

# Risk Management ESSENTIALS

Tips, Knowledge and Tools  
for Nonprofit Organizations



## Resolve to be a Risk-Aware Nonprofit

Hold your head high and be proud of where you have taken your organization. Whether you know it or not, your organization is an inspiration. The mission matters, and when mission-fulfillment happens every day, that's inspiring. At the Nonprofit Risk Management Center, we are grateful to hear your stories about missions that inspire us. Our gift to you this New Year is a free on-line tool that we hope will inspire you to strengthen risk management in your nonprofit.

With generous funding from the Travelers Foundation, the Center is pleased to introduce **Hallmarks of a Risk-Aware Nonprofit** [<http://nonprofitrisk.org/tools/hallmarks/intro.shtml>]

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## Managing Risk in Turbulent Times

*Mix equal measures of optimism and resolve and bake until golden*

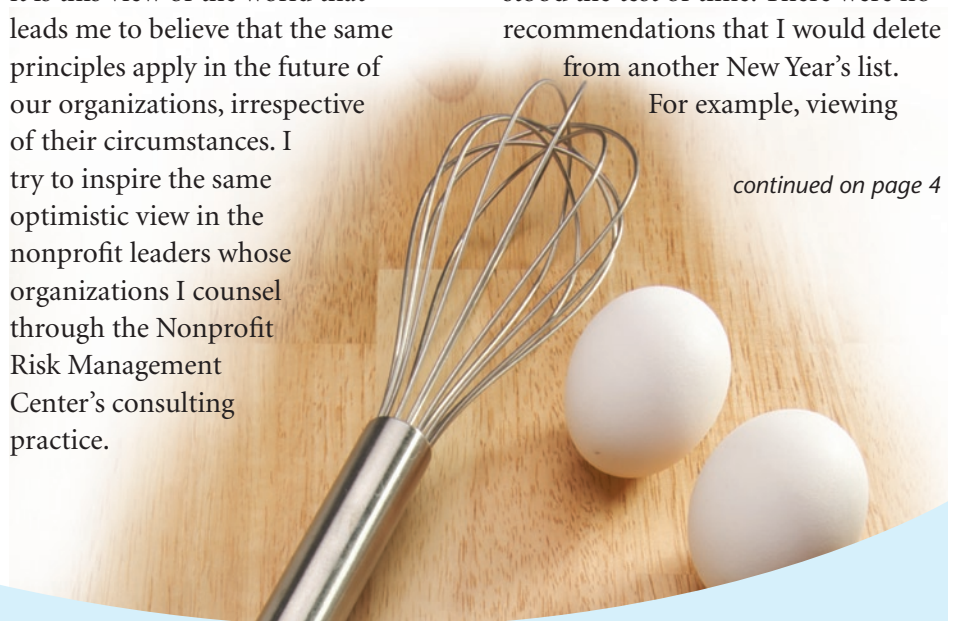
*By Melanie Lockwood Herman*

I've been told that I am an incurable optimist. No matter where I stand or sit, I can't help thinking that tomorrow is a fount of wonderful possibilities. I'll admit that there have been a few moments in the last decade when my resolve to think positively was sorely tested. But these moments are quickly subdued by what seems to be an innate belief that every year ahead will be more bountiful than the last. Perhaps it is this view of the world that leads me to believe that the same principles apply in the future of our organizations, irrespective of their circumstances. I try to inspire the same optimistic view in the nonprofit leaders whose organizations I counsel through the Nonprofit Risk Management Center's consulting practice.

For the past two years I've offered readers of *Risk Management Essentials* risk management resolutions in the January issue of our publication. But circumstances this year might seem to warrant a totally different kind of January message. No doubt that we are facing difficulties unprecedented in the modern era of nonprofit organizations. As I reviewed the wit and wisdom in prior issues, however, I was pleased that the advice has stood the test of time. There were no recommendations that I would delete from another New Year's list.

For example, viewing

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# Risk Management ESSENTIALS

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**Nonprofit  
Risk Management  
Center**

...find the answer here

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# Looking Back, Looking Ahead: Employment Law Changes for 2009

By Jennifer Chandler Hauge

Looking back, 2008 was a very big year in the employment law arena. Changes at the federal level included amendments to the *Americans with Disabilities Act* (ADA), the *Family and Medical Leave Act* (FMLA) and INS requirements for verifying whether a worker is authorized for employment in the US. In addition, several states passed laws expanding workers' rights to family leave, internet use by employers and employees grew exponentially; and new initiatives for protecting workers, such as laws addressing gender identity/sexual orientation and bullying at the workplace, moved forward in various state legislative forums.

Looking ahead, is your organization prepared for the impact of these changes?

