

BLUEPRINTS INITIATIVE



Introducing the

**Continuous Improvement Model  
For School Risk Management**

*“Roadmap for Excellence”*

May 24, 2010

**Public School Risk Institute**

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***Guiding Premises:***

*By using a sound, comprehensive model for risk management, a school district is more likely to achieve its instructional objectives and district stakeholders are more likely to feel confident about the future. Effective long-term performance begins with the ability to identify where gaps exist and to understand the steps that lead to improvement.*

***Executive Summary:***

This project will engage fifty or more risk management professionals on a voluntary basis to write and edit nationally accepted “best practice” content for over 100 elements of a total risk management model to benefit public school districts.

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### **The Situation: Uncertainty and threats abound in school districts**

Students, employees, volunteers and visitors all interact at more than 100,000 campuses nationwide that make up the public school arena. The risks are varied and the possible adverse consequences are serious. Resource limitations, natural perils, process weaknesses and other conditions create strains on district capacity and impact student learning and employee productivity. The current model of most school district risk management programs tends to be transactional or compliance-oriented in nature. It is difficult for school districts to address the total cost of risk. Public expectations for higher performance, coupled with anxiety about funding, create today's ideal conditions for raising awareness of the value of effective risk management.

### **The Opportunity: Roadmaps empower risk management progress**

Informational tools are needed that school district leaders can easily use to understand all the elements that make up a comprehensive, integrated approach to managing risk. There is widespread desire expressed by school finance and business officials for help in identifying best practices and benchmarking behaviors that produce positive outcomes and save money.

The roadmap is the most common metaphor used to represent the kind of tool that would help districts visualize and address how to effectively manage risk. The ideal roadmap will give school leaders the means of measuring progress toward the desired destination. Designed properly, it will tell leaders if they are on the best course and which key objectives they need to focus on to be successful.

### **The Solution: Build a Continuous Improvement Model for School Risk Management that is Widely Supported by Top Risk Management Leaders**

The Continuous Improvement Model (CIM) was conceived to serve as the framework for voluntary transformation of risk management practices across the entire school district. The current conception draws from work by a number of organizations. In simplest terms, it sets forth a continuum for process improvement and behavioral change moving toward “best practices” based on the consensus of experienced professionals. A task force will develop each element of the model. Each task force will include school risk managers, school risk group staff and representatives of service providers and selected subject matter experts.

As currently conceived, the CIM will include:

- A multi-page workbook containing a series of worksheets built with Microsoft Excel software.
- Fourteen (14) major categories, grouped into these four units: (1) core activities, (2) support & recovery, (3) risk improvement, (4) insights & analytics.
- Within each category there will be 8-12 elements; there are a total of 117 in the prototype version of the model.
- Four levels of achievement, each labeled in a manner that helps provide a meaningful benchmark of progress.
- Color coding of scores to help illustrate degree of achievement or conversely, elements that need attention.
- A summary and scoring worksheet that rolls up the score for each element and neatly displays the results.
- A dashboard element or graphical means of displaying the gaps between current and ideal behaviors.

Exhibits are provided that show the prototype model summary pages. Below is a sample of the scoring summary page and one part of the first element worksheet.

From prototype Summary page

Leadership & General Management	Score	HR Practices	Score
1. Superintendent expectations	4	1. Workers' Compensation orientation	1
2. Safety and injury prevention goals	3	2. Employee screening and placement	2
3. Senior management feedback/recognition	4	3. Employee rights awareness documentation	3
4. Risk manager influence/accountability	4	4. Employee notice of benefit, rule and procedure change	4
5. Cost allocation system	4	5. Design of employee benefits program.	4

From prototype Element worksheet

Question/Issue	1 Stagnant	2 Striving	3 Stretching	4 Sustaining
Has the Superintendent clearly communicated support and expectations regarding safety policy for students and employees and control of injury costs and property losses?	Other than written board policy, there is no active management expression of support for student and employee safety	Commitment may be expressed, but not by superintendent.	Superintendent expresses support and expectations through management policies. Department leaders and principals reinforce these efforts in specific ways.	The Superintendent and cabinet level management express their support and expectations through management policies and the budgeting process. Department and school site managers can clearly identify methods in which senior management supports these efforts.

