

SUBJECT: RISK MANAGEMENT POLICY

The Board of Trustees of Central Michigan University recognizes the need for providing a secure environment for the safety of students, employees, and the public, and the need for maximum protection of University property to prevent financial loss. To that end responsibility for initiating and overseeing the risk management and insurance program is assigned to the President or his designee.

The risk management process includes a systematic and continuous identification of loss exposure, the analysis of these exposures in terms of frequency and severity probabilities, the application of sound risk control procedures, and the financing of risk consistent with the University's financial resources.

The President or his designee will be responsible for protecting the University against the adverse effects of catastrophic loss by carrying out the risk management process. Risk management will complement long-range planning of the University, the fulfillment of legal requirements and assist in the maintenance of sound relationships between the University and governmental agencies, the public, and the insurance community. Risk management will maintain as many functional ties with administrative departments, faculty, and the student body as may be required in accord with this policy.

Authority: BTM 5-15-74 at 532.