



# Risk Management

Part of the Business and  
Finance Department



# Today You Will Learn...

- About Risk Management
- Signing Contracts
- Certificates of Insurance
- Understanding Babson's Insurance Coverage
- Filing & Reporting
- Employee, Volunteers & Visitor Behavior



# Risk Management

Q: What is risk management?

A: It is ...

- Identifying and quantifying the exposure to loss.
- Protecting the assets and earnings from loss.
- Assuring the continued ability to operate and deliver services.



# Signing Contracts

## Amount

\$0 - \$4,999

\$5,000 - \$9,999

\$10,000 - \$99,999

\$100,000 – 599,999

Single-year

\$100,000 – 599,999

Multi-year

\$600,000 - \$2,000,000

Not to exceed 5 years

## Approval

Dept. Head + Purchasing

Dept. Head + Purchasing

Dept. Head + VP

Dept. Head + VP + VPB&F

President

President



# Independent Contractors

Q: What is an Independent Contractor?

A: An individual not employed by the College.

- No control over the work environment.
- No specific method of performing the work.
- When hiring an independent contractor:
  - Contact HR to confirm status according to law.
  - Use the Independent Consultant Contract found in Risk Management section under Smart Tools - Administrative.



# Certificates of Insurance

Q: When is the college required to provide a Certificate of Insurance to others?

A: When the College is providing a service to others or when the college is renting property. Contact Peter Russo for approval and certificate.

Examples:

- BECC provides service to others.
- College applies for Licenses/Permits to meet state or federal requirements.
- College leases/rents property, equipment or vehicles (only long term).



# Insurance Coverage

When purchasing any service, a contract/agreement or purchase order must be signed and certificate of insurance obtained.

- Transfers the liability and cost to the contractor/vendor.
- Babson must be named as “additionally insured” on the certificate.
- All certificates and contracts are reviewed and filed in Risk Management office and by General Counsel.
- The insurer must notify Babson of any material changes to or cancellation of the policy.



# Filing & Reporting Claims

- Automobile Claim – Accident Reporting
  - Operators of Babson motor vehicles must report all accidents, on or off campus, regardless of damage. Report to Public Safety & Risk Management Office.
- General Liability
  - Any incident that occurs on campus that results in an injury to a student, employee, visitor, vendor, service provider, consultant, contractor, speaker or guest or that results in damage to the property of others. Report to Public Safety & Risk Management Office.
- Property
  - The loss must be reported not more than 24 hours after the incident occurred, in order to be paid based on commercial property insurance policy guidelines. Report to Public Safety & Risk Management Office.
- Workers' Compensations
  - Any employee who has sustained a disability or injury due to his/her employment may be entitled to receive benefits, by contacting HR.
- All Other
  - Contact Peter Russo





# College Employees, Volunteers & Visitors

- College employees, volunteers and visitors are expected to:
  - Abide by both the College policies and any state and federal laws. Babson policies must be followed even when they are more restrictive than state or federal law. (e.g., Alcohol and Firearm Policies)
  - Executive officers, faculty, staff, student employees and others acting on behalf of the College are expected to maintain the highest ethical standard, observing applicable policies practices, regulations, laws and professional standards.
- All executive officers, faculty, staff, student employees and others acting on behalf of the College are expected to report violation of these or other applicable standards to appropriate College Officer.