## **Some Key Benefits of the Project to School Districts and Risk Groups**

The Continuous Improvement Model will help assure consistent application of resources and give school leaders a reliable system to measure progress in managing risks. Here are some other specific benefits of the CIM:

### **Increases Depth of Understanding About Risk Management**

- Makes it easier for school administrators, staff and elected officials to understand the complex risks of a school district.
- Shows how all the pieces of the puzzle fit together.

### **Reduces Injuries and Losses**

- Helps drive behaviors that result in lower claims frequency and severity over the long run.
- Offers school districts and their risk groups a tool that can become part of the risk control and underwriting process.

### **Makes Behavior and Process Benchmarking Possible**

- Gives school districts an in-depth scorecard about behaviors that can be used to complement loss data or claim benchmarking reports.
- Gives school districts and their risk groups a method to work together on a consistent basis toward risk management best practices that are widely accepted, and avoid over emphasis on piecemeal and temporary programs.

### **Makes it Easier to Communicate and Strengthen Support for the Role of Risk Management**

- Enables a wider and deeper degree of acceptance of safety culture and risk control programs across the school enterprise and up and down the chain of command.

- Ties-in with efforts across education to provide balanced scorecards for accountability and transparency.

### **Improves Decision-making of Parties in Risk Financing Arrangements**

- Gives the individual district and school risk group a credible tool to use in marketing and placement negotiations with insurers and reinsurers.
- Provides brokers, underwriters and insurance loss control representatives with credible information for risk evaluation and service planning.

### **Summary of Project Timetable**

Project mobilization began on May 1, 2010. The target completion date is October 1, 2011. The 18-month project period is divided into two nine-month phases. Progress on the project is expected to be showcased in the fall of 2010, spring of 2011 and fall 2011. Possible venues for showcasing include CAJPA, AGRIP and ASBO International conferences and other state/regional association events. An exhibit is provided that outlines the initial tasks and milestones for the project.

### **Overview of Project Work Plan:**

The project work plan has these five primary components:

#### **1. Create Initial Prototype Model**

Various types of accreditation and benchmarking models exist.<sup>1</sup> Some education and government agency self-insurance pools have used assessment and best practices models for several years to obtain member buy-in and provide a recommended path for risk control. With the lessons learned and shared from these experiences, a new

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<sup>1</sup> Sources and examples can be provided upon request.

prototype was created in July 2009. Minor refinements have been made over the past eleven months.

## **2. Select Project Manager and Arrange Support Resources**

The professional qualifications, personal traits, and relevant experience were all factors that led to the selection of Ms. Catherine Bennett, CPCU, ARM to serve as Project Manager. Ms. Bennett is the founder of Cost Control Concepts, Nashville, TN. She is a proven project manager with 20+ years service to risk management organizations and a frequent moderator and panelist for the Risk & Insurance Management Society.

## **3. Identify, Enlist and Equip Task Forces and Steering Group**

For each of the 14 elements currently envisioned in the model, there will be a 3-5 member task force that works with the project manager to write and edit material. Each task force will include at least one risk manager and one staff representative of a risk group who has been selected based on work experience and overall geographic balance. Volunteers and representatives of corporate partners will be invited to join the task forces. The project manager will supply information resources to the task forces. Subject matter experts will be available to help as needed.

A 7-10 member project steering group will be organized with a cross-section of work experience and interests. Some of the ways that the steering group will help the project are by:

- Providing a forum for discussion of project related items and its operation.
- Recommending more effective ways of getting things done.
- Advising on the content of the task force.
- Providing a channel of communication between the task forces and sponsors.
- Raising the profile of the project.
- Advising when changes to the project plan or budget are needed.

#### **4. Schedule Work of Task Force Groups in Three Time Periods**

After mobilization, the actual work of writing and editing material for the 14 element worksheets will begin in June 2010, first with five task forces working simultaneously, followed by a new set of five task forces in November 2010. The first ten elements are expected to be completed by the end of nine months, February 1, 2011. A third group of four task forces will then kick off the second phase of the project and work simultaneously to complete the final four elements by mid July 2011.

