

TEXAS STATE TECHNICAL COLLEGE  
**STATEWIDE OPERATING STANDARD**

<b>No. GA 1.6</b>	<b>Page 1 of 6</b>	<b>Effective Date: 2/28/2019</b>
<b>DIVISION:</b>	<b>General Administration</b>	
<b>SUBJECT:</b>	<b>Risk Management</b>	
<b>AUTHORITY:</b>	<b>Texas Workers' Compensation Act</b>	
<b>PROPOSED BY:</b>	<b>Chris Martin</b>	
<b>TITLE:</b>	<b>Director - Governance, Risk and Compliance</b>	<b>Date: 2/28/2019</b>
<b>RECOMMENDED BY:</b>	<b>Ray Rushing</b>	
<b>TITLE:</b>	<b>Vice Chancellor / Chief Legal Officer</b>	<b>Date: 2/28/2019</b>
<b>APPROVED BY:</b>	<b>Mike Reeser</b>	
<b>TITLE:</b>	<b>Chancellor</b>	<b>Date: 2/28/2019</b>

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**I. STATEWIDE STANDARD**

COMPLIANCE: Texas State Technical College (TSTC) shall comply with Texas Administrative Code, Title 28, Part 4, Chapter 252, Subchapter B, [Section 252.201](#), which stipulates that each state agency covered by Texas Labor Code, [Chapter 412](#), shall, by January 1, 1996, develop and implement an agency risk management program which includes a safety and health program and a return-to-work program.

**II. PERTINENT INFORMATION**

The College's assets and resources must be preserved using the established principles, standards, and methodologies of risk management to minimize the adverse effects of accidental losses upon the organization.

The Texas State Office of Risk Management (SORM) has adopted general [risk management guidelines](#) for Texas state agencies. These guidelines suggest programs, policies, and procedures that comprise an appropriate risk management program

applicable to TSTC. The SORM also provides on-site technical assistance to state agencies. These on-site consultations may be informative, educational, or remedial in nature, and they may address specific property, liability, or workers' compensation exposures and losses.

The [Occupational Safety and Health Act of 1970](#) provides job safety and health protection for employees by promoting safe and healthful working conditions. Employees must comply with all occupational and health standards, rules, regulations, and orders issued under the Act that apply to their own actions and conduct on the job. The SORM, through its State Risk Management Division, evaluates safety programs to assist state agencies in establishing safety and health programs and to determine the status of agency efforts to develop and implement a safe and healthy work environment.

During the normal course of conducting business, the physical, human, fiscal, and/or environmental resources of the College are routinely exposed to various risks that can result in loss. Because of the special value of these assets, reasonable protection efforts, consistent with the availability of funds, must be provided. The provision of this protection requires a significant amount of time, fiscal resources, and staff to manage, preserve, and protect these assets in the most cost-effective manner.

The long-term goal of the risk management system shall be to minimize harm to the physical, human, fiscal, and environmental resources of TSTC and to minimize the total cost of risk.

### **III. GENERAL GUIDELINES**

In order to preserve and protect the assets of TSTC, guidelines have been established for the College's Office of Governance Risk and Compliance. Accordingly, the Office shall:

1. Identify and evaluate the risks of loss exposure, to include claims for property and workers' compensation losses that could adversely impact the mission, goals, or objectives of TSTC.
2. Assess the probability and impact of the identified risks and hazards.
3. Develop and implement control measures and activities to reduce the probability and impact of the identified risks and hazards, to include property and workers' compensation losses.
4. Conduct routine and timely reviews to continue the assessment of the effectiveness of control measures and activities against risks and hazards.

#### **IV. DEFINITIONS**

**Control measure/activity:** Policies and procedures that reduce or mitigate the probability or impact of risk.

**Employee:** Any budgeted full- or part-time employee reported in the most recent November 30th State Auditor's Quarterly Report of Full-Time Equivalent State Employees.

**Risk Management:** The process of planning, organizing, staffing, leading, and controlling the organization's resources to minimize the possibility of loss or injury from various causes.

