Risk Assessment Executive Summary

Risk Management Basics

This segment of the executive summary contains recommendations related to Risk Management Basics, including the assignment of responsibility for risk management, risk oversight, and risk committees.

- Consider forming a risk committee to ensure a diverse array of perspectives in agency risk management. See the full report for tips to increase the effectiveness ofyour risk committee, or reach out to NRMC for Risk Help on this topic.

- Consider drafting a risk management policy statement that desscribes the overarching goals and scope of your risk management program.

Governance Risk

This segment of your executive summary contains priority recommendations to strengthen your board.

- Lack of true engagement on the board is a serious weakness that merits attention. See the full report for suggestions on this topic.
- See the full report for suggestions to increase the engagement and dialogue during Finance Committee presentations.

Facilities and Building Security

This section of your executive summary contains priority recommendations based on your answers to the questions in the Facilities and Building Security Module.

- Developing up-to-date evacuation plans for all of your facilities should be a top priority. See the full report for the key elements to include in your evacuation plans.
- Consider developing a clear, bomb threat policy for your agency. See your full report for additional resources.
- We recommend that you consider adopting a sign in/sign out log policy for your facilities.
- Consider the value of requiring ID badges for all visitors. Explore affordable options and possible barriers to implementation. Solicit input from staff prior to implementing a new badge policy.
- We recommend that you assign one person (per facility), and a back-up (when the principal person isn't available) to oversee or conduct routine daily inspections of your facilities. See a sample safety checklist in the report for this module.
- We recommend that your agency adopt a standard maintenance schedule or keep a repair log. For additional information, see the report for this module.

Human Resources and Employment Practices

This section of your executive summary notes priority recommendations based on your answers to the questions in the Human Resources and Employment Practices module.

- You indicated that when a new employment policy is developed, an addendum to the Employee Handbook is distributed. Distributing addendums to the Employee Handbook is risky in that--absent excellent recordkeeping--it increases the odds that an employee will receive an incomplete set of policies. To reduce this, consider storing your current Handbook on a shared drive, with recently updated items flagged, schedule reminder emails using 'read receipt,' and offer face-to-face or videoconference chats to announce new policies and entertain questions.
- Consider updating your Handbook on a regular basis (such as every 2-4 years) to reduce the number of addendums that must be distributed.

- We recommend that you consider developing a workplace violence policy as soon as possible. See the full report for suggestions and resources.

- You indicated that your agency has not identified who is a 'disqualified person' under IRS regulations. We recommend that you learn more about this topic, determine whether your organization is required to comply with these regulations, and take steps to ensure compliance. See the full report for resources on this topic.

Financial Reporting and Internal Controls

- See your full report for suggestions to improve financial reporting. Remember to also review Category 8 (Financial Operations and Oversight) of the COE Developed CSBG Organizational Standards to make sure that your team fully understands these expectations for community action agencies. As indicated in the narrative introduction, "The fiscal bottom line of Community Action is not isolated from the mission, it is a joint consideration."

Contracts

This section of your executive summary features priority recommendations related to contracts and your nonprofit's contracting processes.

- Incorporated entities answer for their debts and liabilities. When your agency is asked to indemnify another, you are being asked to agree in advance of an incident to pay for the debts or liability of another party. As a general rule, an organization *receiving* a service should *not agree* to indemnify (or name as an additional insured) the organization *providing* a service.

- Obtaining legal review of all significant contracts prior to execution should be a prioritity as you evolve risk mangement practices in your agency.

Client and Participant Safety

This section of your executive summary contains priority recommendations based on your answers to the questions in the Client and Participant Safety module.

- We recommend that you update your organization's policies to include specific instructions about appropriate and inappropriate hugging. For example, hugs should never be offered or given to meet the caregiver's needs, and hugs should only be from the side, over the shoulders, and never from the front.

- You indicated that your organization does not provide instruction to staff concerning appropriate steps to take in emergency situations. We recommend that you remedy this gap by developing clear steps applicable to a wide array of accidents and incidents. Simple checklists, reminders, or info cards should be shared with staff across the organization.

Transportation

This section of your executive summary contains priority recommendations based on your answers to the questions in the Transportation module.

You indicated that your organization provides or sponsors transportation services or owns (or leases) vehicles. The following transportation issues were identified as concerns during the assessment. Look to the full report for details.

- Your organization may be directly or vicariously liable when volunteers or employees operate a vehicle on behalf of your organization. The conditions for each situation and the proper procedures are addressed in the full report.

- Creating a transportation risk management statement will provide an initial step toward richer risk management of transportation in your organization. The statement serves as a guide in creating other important items like policies or training programs.

- We recommend that your agency consider adopting accident or incident response and reporting guidelines as soon as practicably possible. While no one expects to be involved in an automobile accident, one of the best things an organization can do to minimize the severity of post-accident losses is to teach drivers and passengers how to respond to and report accidents. See the full report for examples of possible guidelines.

- Driver training is the best opportunity to verfiy the abilities of the people who will operate vehicles. In addition, it is the best way to communicate policies, procedures and expectations about transportation to a captive audience. We recommend instituting a driver training program as soon as possible.

- Pre- and post-use vehicle inspections help document vehicle conditions and assist with mainteance of your fleet. Consider creating an inspection procedure and documentation process to track.