#### **5. Identify and Prepare Testers and Pilot Users**

Districts and risk groups will be invited to serve as testers and will start working the material as each element is completed. Ideally, there will be at least 10 districts involved in testing each element. As the project nears completion in the summer of 2011, districts and risk groups will be invited to become pilot users of the model. Training will be offered with goal of having at 20-25 pilot users prepared to work with the finished model beginning in October.

#### **6. Begin work on Employee Benefits section as Phase 3**

Further research and development for an Employee Benefit section of the CIM should begin as soon as there is evidence of sufficient interest and support from districts and health insurance trusts.

### **Promotion, Recognition and Stakeholder Support**

Throughout the course of the project, contacts will be made and progress will be reported to organizations that represent all the major stakeholders in public education. Some of the organizations that will receive information are:

- American Association of School Administrators

- Association of School Business Officials International
- National School Boards Association
- Council of School Attorneys
- American Association of School Personnel Administrators
- School Nutrition Association
- National Association for Pupil Transportation
- National School Plant Management Association
- Council for School Networking
- National Association of School Nurses
- National Federation of High Schools
- Council for Exceptional Children
- U.S. Department of Education
- U.S. Depart of Labor/OSHA
- Center for Disease Control
- U.S. Department of Homeland Security
- State Government Departments of Education/Public Instruction
- And others....

News media that cover public education and relevant risk management trade publications will also be included in project promotion efforts.

### **Building Support for Widespread Use**

During the project period, the CIM will gain recognition among the 2,200+ districts that are now collectively represented by the Public School Risk Institute. Adoption of the CIM by member risk groups could significantly increase the number of users. The Institute envisions increase the number of users once the project is complete; the Institute envisions a comprehensive strategy that may include the following:

- Pilot users full implementation and referrals to others.

- Certified trainers installed to assist with promotion and implementation.
- Education programs online and at conferences.
- CIM user support and peer exchange services.
- Member dues and user fees to maintain and update the model.
- Technology development for SaaS and use with PDAs.

Recognition and use of the CIM is expected to increase as the Institute carries out its membership campaigns aimed toward the goal of serving 6,000+ districts by end of 2013.

The Institute will gather and publish data about CIM use, trends and results by size and other groupings as they emerge. The insights provided by users and stakeholders will ultimately fuel the program’s growth and continued acceptance.

### **Funding Plan**

The desired funding needed to bring the model to its full development would ideally flow from about 30 current and new corporate partners of the Institute, a few select not-for-profit affiliates and members in general.

The contributions expected for the Property & Casualty section are:

	<u>Phase 1</u>	<u>Phase 2</u>	<u>Expected No. Of Contributions</u>
Level 1	\$9,000	\$9,000	2
Level 2	\$9,000	\$9,000	4
Level 3	\$9,000	\$6,000	10
Level 4	<u>\$9,000</u>	<u>\$3,000</u>	12
	\$36,000	\$24,000	

The contributions expected for the Employee Benefits section are \$11,000.

### **Support of Corporate Partners (CP)**

Corporate partners are invited to support the project as experts and financial contributors with an interest in sharing and collaborating. Corporate partners bring a unique understanding of the risk management and the issues facing public schools. It is expected that their input will include best practices and creative approaches to the risk management options for public education.

Sponsors will promote throughout the course of the project through the Institute communication channels, advertising and public relations program.

### **Concluding Note**

Public School Risk Institute is grateful for technical input, suggestions on best practices and general support for this project. Numerous individuals have provided their thought leadership and offered to continue mutual support and creative collaboration. A great amount of value will come as a result of open community/industry effort that promotes research, innovation and exchange of information. The Institute welcomes and looks forward to discovering ways to extend this project and make it useful to as many districts and public education stakeholders as possible.

