

**OTTAWA ELEMENTARY SCHOOL DISTRICT NO. 141  
RISK MANAGEMENT PROGRAM**

Ottawa Elementary School District No. 141, LaSalle County, Illinois (“District”), shall have in operation a comprehensive Risk Management Program (“Program”), which shall attempt to reduce or prevent the District’s exposure to liability. It is of the utmost importance for the District: (1) to ensure that constitutional, statutory, regulatory and common law health, safety and civil rights are extended to all visitors, employees and students; (2) to make certain that the District’s buildings and grounds are maintained in a safe condition; (3) to provide careful supervision and protection of all the District’s real and personal property, including vehicles; and (4) to control and manage costs relating to injuries.

The Illinois Local Government and Governmental Employee Tort Immunity Act (747 ILCS 10/1-101 *et seq.* (the “Act”)) provides that a school district may levy a tax which, when collected, will pay the cost of risk management. In addition, Section 9-107 of the Act provides that funds raised pursuant to the Act may be used to do the following:

- (i) pay the cost of insurance, individual or joint self-insurance (including reserves thereon), including all operating and administrative costs and expenses directly associated therewith, claims services and risk management directly attributable to loss prevention and loss reduction, legal services directly attributable to the insurance, self-insurance, or joint self-insurance program, and educational, inspectional, and supervisory services directly relating to loss prevention and loss reduction, participation in a reciprocal insurer as provided in Sections 72, 76 and 81 of the Illinois Insurance Code, or participation in a reciprocal insurer, all as provided in settlements or judgments under Section 9-102, including all costs and reserves directly attributable to being a member of an insurance pool, under Section 9-103; (ii) pay the costs of and principal and interest on bonds issued under Section 9-105; (iii) pay judgments and settlements under Section 9-104; and (iv) discharge obligations under Section 34-18.1 of The School Code, as now or hereafter amended, and to pay the cost of risk management programs.

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Funds raised pursuant to this Section shall only be used for the purposes specified in this Act, including protection against and reduction of any liability or loss described hereinabove and under

Federal or State common or statutory law, the Workers' Compensation Act, the Workers' Occupational Diseases Act and the Unemployment Insurance Act.

As further and independent authority, Section 17-2.5 of the School Code (105 ILCS 5/17-2.5) provides that a school district may levy a tax which, when collected, may be used for the following purposes related to risk management:

to pay the cost of settlements or judgments under Section 9-102 of the Act, to pay the costs of protecting itself or its employees against liability, property damage or loss, including all costs and reserves of being a member of an insurance pool, under Section 9-103 of that Act, to pay the costs of a principal and interest on bonds issued under Section 9-105 of that Act, to pay tort judgments or settlements under Section 9-104 of that Act, to the extent necessary to discharge such obligations and to pay the cost of risk care management programs in accordance with Section 9-107 of that Act.

The Program shall provide for: (1) identification of the various components of the Program; (2) clearly delineated personnel responsibilities; (3) adequate insurance against liability exposure; (4) identified and allowable costs for the maintenance of the Program; and (5) ongoing review of the Program and its implementation.

## DEFINITIONS

**Liability.** Legal responsibility for claims for injury to persons, property, reputation, character, estate or privilege to the fullest extent comprehended by the Act. This excludes liability based exclusively on contract or criminal penalties, but includes liability based, actually or potentially, in whole or in part on common law tort, statute, constitution, or regulation of the United States or the State of Illinois or any other state, or any of their subdivisions.

**Risk Management.** The intentional effort to avoid the incursion of liability or property damage by the School District, its Board of Education, and its agents to the fullest extent comprehended by the Act. Risk Management includes, but is not limited to, the following School District functions:

- avoidance of injury on District premises, at District-sponsored activities, or resulting from the condition of District real or personal property or the actions or omissions of District agents
- liability insurance, including commercial insurance, self-insurance and insurance through cooperative means
- workers compensation and unemployment insurance
- property damage insurance
- tort judgments and settlements

- tort bond costs
- legal fees and costs related to civil rights and tort actions
- security measures for students, staff and property
- inspection and repair costs to maintain school facilities in, or return school facilities to, a safe and usable condition
- asbestos abatement
- blood-borne pathogen controls
- school safety and crisis management plans
- compliance with safety and health regulations, including but not limited to those relating to student health and safety, hazardous/vocational educational safety, underground storage tanks, and vehicles
- reactions or responses to accidents or threatened injuries to the extent such reactions or responses area designed to avoid aggravating the extent of injuries
- harassment and discrimination response policies and procedures