■ If your nonprofit employs more than 50 workers, do your policies and practices comply with the new FMLA regulations, effective January 16, 2009? The new regulations expand the leave rights of service members and their families, and impact everything from how employers provide notice to employees about their right to leave, to what constitutes a "serious health condition." The changes also mandate that employers provide employees with a list of "essential functions" at the time leave is designated before an employer can request an employee to provide a "fitness to return to work" certification. The law firm

*Buchanan Ingersoll & Rooney* has summarized the new regulations in a recent newsletter, available at the following: [www.bipc.com/news.php?NewsID=3240](http://www.bipc.com/news.php?NewsID=3240).

- The EEOC has also revised the forms that employers/employees typically use to request and track family and medical leave. The new forms include:
  - Certification of Healthcare Provider for Employee's Serious Health Condition (Form WH-380-E).
  - Certification of Healthcare Provider for Family Member Health Condition (Form WH-380-F).
  - Notice of Eligibility and Rights and Responsibilities (Form WH-381).
  - Designation Notice (Form WH-382).
  - Notice to Employee of Rights and Responsibilities (Form WH Publication 1420).
  - Certification of Qualifying Exigency for Military Leave (Form WH-384).
  - Certification for Serious Injury or Illness of Covered Servicemember for Military Leave (WH-385).

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# Culture Shock 2009: Embracing Risk Management is Necessary, But Never Easy

by Melanie Lockwood Herman

*This article was inspired by the writings of Diana Del Bel Belluz, M.A.Sc., P.Eng., President of Risk Wise Inc., a Toronto-based risk management consulting firm. To read Diana's inspirational eZine, visit [www.riskwise.net](http://www.riskwise.net).*

"We can rebuild him. We have the technology." Some readers may recall these statements from the opening credits for *The Six Million Dollar Man*, the popular T.V. show which ran for four years beginning in January 1974. During the opening sequence, viewers were invited to suspend disbelief and preconceived notions about medical science and embrace the idea that government doctors could transform an injured astronaut into a crime-fighting superhuman.

As I meet with nonprofit leaders across this country, I am frequently reminded that the leaders of the U.S. nonprofit sector "have the technology" to implement key risk management policies in their organizations. But I've seen over and over again, that simply having the tools (sample policies, anyone?) and structure (whether it's top down or matrix management) may not be enough to insulate your nonprofit from the cold breezes and after-shocks of unmanaged risks.

Many leaders begin their risk management journey by

seeking examples of policies and procedures used by similarly situated nonprofits. Finding and adapting the tools for managing risk in your nonprofit is not the biggest challenge you face. The hardest part of effectively managing risk is *changing the culture* of your organization.

In a recent article appearing in the informative eZine published by her company, *Risk Wise*, Diana Del Bel Belluz writes: "The challenge

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"The hardest part of effectively managing risk is *changing the culture* of your organization."





“One thing that makes it possible to be an optimist is if you have a contingency plan for when all hell breaks loose.

— Randy Pausch, *The Last Lecture*”

### Managing Risk continued from page 1

your insurance professional as a key partner in mission fulfillment is the *first step* to making certain your nonprofit has appropriate insurance coverage for its insurable risks. And getting the board “on board” with risk management is key to ensuring the effective governance of your nonprofit and protection of its valuable tangible *and* intangible assets. Therefore, many of the core strategies nonprofit leaders will employ to understand and manage risk will remain unchanged in 2009. But the *landscape*—the environment in which your organization survives and even thrives—has changed dramatically. This change warrants a fresh look. Not an updated list of resolutions, but a new way of looking at risk and risk management in our organizations.

Each day my email box contains at least one newsletter describing how nonprofit leaders are making tough decisions necessitated by funders’ retrenchment, investment losses, government deficits, and the inability of individual donors to give at last year’s level. These stories are a potent reminder that a charitable mission and dedicated leaders are not enough to insulate an organization from the risks that exist in the world around us. So, even as it is necessary that we “play the hand we are dealt” in these difficult

times, we do not need simply to focus on our woes. While each organization must focus on the specific conditions it is experiencing, it should not lose sight of the core strategies for success, including managing risk. We must maintain a degree of optimism and continue to keep our eyes open to the *entire* context.

A strategic approach to risk management requires thinking about a wide range of future possibilities. I was reminded of this fact during a recent evening walk. Each evening I venture outside my home to take my dog for a short stroll. Since I live in a rural area blessed with a very dark night sky, I often take a flashlight. Using a flashlight is helpful to avoid stumbling over a branch that has fallen or a clump of grass displaced by a determined mole. But as I’ve discovered on several evenings, the flashlight is ineffective in spotting a deer grazing several yards to the left or right of the beam. On several occasions I’ve been startled when a large animal saw me before I saw it. The sound of an animal rushing past in the darkness is enough to set even an experienced risk manager’s nerves on edge! My most recent wildlife encounter led me to reflect on the way that many nonprofit leaders approach risk in their organizations. There is a tendency to use a narrow band of consideration when thinking about risk—much like





using a flashlight to illuminate the ground ahead on an evening walk.