**EXHIBITS**

**PHASE 1 (May 1 - October 1)**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct

Mobilize/Start Date – May 1, 2010



Enlist Sponsor support for Phase 1 (\$36,000)



Organize first five teams – By June 15



Organize Steering Group by June 20



Board of Directors Review



Steering Group Review – July 20



First Drafts Elements 1-5 completed – August 15



Organize second five teams – By September 1



Elements 1-5 completed – September 15



AGRIP Showcase – October 6-7



Enlist Sponsor support for Phase 2 (\$24,000)



Steering Group Review – November 20



First Draft Elements 6-10 completed by January 15



Elements 6-10 completed – February 15



**PHASE 2 (February 1 - October 1)**

Organize third four teams – By February 15



Board of Directors Review



TASBO Showcase – March



Steering Group Review April 20



First drafts Elements 11-14 completed – June 15



Elements 11-14 completed - July 15



Review and Final Testing of Complete Model – July 15 – September 15



Board of Directors Review



**CIM OVERVIEW (14 Categories/17 Elements)**

**CORE ACTIVITIES**

A. Leadership and General Management	1. Super-intendent expectations	2. Safety and injury prevention goals	3. Senior management feedback/recognition	4. Risk manager influence/accountability	5. Cost allocation system	6. Loss reserve practices and financial reporting	7. Control of Total Cost of Risk	8. Board of Education Policy			
	1. Workers' Compensation orientation	2. Employee screening and placement	3. Employee rights awareness documentation	4. Employee notice of benefit, rule & procedure change	5. Design of employee benefits program	6. Post Hire Medical Questionnaire	7. Post Accident Drug Testing				
	1. Service Provider(s) Selection	2. Asset valuation system	3. Tort law review	4. Risk retention Analysis	5. Workers' Compensation	6. Unemployment Compensation	7. Property/Crime & Fidelity, Vehicle Damage, Energy Systems	8. Automobile Liability	9. General Liability	10. School Leaders Liability	11. Environmental Impairment Liability

**SUPPORT & RECOVERY**

D. Incident Prevention Practices	1. Exposure Identification, control, audit/oversight	2. Active Caring/Behavior Based Safety system	3. Inspection process and corrective actions	4. Accident investigation	5. Safety meetings	6. Employee safety training	7. Manager safety training	8. Training of risk management/safety staff
	1. Communication with injured worker	2. PPO Program	3. Strong relationship with medical provider	4. Nurse Triage	5. Case management	6. Early Return-to-work program	7. Early RTW coordinator	8. Early RTW transitional procedures and job bank
	1. Transportation	2. Campus Security & Emergency Management	3. Food Service	4. Athletics	5. Maintenance	6. Custodial	7. Exceptional and Special Education	8. Nursing Services

**RISK IMPROVEMENT**

H. District Wide Programs	1. Fire/Arson Prevention	2. Electrical Safety	3. Playground Safety	4. Extra-curricular events and Field Trips	5. Energy systems and mechanical breakdown	6. AED deployment and use	7. Valuable Papers	8. Money & Securities preservation, fraud prevention	9. Identity Theft Prevention	10. Vendor insurance compliance	11. Community use of facilities/schools	12. Vocational education safety	13. Cyber-security	14. Student Accident Insurance	
	1. Free and Appropriate Education/LRE Practices	2. First Amendment Practices	3. Fair Employment Practices	4. Fair Attendance Zoning	5. Fair Discipline	6. Gender Equity Athletics	7. Sexual Misconduct Prevention	8. Bullying, Assault Prevention	9. Hazing Prevention	10. Acquired Brain Injury Prevention	11. Communicable Disease Prevention	12. Driver Education Safety	13. Hearing conservation	14. Personal Protective Equipment	
	1. Indoor Environmental Quality	2. Outdoor Environmental Quality	3. Employee Wellness	4. Pandemic Control	5. Drug & Alcohol Prevention	6. Teen Pregnancy Prevention	7. Smoking Prevention	8. Eating Disorder Prevention	9. Communicable Disease Prevention	10. Confined space entry	9. Hazardous materials management	10. Powered Industrial trucks	11. Compressed gas and fuel handling	12. Bloodborne Pathogen	13. Hearing conservation

**INSIGHTS & ANALYTICS**

L. Communication	1. Effective interpersonal dialogue and presentations	2. District employee newsletter	3. Community awareness and publicity	4. Internal staff reports	5. Annual report	6. District website	7. Links with external resources
	1. Strategic Risk Committee	2. Risk Mapping Exercise	3. Business Continuity Assessment	4. Audits of safety and health processes	5. Claims management audits		
	1. Targets for cost savings and injury rates	2. Performance benchmarks and action plans	3. Loss data analysis	4. Audits of safety and health processes	5. Claims management audits		

Peer Risk Management Continuous Improvement Model Summary (2 pp.)

