

32nd District Agricultural Association

Board Policies

4.06 Risk Management

Date Adopted/Last Revised: Month #, 20XX

Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01. Should any provision in this policy contradict any provision of California law, California law shall control.

Purpose

The purpose of this policy is to outline the responsibilities of the 32nd DAA Board and Staff members in relation to organizational risk management.

Policy

Risk Management Philosophy

As part of the 32nd DAA's foundational value of Safety, protecting the health, safety, and security of staff and customers is integral to all organizational activities. In keeping with this philosophy, the 32nd DAA's Board Members and staff are expected to carry out their work with a high degree of safety and attention to potential risks.

The 32nd DAA seeks to involve appropriate personnel at all levels of the organization to identify risks and create practical strategies to ensure that its risk management approach considers diverse perspectives and that its staff understand their roles in protecting the mission and assets of the organization.

General Principles

- The 32nd DAA strives at all times to operate in compliance with local, state, and federal laws and regulations.
- The 32nd DAA bears responsibility for the health, safety, and security of its staff and customers. This is a primary responsibility of the Board, the CEO, and all program staff.

- Safety and risk management activities are multi-faceted and include:
 - Creating and enforcing policies, standards, guidelines, and procedures related to safety, financial security and risk mitigation.
 - Maintaining safe and secure facilities.
 - Establishing procedures to be followed in the event of an emergency.
 - Maintaining clear communication channels.
 - Purchasing insurance coverage as a financial mechanism for certain risks, while still recognizing that insurance is not a substitute for vigilance in planning and implementing services, programs, and events.
 - Creating and maintaining a crisis communication plan to be implemented in the event of an emergency.

Responsibilities of the Financial Monitoring Committee

The Financial Monitoring Committee plays a major role in ensuring financial sustainability and mitigating risk. As such, the committee is responsible for:

- Developing and/or reviewing the organization's risk management plan on an annual basis
- Conducting annual public budget workshop to ensure transparency
- Adopting annual budgets with risk management in mind
- Reviewing operational reports to determine compliance
- Adopting and establishing risk-related policies and standards
- Reviewing the organization's insurance program periodically

The Audit and Compliance Committee plays a major role in mitigating risk. As such, it is responsible for:

- Working with the CEO and approved auditing agency to ensure annual audit of the 32nd DAA is conducted within a timely manner.
- Maintaining communication with the auditing agency to ensure 32nd DAA is responsive and in compliance with auditing process.
- Responding in writing to address any issues identified by auditing agency management report.
- Reviewing operational reports to determine compliance
- Ensuring compliance with policies and standards imposed by accrediting/auditing organizations.
- Adopting and establishing risk-related policies and standards