While a beam of light—or a beam of thought or focus—may be helpful in identifying the risks that lay directly ahead, it is probably less effective in spotting events, circumstances and conditions in the environment that may have the potential to dramatically to affect the organization’s ability to deliver services, meet clients needs and pursue its mission. As leaders of organizations with vital missions, we must train ourselves to look beyond the beam of light. We must learn how to examine, with appropriate care, all of the elements of the environment in which we operate—from funding opportunities, to the work of competitors and collaborators, to Mother Nature. The management team at your nonprofit should consider how the current environment—and changes in the environment—could disrupt or derail your mission. What could go wrong? What will you do now, knowing that an event or condition in your “environment” could spell disruption or disaster for your mission? What will you do if that event—from loss of

funding to the extraordinary success of a competitor—materializes?

When we teach the Risk Management Process, we encourage leaders to begin with “appreciating the context.” Our instructions for doing so include examining the nonprofit’s history, circumstances, opportunities, cultural issues and organizational structure in relation to the risks the nonprofit faces. How do these key environmental issues affect risk-taking and risk management in the nonprofit? A nonprofit that has faced a slew of employment-related claims is likely to be tuned into the risks of employment litigation, but may be inattentive to risks associated with the loss of a major funding source. A nonprofit whose leaders are decidedly risk-averse may forego the opportunity to expand the reach and success of the organization by serving clients in neighboring jurisdictions or seeking other means of diversifying the ways in which the organization delivers its mission.

Examining the *context*—the environment in which the organization exists—is a key first step to integrating sound risk

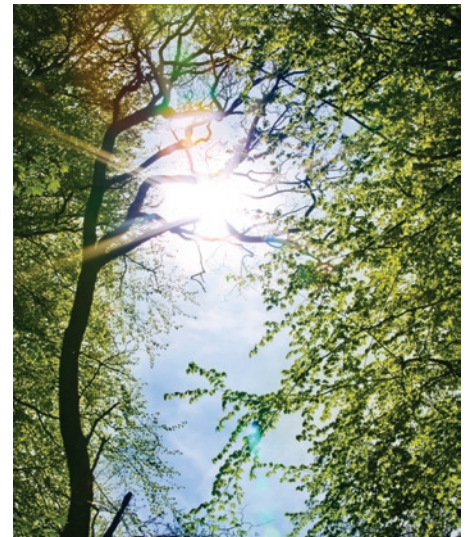
“There are a lot of things I don’t worry about because I have a plan in place if they happen.”

– Randy Pausch, *The Last Lecture*

“When we teach the Risk Management Process, we encourage leaders to begin with “appreciating the context.”


**Managing Risk**  
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management thinking and strategies into the life of your nonprofit. Doing so effectively requires that you employ 360 degree, radar-like thinking as you examine the history, mission, culture and opportunities facing your organization. Instead of focusing your risk management beam only on the obvious dangers that lie in the path ahead, remember to look behind you, to the far left and right, and even up above, for changes, circumstances and information that will guide your risk-taking and risk management practices in the year ahead. We need to transport our passion for mission into the commitment to look broadly at the risks that stand in the way of mission fulfillment. And remember that an optimistic outlook and the resolve to make your nonprofit better each and every day will fortify your goal of spotting and addressing the



risks that stand in the way of realizing the mission that means everything to those who serve, and receive services from, your organization. ■

Melanie Lockwood Herman is Executive Director of the Nonprofit Risk Management Center. She welcomes your questions, comments and feedback on this article. Melanie can be reached at [Melanie@nonprofitrisk.org](mailto:Melanie@nonprofitrisk.org) or (202) 785-3891.



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**Looking Back***continued from page 2*

