(s) and note any injuries that may be known at that time.
• Call 911 if there are injuries or traffic problems arising from the accident; 911 will dispatch police to the site based on details reported.
• Take photos of the accident scene, take photos of the evidence of insurance and driver licenses and photos of other vehicle(s) including the license plate, if you are able.
• Move the vehicle to the shoulder of the road if it is possible. If it is not, call 911 to get help with traffic control. If the vehicle is not off the road, do not stay in the vehicle or stand in the road to wave other cars past the vehicle. Many people are hit by on-coming cars when they do this. Turn on your flashing lights and stand and wait on the side of the road for help to come.
• Report the claim promptly following your campus vehicle accident procedures. If you are driving your own vehicle on UC business, please report the claim to your own insurance company, your campus risk manager and UCOP Risk Services.

First party property claims arise out of hazards such as fire, theft and water (such as pipes breaking in the building or outside the building as happened at UCLA in 2015 when a pipe broke in the street and flooded campus grounds, parking structure and other buildings). These claims involve estimates for repair, cleanup and restoration. Any time UC property is damaged or stolen, report the claim promptly to your campus risk manager and UCOP Risk Services.

Third party claims (other than auto) may be easier to remember if we put them in categories:

• Public Liability e.g., slip and falls on the UC premises, UC trees falling on vehicles, bicycles or people in a high wind
• Medical Professional Liability errors and omissions
• Employment Practices Liability
• Management errors and omissions
• Environmental Liability
• Cyber Liability-accidental or malicious release of personal data of any kind

Timely reporting of a claim to Risk Services and your campus risk manager as soon as it is known is the key to getting the claim covered under UC’s insurance policies.

What is timely reporting? Timely reporting is contacting Risk Services and your campus risk manager as soon as you know of a claim or the possibility of a claim. Your campus risk manager or UCOP Risk Services are happy to hear from you even if you believe it to be a possibility and it may not yet be confirmed. Let’s err on the side of reporting the claim and protecting UC’s rights under our insurance policies.
This year’s Take Our Daughters and Sons to Work® Event, sponsored by Chief Operations Officer Rachael Nava in partnership with the University of California Office of the President Staff Assembly (OPSA), was celebrated on April 28.

Pictured are Ken Smith, executive director, environment, health & safety, and the young students as they learn through hands-on projects. The photos give us a glimpse of the fun and learning experience the children had with University of California staff.
Making the Leap From Crisis Response to ERM at UC Riverside

By Erica Healander, director of risk management, UC Riverside

Since the arrival of Ron Coley as Vice Chancellor of Business & Administrative Services in 2014, UC Riverside has undergone many unique organizational changes that have allowed the campus to realize innumerable benefits. One of the most notable organizational transformations is the creation of an Enterprise Risk Management (ERM) division within Business & Administrative Services (BAS), which began operations October 2015. The ERM division is responsible for identifying, analyzing, preparing for, responding to and recovering from the multitude of risks that UC Riverside faces every day.

The UC Riverside ERM division includes the key enterprise functions of continuity planning, emergency management, environmental health & safety, UC Police Department and risk management. This structure optimizes the management of functions with risk management as their primary responsibility. It also enables a focused, cohesive approach to addressing critical campus preparedness programs. The ERM division is aligned with BAS operational objectives to use industry best practices, eliminate the duplication of efforts, create opportunities for collaboration, implement enabling technologies, and most importantly, prioritize institutional responsibility for safety and risk management.

Successfully merging five independently functioning units is not an easy task. However, UC Riverside made a clear commitment to its ERM program which made the transition to a cohesive and collaborative team almost seamless. A critical element of the overhaul of the ERM division is that historically, the EH&S program has not been positioned to fully support campus operations, let alone the continuous growth and expansion of academic research operations. In response to a request for funding, Chancellor Kim Wilcox directed an increase in permanent funding to enable the program.

Mirroring the Chancellor’s commitment, the newly formed ERM team also made a commitment to success. The team conducted facilitated strategic planning sessions to build its vision, mission and strategic goals. The mission of UC Riverside’s ERM team is “changing the world by empowering the UCR community to innovate, while proactively managing risks.” The group’s strategic goals are to Predict, Prepare, Respond, Recover and Improve:

Predict: Use analytical methods to identify and prioritize campus risks
Prepare: Plan, educate and train the campus community about risks that could impair its ability to achieve objectives
Respond: Take action using effective processes and procedures
Recover: Facilitate strategic resumption of activities with the least interruption
Improve: Analyze events to identify opportunities for improvement

One of the most notable highlights of the formation of the ERM division is its regular interface with the Executive Management Policy Group (EMPG). The ERM team steers monthly EMPG meetings that function as an early warning system to executive leadership on emerging risks. Meetings focus on the risks of upcoming events and activities, debriefs of previous events, after action reports, crisis communications, executive leadership’s roles and responsibilities in a crisis and building leadership’s confidence in the ERM team’s tactical decision making.