**Liability:** Every character of hazard and responsibility, to include professional liability, employment and civil rights violations, and similar liabilities.

**Property:** Anything owned, leased, occupied, or borrowed by a state agency, whether corporeal or incorporeal, tangible or intangible, real or personal.

**Risk:** The probability or threat of quantifiable damage, injury, liability, loss, or any other negative occurrence that is caused by external or internal vulnerabilities and that may be avoided through preemptive action.

**State Agency:** A board, commission, department, office, or other agency in the executive, judicial, or legislative branch of state government that was created by the constitution or a Texas statute and that has authority not limited to a specific geographic portion of the state.

#### **V. DELEGATION OF AUTHORITY**

The Chancellor has the ultimate authority and responsibility for establishing and maintaining the College's Risk Management Program; however, the Chancellor may appoint the Office of Governance Risk and Compliance with the authority and responsibility to take steps to supervise the development of systems to identify risk management exposures, assess the significance of the exposures, and select and implement appropriate risk management methods which meet established goals and objectives.

#### **VI. PERFORMANCE STANDARDS**

1. The College's Office of Governance Risk and Compliance ensures the publication and distribution of written procedures to implement the Risk Management Program in accordance with this Statewide Operating Standard (SOS).
2. The College's Office of Governance Risk and Compliance coordinates review sessions to evaluate the impact of the established procedures on affecting the risk management program goals.
3. The College's Risk Management Committee meets annually to review and revise,

if necessary, the Risk Management Program.

4. Required reports are submitted in a timely manner in accordance with the rules established by [Section 252.203](#) of the Texas Administrative Code and the SORM.
5. TSTC prepares semi-annual reports showing the risk management training session schedules, the number of employees and hiring units involved in the training, and the purpose and objectives of each training activity. These reports are retained by the campus safety coordinator according to the document retention schedule.

## APPENDIX

### VII. RELATED STATEWIDE STANDARDS. LEGAL CITATIONS, OR SUPPORTING DOCUMENTS

[Texas Administrative Code, Title 28, Part 4, Chapter 252, Subchapter B](#)

[Texas Labor Code, Section 412.051](#)

[Texas State Office of Risk Management \(SORM\)](#)

[SORM Risk Management for Texas State Agencies](#)

[FA 1.20 Insurance](#)

[GA 1.6.1 Safety Program](#)

[GA 1.6.2 Hazard Communication Program](#)

[Occupational Safety and Health Act of 1970](#)

[Texas Workers Compensation Act](#)

### VIII. OPERATING REQUIREMENTS

1. In any agency, the relationship between the risk management function and other units is a dependent one. In order to protect assets, risk managers must obtain assistance from other departments. Assistance may be in the form of records of property values, contracts, insurance policies, or other information.
2. The Office of Governance Risk and Compliance shall be appointed by the Chancellor and shall report directly to the Chancellor or to his/her designated representative regarding risk exposures.
3. The Chancellor, or his/her designee, must establish a Risk Management Committee, comprised of TSTC personnel, which shall meet annually to evaluate and update the College's Risk Management Program.
4. The Office of Governance Risk and Compliance must ensure that risk management information is provided periodically during appropriate executive-level leadership meetings.
5. The Office of Governance Risk and Compliance must oversee an annual risk assessment and apply appropriate control measures as described in the SORM publication [Risk Management for Texas State Agencies](#).
6. The Office of Governance Risk and Compliance, or his/her designees, must conduct periodic inspections of facilities to identify property conservation activities to protect and conserve physical resources, as well as to identify exposures which may threaten real and personal property or safety.
7. In accordance with the College's statewide policies, the Office of Governance Risk and Compliance must implement a Safety Program as outlined in SOS [GA 1.6.1 Safety Program](#), a Hazardous Communication Program as outlined in SOS [GA 1.6.2 Hazard Communication Program](#), and a Risk Transfer Program as

outlined in SOS [FA 1.20 Insurance](#).

8. The Office of Governance Risk and Compliance must initiate and maintain a series of risk management training programs to satisfy the requirements of the SORM and [Texas Workers Compensation Act](#).