- Several states also are considering or have expanded the requirements for family leave for workers. Both California and New Jersey enacted laws that require *paid* family leave. (Washington State previously passed legislation mandating paid family leave, but the effective date of enactment has been suspended.)
- If your nonprofit employs 15 or more employees (including part time and temporary staff) or offers facilities such as swimming pools, playgrounds and other areas accessible to the public, the new ADA amendments, effective January 1, 2009, should be on your radar screen. The amendments expand the definition of “disability” and underscore that persons “regarded as disabled” are entitled to the same protections whether or not they actually have a disability. Resources for compliance with the ADA’s public accommodation requirements are available from a special Department of Justice web site: [www.ada.gov](http://www.ada.gov). A short summary of the employment related changes imposed by the new ADA Amendments Act of 2008 is available from the EEOC web site: [www.eeoc.gov/ada/amendments\\_notice.html](http://www.eeoc.gov/ada/amendments_notice.html).
- The EEOC reported that in 2007 on average over 200 federal employment claims were filed daily. That’s in addition to the number of state law claims that are filed. There is no doubt that the expanded definition of disability will increase the already high number of discrimination claims filed by workers.
- The new definitions are also likely to increase the number of requests for accommodation. Is your nonprofit ready to respond? Remember that a give-and-take with employees to find a reasonable accommodation is not only required, it’s sound risk management.
- When was the last time your staff was trained in harassment?
  - In one poll, 45% of workers reported that they were the subject of abusive treatment at work, such as supervisors yelling at them. Such conduct can have a disparate impact on women because of their response to violence—which can lead to allegations of a hostile work environment and gender discrimination. Tip: Include information on bullying in your harassment training program.
  - In a workplace poll, 76% of workers responded that they think that office romances are more common now than they were 10 years ago. To address the risk that favoritism at the workplace would rise to the level of a harassment claim, consider requiring the disclosure of office romances and training on favoritism. The University of California’s web site provides links to training resources

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“Looking ahead, is your organization prepared for the impact of these changes?”

“In one poll, 45% of workers reported that they were the subject of abusive treatment at work...”



*Looking Back*  
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that are good examples of risk management in action:  
[www.universityofcalifornia.edu/sexual-harassment/resources.html](http://www.universityofcalifornia.edu/sexual-harassment/resources.html).

- Are staff responsible for hiring new employees aware that a new I-9 Form is required as of February 9, 2009?
  - The revised Form I-9 will soon be posted at the web site of U.S. Citizenship and Immigration Services: [www.uscis.gov](http://www.uscis.gov). The agency will also update *The Handbook for Employers, Instructions for Completing the Form I-9 (M-274)* to reflect the revisions to Form I-9.
- If your nonprofit has contracts with the government, are you prepared to use *E-Verify*, an electronic process for checking the eligibility of worker status?
  - Use of *E-Verify* will be required of all federal contractors and subcontractors as of January 15<sup>th</sup> however only some contracts are affected. Contracts with the federal government for goods or services for more than \$100,000 (with limited exceptions), and subcontracts for services or construction for more than \$3,000 (with limited exceptions), will contain a clause mandating the use of *E-Verify*. Information concerning *E-Verify* may be found at [www.uscis.gov/E-Verify](http://www.uscis.gov/E-Verify).
- If your nonprofit offers workers a 403b Plan, are the written plan documents in compliance with new regulations?
  - The IRS has extended the compliance deadline until December 31, 2009, and will soon be issuing written







guidance including sample plan language that complies with the new regulations. Stay tuned to the Center's *e-News* for updates, or check the IRS web site.

- Does your organization have a policy on blogging by employees? Is it time to consider how social networking may impact your hiring/firing policies?
  - One poll revealed that 55% of employees say they have a personal blog but fewer than 5% of employers have policies on blogging.
  - In a widely publicized case that demonstrates how employers are starting to monitor social networking sights, an employer in California concerned about conduct that would be offensive to co-workers, fired 27 employees for posting messages on My Space that remarked on weight and sexual orientation. In another case, an employer, Continental Airlines, was held responsible for harassment, because an employee posted offensive material on an employer-sponsored internet bulletin board.

There has never been a better time to adopt the mantra “be prepared” as your strategy for managing employment risks. The conventional wisdom is that employment law claims **increase** during a stressed economy. Additionally, the average damage award is likely to be higher in tough economic times because of the length of time it may take for a plaintiff to find a new job. To minimize the risk that your nonprofit's personnel practices will be challenged as unfair, discriminatory or simply out-of-date, be prepared with up-to-date resources on risk management in the employment arena.

The Center is here to help your nonprofit be prepared. The Center's staff is available by email at [info@nonprofitrisk.org](mailto:info@nonprofitrisk.org) or phone (202) 785-3891 to answer your questions. Our bi-weekly *e-News* regularly features new employment related issues. Sign up at [www.nonprofitrisk.org](http://www.nonprofitrisk.org). Our publication, *Taking the High Road: A Guide to Effective and Legal Employment Practices for Nonprofits*: <http://nonprofitrisk.org/store/high-road.shtml>, is popular with nonprofit leaders as a virtual desk-reference. The on-line version has updated links to new laws and regulations passed through 2008. ■

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“There has never been a better time to adopt the mantra “be prepared”...”