- We recommend that your agency consider adopting an approval process for hiring, renting or borrowing vehicles. An approval process enables your organization to maintain control over its transportation exposures. The process does not have to create a bureaucracy or impose undue burdens on personnel. However, your staff should have some guidance on your policy for renting, hiring and borrowing vehicles. An effective policy can include the following:

- Remember that cargo is not typically covered under regular vehicle policy. Check with your broker to see if you have the appropriate policy for coverage (usually inland marine coverage).

Technology and Privacy Risk Management

This section of your executive summary contains priority recommendations based on your answers to the questions in the Technology and Privacy Risk Management module.

- We recommend that you adopt a Bring Your Own Device Policy that clarifies what agency information may and must never be accessed on personal devices, including whether employees may access Personally Identifiable Information (PII) on their personal devices.
- It is common practice to require users to change login practice on a regular basis. We recommend that you develop a policy as soon as possible that provides guidelines about the strength of passwords and the frequency of changes.
- We recommend that you consider developing a data classification policy. A template policy is available in *My Risk Management Policies*.
- We recommend that you being offering training to all staff on how to avoid phishing scams and frauds, and that after completing your training that you begin to conduct exercises no less than annually to test employee vulnerability to social engineering frauds.
- You indicated that your agency does not have a data breach plan in place. We recommend that you address this gap as soon as possible. See the full report for this module for information on key components in a plan, as well as hyperlinks to NYS and other state breach notification laws.
- See the report for this module for information on cyber liability insurance.

Special Events

This section of your executive summary contains priority recommendations based on your answers to the questions in the Special Events module.

- Hosting special events may require risk management efforts not normally associated with the normal operations of your organization. Be sure to consider the various components of the event and risks associated with these components. Doing so will help the event be successful and have a positive impact for your organization.

- Not having a specific process for recruiting and selecting partners for an event can lead to associations that may not be beneficial for your event or organization. Use due diligence when selecting a partner or sponsor.

Not using service providers during a special event is unusual. Use care to review your event planning process to assure all steps have been addressed.

- An absence of personnel devoted to security (and other emergency situations) at your event creates a liability for your organization. You should implement appropriate staffing internally or contract the appropriate vendor to provide security.

- Verify that the documentation and procedures used for accident reporting is consistent with the requirements of your organization and those of any insurance providers for the event itself.

Crisis Management and Business Continuity Planning

This section of your executive summary contains priority recommendations based on your answers to questions in the Crisis Management and Business Continuity Planning module.

- To increase your confidence with respect to crisis planning, review the gaps in your crisis management plan identified in your full report for this module.
- Having key information available during a crisis will assist in providing for timely response. Look to the full report for examples of what to include in your crisis management plan.
- We recommend conducting a thorough review of your crisis communications plan within the next six months. See the full report for additional crisis communications tips.
- We recommend that you establish a timetable and appoint a small task force to assemble existing components of business continuity planning into a true BCP.

Volunteer Risk Management

This section of your executive summary offers priority recommendations based on your answers to the questions in the Volunteer Risk Management module.

- Consider adding volunteer position descriptions to your volunteer risk management toolbox. Additional information is provided in your full report.

- Reference checking is an important and potentially invaluable part of a thorough screening process for volunteers. We recommend that you add reference checking to your volunteer screening process. See the full report for additional information related to this recommendation, including suggested reference checking questions.

- You answered that you do not have an orientation for your volunteers. Orientation is an important component of volunteer risk management. We recommend that you consider developing and implementing an orientation program for your volunteers, or at least for volunteer roles with ongoing or sensitive responsibilities. See the full report for suggestions on possible topics to include in your orientation.

- Conducting exit interviews with departing volunteers offers many benefits. We recommend that you consider conducting exit interviews. See the full report for suggestions on components of an exit interview process as well as questions to include.

Fundraising and Resource Development

This section of your executive summary contains priority recommendations based on your answers to the questions in the Fundraising and Resource Development module.

- You indicated that your process for tracking requirements and expectations for funding received from foundations or similar organizations isn't as developed as it should be. Given that many grants have specific terms and conditions related to the funding, you should ensure that you are being accountable to them. See the full report for advice on this issue.

- Accepting individual donations without a process for managing the attendant risks can lead to problems for your organization. See the full report for possible risks and advice on how to manage individual donors.

- You indicated that your nonprofit doesn't have a process for managing the risk of unhappy or disgruntled donors. See the full report for tips on reducing the risk of unhappy donors, and also resources on turning a grumpy donor into a grateful one.

- You indicated that your nonprofit does not have practices in place to manage the risk of non-compliance with the CAN-SPAM Act. See the full report for additional information on this federal law, including resource links.

- Nonprofits that have minimal experience with government contracts may be caught off guard and unprepared for some of the risks associated with such funding, including inadequate funding for infrastructure, late payment/reimbursement, and complex reporting requirements. Thoughtfully consider the range of risks and 'what ifs' before you seek any government contract.

- You indicated that your nonprofit has not adopted goals with respect to the diversification of funding sources. Perhaps your agency has a single, highly reliable source of funding. Or your revenue streams have been judged adequately diverse. See the full report for a few risk tips related to the goal of diversifying funding sources.

- You indicated that detailed records of all donations may not be maintained by your agency. We recommend that you consider revisiting your record-keeping procedures to ensure that donor names, amounts given, dates of contributions and restrictions are carefully tracked.

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