The UC Riverside ERM division staff continue to leverage their effectiveness and operational efficiency as they move forward in this first year of operation. Their motto reflects their shared goals of identifying, analyzing, preparing for, responding to and recovering from any challenging situation: “When you call one of us, you get all of us!”

UCOP Welcomes New Staff

Introducing Zina Slaughter, director, student health insurance program

Zina is an accomplished, goal oriented, leader with almost 20 years’ experience in managed care and health plan operations. She has hands-on experience with all aspects of health plan operations, including member enrollment, claims administration, vendor management, network development, provider services, contracting, IT and regulatory compliance.

Zina last worked for Alameda Alliance for Health where she held many positions, including manager, director, senior director and her last role as Chief Operations Officer. Zina has a bachelor’s degree in communications from San Jose State University and an MBA from Tulane University.

We are very excited to have her join our team.
In April of this year, we welcomed a visit from a group of our London-based underwriters. These underwriters insure UC against exposures relating to technologies, research, properties and campus activities. This visit gave the underwriters an opportunity for a first-hand view of the complex mixture of facilities, activities and environments that is the University of California. In only a few days, they were able to experience the breadth of projects and processes that fuel the University’s mission.

**Emergency Operations Center** The underwriters learned about UC emergency preparedness capability at the UCSD Emergency Operations Center, where members of the campus police department spoke on assessment strategies, preparedness and response activities for a wide variety of threats. The guests learned about UCSD’s response plans and activities, including the use of drills on a wide variety of scenarios and engagement of partners from campus, local emergency responders and law enforcement, and US government partners such as the FBI and the Department of Energy. Also discussed was UCSD’s best practice of automatically enrolling everyone with an @ucsd.edu email address in the campus’ mass notification system.

**Geisel Library** The tour continued to the Geisel Library, named after the La Jolla writer Theodore Geisel, best known as Dr. Seuss. Guests viewed important and unique artifacts including Dr. Seuss’s early drafts, pencil and watercolor sketches. They also viewed journals of early California settlers and trans-Pacific travelers, the largest collection of books on the Spanish Civil War, and the papers of Dr. Jonas Salk of polio vaccine-fame. In addition, they toured the unique surroundings that house and protect the collection: secured, controlled access, the climate controlled environment, and the unique methods employed to protect the collection from accidental sprinkler leakage.

**Animal Operations Center** The UCSD Animal Operations Center (AOC) was the next stop on the educational tour. Built in 2013, the AOC is the first of its kind in providing centralized back-room operations to support the University’s research operations. Through the use of a sophisticated suite of electronics, the AOC provides 24 hour monitoring of 50 research facilities. At any time, the animal population covers some 50 species from cows to zebra fish and non-human primates. Monitoring includes animal health, facility conditions (temperature, lighting, etc.), security, and access control. Access control employs a variety of biometric protocols.

**San Diego Supercomputing Center** Supporting more than 150 researchers worldwide, the San Diego Supercomputing Center (SDSC) hosts a wide variety of the applications and data for the University and other customers. Behind the rows and racks of servers is a robust cyberinfrastructure maintained to the highest standards. In front of the rows and racks is an environment with high-security access controls. Guests participated in a walking tour of the data center and discussion of the various security protocols, strategies, and best practices employed by the SDSC.

**Qualcomm Institute** Qualcomm Institute is highly regarded for the creative use of technology to improve the world in health and the environment. The London-based underwriters were impressed by the incredible variety of visual arts and virtual reality: this is the place where art and engineering meet data. The tour began in the main auditorium where a short, high-definition 4D movie was projected. Next, the guests spent time in the theater, where immense high-definition images are projected. The images are of such high-quality that viewers can drill down into the image to reveal fine details. Imagine a photograph of the huge expanse of the Grand Canyon similar to what could be seen from an airplane and having the ability to focus in and drill down to see images of hikers in the Canyon or leaves on trees.

**Shake Tables** Guests visited the UCSD “shake tables,” which provide structural failure testing in full- or half-scale for clients around the world. Through the use of existing data from real earthquakes, the exact seismic movement unique to each earthquake is recreated to determine both structural failure points during the event and an expected post-seismic event life span. The results of this testing helps to build structures that are better able to withstand pressure stress including earthquakes. Guests toured each of the tables, learned how shake tables are used in research, and saw the twisted metal results of previous tests.

**Green Housing Tour** UCSD Campus Housing and Dining manages residential space in 400 buildings covering 5.3 million square feet, and housing almost 15,000 students, staff, faculty, and dependents. Essentially, it is like managing a small town. Guests toured the Charles David Keeling Apartments, one of the newer residential structures and the first UC housing project to be certified LEED Platinum. Starting in 2016 and continuing through 2030, funding has been set aside to upgrade older residences. This long-term strategy will upgrade and retrofit older residential buildings to improve seismic and life safety.