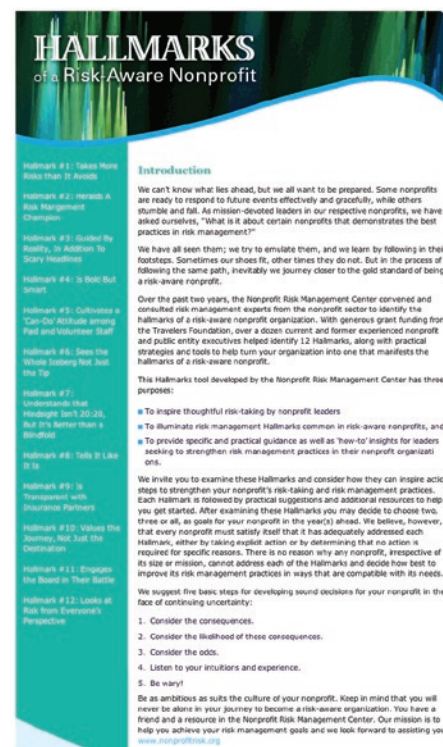
## Hallmarks

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The Hallmarks is an online tool designed to:

- Inspire thoughtful risk-taking by nonprofit leaders,
- Illuminate the “hallmarks” that are shared by risk-aware nonprofits, and
- Provide a forum for nonprofit leaders to share specific tools and practical guidance to strengthen the risk management practices in their organizations.

Each of the 12 Hallmarks is described, along with suggestions for how organizations can embody that the Hallmarks in their operations and activities. For each Hallmark the Center has identified numerous tools, including **sample policies** and tips to help you achieve some of the star power demonstrated by risk-savvy nonprofits. These tools are there for you to customize for your own organization, and also to serve as suggestions for practices and policies to share with others through a simple “Submit a Tool” button on the site. By sharing your inspiring practices



you will be partnering with other risk-savvy nonprofits in taking risk management to the next level in your organization.

Each of the Hallmarks (<http://nonprofitrisk.org/tools/hallmarks/intro.shtml>) is followed by practical suggestions and links to specific resources. For example, Hallmark #2 suggests that it is essential to have a leader in your organization who both *believes* in the importance of risk management and is *effective in motivating others*. What if you like that idea, but your organization isn’t ‘there yet?’ Click on the Tools for Hallmark #2 for suggestions on cultivating a risk management champion.

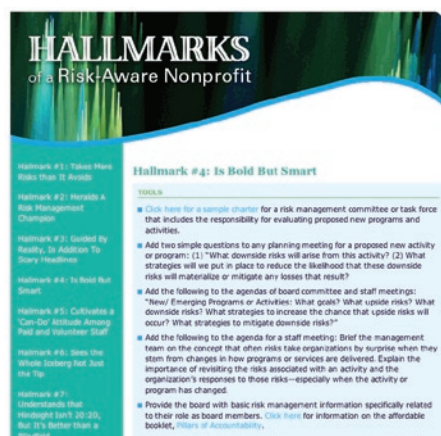
Hallmark #4, “Is Bold But Smart,” reflects the Center’s view that effective nonprofits take bold risks and that risk-taking should be an informed and thoughtful process. Tools for Hallmark #4 include a **sample charter for a risk management committee**, a checklist for possible risks to consider when programs are expanding or growing, and links to free resources such as

articles that support the Hallmark's goal of making informed choices and being aware of the risks involved.

Hallmark #8, "Tells It Like It Is" focuses on transparency and candor. The tools for Hallmark #8 include a **sample media spokesperson policy**, resources and suggestions for drafting press releases and a link to a **sample crisis communication plan**.

Many of the Hallmarks offer sample risk management policies, as well as resources for developing or revising specific policies, including:

- Sample Gift Acceptance Policy  
<http://nonprofitrisk.org/tools/hallmarks/tools/1gift-acceptance-%20policies.doc> (Hallmark #1)
- Sample Whistleblower Policy  
<http://nonprofitrisk.org/tools/hallmarks/tools/5whistleblower-resources.doc> (Hallmark #5)
- Sample Open Door Policy  
<http://nonprofitrisk.org/tools/hallmarks/tools/2whistleblower-open-door-policy.doc> (Hallmarks #2 and #5)
- Sample Record Retention and Destruction Schedule  
<http://nonprofitrisk.org/tools/hallmarks/tools/7records-retention.doc> (Hallmark #7)
- Sample Media Spokesperson Policy  
<http://nonprofitrisk.org/tools/hallmarks/tools/8media.doc> (Hallmark #8)
- Sample Executive Compensation Review Policy  
<http://nonprofitrisk.org/tools/hallmarks/tools/11compensation-review-policy.pdf> (Hallmark #11)