Date 3

Total Elements	65	Total Elements	65
Possible Total Score	250	Possible Total Score	250
<b>OVERVIEW - 14 Categories/19 Elements</b>			

District Name	All American USD	District Contacts	Ms. Green, Mr. Blue, Mr. Brown, Ms. Black, Ms. Rainbow
Location			
Date of Review	4-20-10	Reviewer	A. Ulrich

A. Leadership & Governance	9	H. District Wide Programs	14
B. HR Practices	7	I. Violence Prevention	10
C. Risk Handling	8	J. Total Health	9
D. Incident Prevention	7	K. Employee Safety	14
E. Communication	7	L. Injury Management	8
F. Coordination & Consultation	6	M. Strategic Review	3
G. Claims	8	N. Metrics and Measurement	5

Planning Notes:

**EMPLOYEE BENEFITS: Possible Total Score 100**

Leadership & Governance	Score	HR Practices	Score	Risk Finance	Score	Incident Prevention Practices	Score	Injury Management	Score	Coordination and Consultation	Score	Claim Management	Score
1. Superintendent expectations	4	1. Workers' Compensation Orientation	1	1. Service Provider Selection	3	1. Exposure Identification, control, and abatement	2	1. Communication with injured worker	1	1. Transportation	3	1. Vendor selection	4
2. Safety and injury prevention goals	3	2. Employee screening and absences	2	2. Worker's Compensation	4	2. Active Caregiver Support	1	2. POC Program	2	2. Campus Security & Emergency Management	3	2. Injury reporting timeliness	4
3. Senior management feedback/coordination	4	3. Employee rights awareness	3	3. Unemployment Compensation	4	3. Injury process and corrective actions	1	3. Strong relationship with medical provider	2	3. Food Service	3	3. Employee claims reporting	2
4. Risk manager influence/accountability	4	4. Employee motion/benefit, rule and procedure change	4	4. Property/Crime & Liability, Vehicle Damage, Energy	4	3. Accident Investigation	1	4. Nurse Triage	1	4. Athletics	3	4. Supervisor claims reporting	2
5. Cost allocation system	4	5. Design of employee benefits	4	5. Automobile Liability	4	4. Safety meetings	4	5. Case management	3	5. Maintenance	3	5. Internal claims handling	4
6. Loss reserve practices and financial reporting	4	6. Post Hire Medical Questionnaire	4	6. General Liability	4	5. Employee safety training	2	6. Early Return-to-work program	2	6. Custodial	3	6. External vendor claim management	4
7. Control of Total Cost of Risk	1	7. Post Accident Drug Testing	1	7. School Leaders Liability	4	6. Manager safety training	3	7. Early RTW coordinator	4	7. Educational Social Education	3	7. Claims review	4
8. Board of Education Policy	4			8. Environmental Impairment Liability	4	7. Training of risk management staff	2	8. Early RTW for medical procedures and job	2	8. Nursing Services	2	8. Litigation management	3
9. Risk Management Committee	1			9. Productivity Liability	4					9. Science and Labs	3		
<b>Average Score</b>	<b>3.66</b>	<b>Average Score</b>	<b>2.71</b>	<b>Average Score</b>	<b>3.88</b>	<b>Average Score</b>	<b>2.00</b>	<b>Average Score</b>	<b>2.88</b>	<b>Average Score</b>	<b>3.25</b>	<b>Average Score</b>	<b>3.38</b>
	32		19		30		16		0		30		27