## COMPONENTS

The Program shall consist of the following:

- (1) the School Safety Plan (Board Policy No. 4:170) incorporated herein by reference;
- (2) the Crisis Management Plan, as implemented by the Administration, incorporated herein by reference;
- (3) the Hazardous and Infectious Materials Board Policy (Board Policy No.4:160) and the Administration's Blood Borne Pathogens Plan, incorporated herein by reference;
- (4) the Asbestos Abatement Program, incorporated herein by reference;
- (5) the Material Safety Data Sheets (MSDS) Manual, incorporated herein by reference;
- (6) the Insurance/Compensation Program, as described herein;
- (7) all other Risk Management functions provided for or described herein;
- (8) such other Risk Management functions as may be specifically identified by the Superintendent; and
- (9) coordination, direction and review of the Plan by the Administration and staff.

All components incorporated herein by reference shall be subject to independent revision or modification by the Board of Education or Administration without the need for revision of this plan.

## **ADMINISTRATION**

The general overall responsibility for the development and maintenance of the Program rests with the Superintendent of the District. The Superintendent shall be responsible for the development of the Program, identifying the various components of the Program, and delegating responsibilities for these components to the appropriate personnel. It is expected that the Superintendent will continually evaluate the effectiveness of the program and apprise the Board of needed revisions or deletions to the components and assigned responsibilities.

The Building Principal and other administrators shall be responsible for ensuring that employees under their supervision are performing those Risk Management functions assigned to those employees.

## **INSURANCE/COMPENSATION**

One primary component of the Risk Management Program is the provision of an insurance/compensation program that will provide protection to the District against liability. Portions of this component shall include, but are not to be limited to, the following:

1. Purchase of Insurance Consultant Services if needed.
2. Premiums for the various necessary insurance, including all liability insurance, building and fleet insurance, workers compensation, unemployment compensation, property damage insurance, etc.
3. Pay judgments or settlements arising against the District.
4. Pay for all legal fees and costs connected with protecting or defending the District against liability.
5. Allowance for the time expended by assigned District personnel concerning the above delineated assignments.

The Superintendent is assigned the responsibility for the administration of this component to the Risk Management Program, and shall serve as the District's liaison to the various consulting services, claim and adjustment services, and insurance companies. In addition, the Superintendent shall be responsible for all communications concerning claims against, or on behalf of the District.

## **STAFF TRAINING**

Each employee with assigned Risk Management functions shall be provided with appropriate information and training as to those functions. That information and training shall include provision of and instruction in the Crisis Management Safety Manual or a similar set of safety guidelines.

## **JOB DESCRIPTIONS**

The following job description shall be included in the appropriate employee job description.

Superintendent. The Superintendent shall administer the District's Risk Management Program, including, but not limited to, coordinating the assignment of Risk Management functions, designating appropriate Risk Management expenses, administering the insurance/compensation component of the Program, and shall be responsible for appropriate recommendations to the Board of Education relating to that Program.

The Superintendent, together with other appropriate administrators, shall develop and implement, and maintain revisions to job descriptions to expressly include Risk Management functions consistent with the Program for other employees.

## **REVIEW AND REVISION**

The Superintendent shall regularly review the operation of the Program, provide for needed revisions and modifications, and recommend actions by Board of Education as necessary. Part of this review function is to identify, define, and assign Risk Management functions and to assign and revise assignments of the estimated percentage of work hours dedicated to Risk Management functions as shown in the attached Schedule of Salary Cost Assignments.

## **COST ASSIGNMENT**

All District expenditure related to the development, implementation, maintenance, review and revision of the Program shall be charged and accounted for as expenses of the District's Tort Immunity Fund. This shall include that portion of employee salaries, wages, and benefits estimated as reflecting that employee's work hours dedicated to Risk Management functions as shown in the attached Schedule of Salary Cost Assignments, as that Schedule may be from time to time revised. This shall also include those insurance premiums and management costs and legal fees and costs related to protecting the District from liability.

**SCHEDULE  
SALARY COST ASSIGNMENTS**

The following reflected an estimate of the portion of work hours dedicated to assigned Risk Management function for each described employee/employee category:

Superintendent	15%
Business Coordinator	10%
Principals	20%
Dean of Students	10%
Director of Special Services	10%
Operation and Maintenance Coordinator	10%
School Nurse	10%

LAST REVISED: September 21, 2013