- Sample Joint Venture/Partnership Agreement Review Policy  
<http://nonprofitrisk.org/tools/hallmarks/tools/11joint-board-review-policy.pdf> (Hallmark #11)
- Sample Conflict of Interest Policy  
<http://nonprofitrisk.org/tools/hallmarks/tools/11conflicts-of-interest-policies.pdf> (Hallmark #11)

Be inspired! We invite you to take a look at the Hallmarks—especially the tools—whenever you need inspiration, and to share ideas and practices that have been successful for your organization. Keep in mind that you will never be alone in your journey to become a risk-aware organization. We look forward to your feedback on the Hallmarks and will be eager to post the tools and resources you are willing to share with others. As always, do not hesitate to reach out to the Center's staff for assistance in your journey to more effective risk management and mission fulfillment. Submit your technical question via the "Ask a Question" page on our web site found at: <http://nonprofitrisk.org/contact/question.html>, or contact us by telephone at (202) 785-3891. ■

“The Hallmarks were developed with generous grant funding from the Travelers Foundation. Support from Travelers enabled the Center to convene experienced nonprofit and public entity thought-leaders to learn from each other what can be considered common characteristics of risk-aware and risk-savvy nonprofits.”

“Leaders “need to be explicit about what needs to be accomplished, how, by when, and who is responsible for what.”

### *Culture Shock*

*continued from page 3*

of adopting a culture of risk management extends to all sectors. A survey *Risk Wise* conducted earlier this year revealed that many government departments have not yet fully embedded risk management into their business practices. This is true despite having put in place frameworks and processes for integrated risk management.”

Diana offers what she terms “catalysts” to help leaders embed a risk management culture in their organizations.

### *Catalyst #1*

#### **Establish Clear Risk Management Objectives, Strategies, Roles and Responsibilities**

Diana explains that leaders “need to be explicit about what needs to be accomplished, how, by when, and who is responsible for what.” Risk management is a discipline where jargon and technical lingo abound. To persuade busy staff in your nonprofit organization that risk management is worth their time and effort, it must be articulated in terms that relate closely to the organization’s mission and to their role in delivering the mission. According to Diana, “In many public and private sector organizations, strategic objectives are more like a list of hopes and dreams than they are meaningful and measurable targets that both inspire and hold people to account.”

**ASK YOURSELF:** Does my nonprofit have explicit risk management objectives and strategies? Are roles and responsibilities for identifying and managing risk known throughout

the organization? If key personnel are unaware of their role in identifying and managing risk, risk management cannot come to life in your nonprofit.

### *Catalyst #2*

#### **Articulate Risk Appetite & Tolerance**

As we consult with nonprofit leaders across the country, few are able to articulate the risk appetite and tolerance of their organizations. Countless leaders have asked the Center to provide benchmarks or studies demonstrating the average insurance limits and deductibles selected by comparable organizations. We explain that selecting limits and deductibles begins with determining the risk appetite and tolerance of the organization—versus examining what others have decided to do.

These questions remind me of the response given by countless mothers in response to the whining child who complains, “But Jimmy is doing it!”

It is difficult, if not impossible, to implement effective risk management strategies in an organization that has yet to consider and articulate its appetite for risk taking.

**ASK YOURSELF:** Has my organization articulated its risk appetite and tolerance? If people don’t know what the criteria are for decisions, risk management cannot come to life in your organization.

### *Catalyst #3*

#### **Use Risk Intelligence to Drive Excellent Performance**

According to Diana, “If we define risk as events or conditions that create uncertainty around the achievement



of objectives, then clearly, risk and performance are linked.”

She explains the concept with the following example:

Imagine ‘knowledgeable staff’ is a key performance driver for providing top-notch tutors in an after-school program and the associated risk factors are the ability to hire and train staff to the required level of knowledge. If we notice a downward trend in the knowledge level of new recruits or that people are completing our training programs without achieving the level of knowledge required, we can intervene in a timely manner. But **if we don’t know about or own up to the facts or reality, performance will inevitably suffer.**

**ASK YOURSELF:** Has my organization linked its risk and performance indicators? If you don’t understand how risk can affect your objectives and don’t establish and track risk indicators, risk management cannot come to life in your organization.

## Catalyst #4

### Foster Dissent and Inquiry

Business guru **Peter Drucker** advises that the kind of decisions the executive has to make **“are made well only if based on the clash of conflicting views**, the dialogue between different points of view, the choice between different judgments.”

In his book *Why Great Leaders Don’t Take Yes for an Answer*, **Michael Roberto** explains that decision-makers need to foster conflict and dissent to ensure **“that the course of action selected** enables

the organization to achieve its performance objectives in a way that **optimizes resources and balances risk better than all other plausible alternatives.”**

A *culture of candor* is essential in a nonprofit organization that seeks to balance the drive for mission fulfillment with the need to operate with transparency and accountability. Whether it’s a board-level discussion about strategic programming opportunities, or the downside risks associated with a proposed collaboration, your nonprofit’s leaders should embrace the expression of divergent views. According to Diana, **“For a risk assessment process to be effective, it must bring to the surface all critical information** for the decision at hand. This can’t be achieved if the organization has a culture of silence in which people are afraid to speak the truth.”