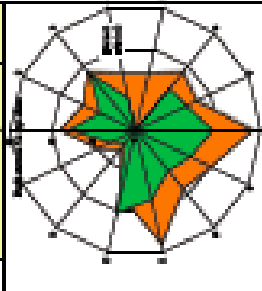
Strategic Programs	Score	Violence Prevention & Equity	Score	Total Health	Score	Employee Safety Programs	Score	Compliance	Score	Strategic Risk Assessment	Score	Methods and Metrics	Score
1. Fire Arson Prevention	3	1. Fire and Appropriate Educational	3	1. Indoor Environmental Quality	1	1. Slip/trip/fall prevention program	4	1. Effective Interventions / Disclosures	2	1. Strategic Risk Committee	2	1. Targets for cost savings and injury rates	2
2. Electrical Safety	3	2. First Aid/Rescue Practices	4	2. Outdoor Environmental Quality	3	2. Lifting/material handling program	1	2. District employee newsletter	4	2. Risk Mapping Exercise	3	2. Performance benchmarks and action plans	3
3. Playground Safety	2	3. Fair Employment Practices	3	3. Employee Wellness	4	3. Cut prevention program	1	3. Community awareness and publicity	3	3. Inverse Causality Assessment	3	3. Loss data analysis	3
4. Extra-curricular events and Field Trips	4	4. Fair Attendance Zoning	2	4. Pandemic Control	3	4. Burn prevention program	2	4. Internal staff reports	1	4. Root cause discipline	1	4. Audits of safety and health processes	3
5. Emergency systems and logistical	4	5. Fair Discipline	4	5. Drug & Alcohol Prevention	2	5. Lock-out/tag-out program	3	5. Annual report	4	5. Overall Loss Tolerance	4	5. Claims management/Liability	2
6. AED deployment and use	2	6. Gender Equity in Athletics	3	6. Teen Pregnancy Prevention	3	6. Emergency preparedness program	3	6. District website	4	6	6	6. Asset valuation systems	
7. Mobile Phones	1	7. Sexual Misconduct Prevention	4	7. Smoking Prevention	4	7. Ergonomics program	1	7. Links with external resources	3				
8. Money & Securities Association Fraud	4	8. Bullying, Assault Prevention	4	8. Eating Disorder Prevention	4	8. Confined space entry	2						
9. Identity Theft Prevention	4	9. Harassment Prevention	1	9. Communicable Disease Prevention	1	9. Hazardous materials	3						
10. Vendor insurance coverage	2	10. Acquired Brain Injury Prevention	1	10. Driver Education Safety	1	10. Powered industrial trucks	3						
11. Community use of facilities	2					11. Compressed gas and fuel handling	3						
12. Vaccination and distribution ability	2					12. Bloodborne Pathogen	4						
13. Cyber-security	1					13. Hearing conservation	1						
14. Student Accident Insurance	3					14. Personal Protective Equipment	3						
<b>AVERAGE SCORE</b>	<b>3.04</b>	<b>AVERAGE SCORE</b>	<b>3.71</b>	<b>AVERAGE SCORE</b>	<b>3.00</b>	<b>AVERAGE SCORE</b>	<b>2.19</b>	<b>AVERAGE SCORE</b>	<b>2.40</b>	<b>AVERAGE SCORE</b>	<b>2.67</b>	<b>AVERAGE SCORE</b>	<b>2.00</b>
	37		20		25		34		40.0		8		13

SCORING LEGEND	Score
Sustaining	4
Striving	3
Striving	2
Struggling	1

TOTAL SCORE/PCT

342 72%

Comment:  
 The district has an avg above 3.00 in 4 out of 14 categories. Total Health, Employee Safety and and injury management show the most areas of weakness. Equity & Violence Prevention has good total score, however, there are also some areas of weakness.



## Estimated Project Costs Summary

### Property & Casualty

	<b>TOTAL Project</b>	<b>Phase 1</b>	<b>Phase 2</b>
<b>Project Costs</b>			
Personnel	\$47,150	\$28,290	\$18,860
Meeting	\$9,200	\$5,520	\$3,680
Supplies and Mailing	<u>\$4,313</u>	<u>\$2,588</u>	<u>\$1,725</u>
TOTAL	\$60,663	\$36,398	\$24,265

### Employee Benefits

<u>Estimate – All costs</u>	\$11,000	\$7,000	\$4,000
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