**ASK YOURSELF:** Does my organization foster dissent and inquiry in its strategic decision-making? If the truth can’t be heard, risk management cannot come to life in your nonprofit.

The subjects of culture change and effective risk management will be addressed in a forthcoming book from the Nonprofit Risk Management Center. Information on the book will be featured in a special edition of the Center’s *e-News*. Check your email inbox for details. ■

Melanie Lockwood Herman is Executive Director of the Nonprofit Risk Management Center. She welcomes your questions, comments and feedback on this article. Melanie can be reached at [Melanie@nonprofitrisk.org](mailto:Melanie@nonprofitrisk.org) or (202) 785-3891.

“...If we don’t know about or own up to the facts or reality, performance will inevitably suffer.”

# Professional Development and Training Calendar

Fill out your 2009 calendar with professional development and training opportunities brought to you by the Nonprofit Risk Management Center. You won't want to miss any of these.

## 2009

### REGIONAL CONFERENCES

The Center will host three regional conferences during 2009. Preliminary details on these upcoming events are featured below. To inquire about hosting a one or two-day risk management conference in your community, contact Melanie Lockwood Herman via e-mail at [Melanie@nonprofitrisk.org](mailto:Melanie@nonprofitrisk.org).

For details on each conference, including program and registration information, visit: <http://nonprofitrisk.org/training/region/region.shtml>

#### February 19, 2009

##### *Risk Management Essentials for Nonprofit Leaders*

The South Carolina Archives & History Center  
Columbia, SC

Hosted and sponsored by: South Carolina Association of Nonprofit Organizations

#### March 16, 2009

##### *Building a Foundation of Success*

Bell Harbor Conference Center  
Seattle, WA

Hosted and Sponsored by: NPIP  
(Non Profit Insurance Program)

#### June 11-12, 2009

##### *Risk Management & Finance Essentials for Nonprofit Leaders*

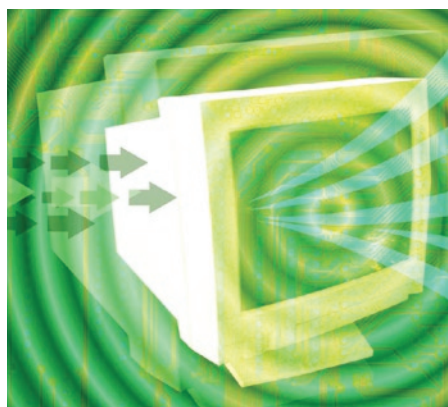
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### WEBINARS

#### High-quality, monthly training delivered right to your desktop

The Center's series of 12 topics is ideal for in-service training, risk-management skills polishing and orienting senior management and board members to individual aspects of managing risks in nonprofit organizations.



### Dates and Topics

#### January 7 / 2 p.m.

##### *Board Oversight of Financial Management*

Few leaders would argue that boards of directors bear responsibility for providing fiscal oversight of the organizations they serve. Yet there are different approaches to financial oversight by boards. What are the best and most effective practices? What can your staff and volunteer leaders do to increase the financial literacy of your board? Attend this webinar to explore ways to balance and enhance the board's role in providing effective governance oversight for the nonprofit's financial management policies and activities.

#### February 4 / 2 p.m.

##### *Risk Management, Culture and Mission: Engaging Stakeholders to Protect Your Nonprofit*

Managing risk in the nonprofit world takes a "village" of stakeholders. Yet it is sometimes difficult to engage stakeholders in a discussion of risk issues, when their passion for the nonprofit is focused on its mission and programs. Attend this webinar to learn how to demonstrate and connect risk management to mission accomplishment, how to engage your stakeholders, and how to bring about culture change that will propel your risk management goals and agenda forward.

#### March 4 / 2 p.m.

##### *Audit Committees: What You Need to Know*

In recent years a growing number of nonprofits have jumped on the audit committee bandwagon. Whether your

nonprofit's leaders are still debating the value of an audit committee, or you would like to make an existing audit committee more effective, attend this webinar to learn more about the formation and work of audit committees in the nonprofit sector. Find out what you need to do to focus the work of the audit committee and ensure that its contributions support the mission of the nonprofit.

#### April 1 / 2 p.m.

##### *Managing Fraud Risk Through Awareness, Culture Change and Practical Policies*

Advice on internal controls is available at the click of a mouse. In many cases, however, that advice is best suited for the very largest organizations with large finance and accounting departments. What about the rest of us? Attend this webinar to learn about the importance of awareness and culture change in managing fraud risk in your nonprofit. The program will include a valuable list of practical (translation: affordable, easy to implement!) suggestions for managing fraud risk.

#### May 6 / 2 p.m.

##### *D&O Insurance: What You Need to Know*

The number of nonprofits that purchase directors' and officers' liability coverage continues to climb. And the number of carriers that offer customized nonprofit products is unprecedented. Since D&O policies are "manuscripted" by carriers, there is no single standard form. This means that buyers must look carefully at the coverage offered and make decisions about what basic coverages are essential and what "add-ons" are desirable. Attend this webinar to learn about the current range of D&O coverage available to nonprofit organizations and trends in D&O policy language. Make certain you are purchasing appropriate coverage for your organization!

#### June 3 / 2 p.m.

##### *Working with an Agent or Broker: Strategies for Managing and Improving Your Relationship with an Insurance Professional*

Many insurance professionals offer nonprofit sector-specific services. "Specialist" agents and brokers—those that have dedicated their companies or

divisions within their companies to serving the nonprofit sector—can be invaluable partners in your risk management program. Are you maximizing the benefit you receive from these key professional advisors? What level of involvement should you expect from your insurance professional? Attend this webinar to learn how to get the most out of your relationship with an agent or broker and how to determine if it's time to make a change in providers.

**July 1 / 2 p.m.**

### ***Professional Liability Claims and Coverage***

A growing number of nonprofit organization leaders have recognized that their exposure to claims alleging negligence in the delivery of professional services warrants the purchase of professional liability coverage. Attend this webinar to learn about the nuances of this important coverage—how it works, when it's needed, and how to integrate the coverage into your insurance portfolio. During the program we will examine representative claims alleging “errors or omissions” in the delivery of professional services and showcase examples where the nonprofit's acts or omissions were, or were not covered.

**August 5 / 2 p.m.**

### ***You've Been Sued! Trends in Wrongful Termination Claims***

Just when you think you've mastered the basics of treading carefully with regard to prospective and current employees, a new twist emerges that sends you back to square one. This webinar will examine trends in employment claims and review recent significant changes in federal laws and regulations impacting employers. Our goal is to help you get up to speed while increasing your confidence that you will be able to ward off potential claims through decisive, compassionate policies and decision-making.

**September 2 / 2 p.m.**

### ***Exempt or Non-Exempt? Managing Misclassification Risks in the Nonprofit Workplace***

According to the U.S. Department of Labor, an estimated 70% of employers are not in compliance with the Fair Labor Standards Act. Attend this webinar to learn what steps you can take to evaluate your risks of non-compliance with the FLSA and to bring your classification practices into compliance. We'll discuss how to determine classification categories in your nonprofit, self-audit approaches and corrective steps to protect your nonprofit from future liability.

## How We Can Help You the Year Through

The Nonprofit Risk Management Center, established in 1990, provides assistance and resources for community-serving nonprofit organizations. As a nonprofit, the Center is uniquely positioned to both understand and respond to questions with practical, affordable suggestions for controlling risks that threaten a nonprofit's ability to accomplish its mission.

Our mission is to help nonprofits cope with uncertainty.

- We provide **free technical assistance** by telephone, (202) 785-3891, or e-mail, [info@nonprofitrisk.org](mailto:info@nonprofitrisk.org), to nonprofit staff and volunteers.
- We produce affordable, easy-to-read **publications**. (Some are free!)
- We offer helpful online tools, including My Risk Management Plan, an easy-to-use program that helps you create a custom risk management plan for your nonprofit. Visit [www.myriskmanagementplan.org](http://www.myriskmanagementplan.org) and purchase an affordable license today! Or to learn more before you buy, visit [www.nonprofitrisk.org](http://www.nonprofitrisk.org), and check out the Online Tools tab.
- We publish the *Risk Management Essentials* newsletter, which is distributed to thousands of nonprofits three times each year. **Sign up for your subscription to e-News and Risk Management Essentials** on our Web site, [www.nonprofitrisk.org](http://www.nonprofitrisk.org) under the Library tab.
- We design and deliver **workshops** at events and conferences sponsored by nonprofit organizations, umbrella groups and associations, and insurance providers.
- We sponsor **regional conferences** on risk management and hold an **annual conference**, called the *Risk Management & Finance Summit for Nonprofits*, each fall, [www.nonprofitrisk.org](http://www.nonprofitrisk.org), under the Training tab.
- We offer competitively priced **consulting services**, including risk assessments, [www.nonprofitrisk.org](http://www.nonprofitrisk.org), under the Consulting tab.

The Nonprofit Risk Management Center is a 501(c)(3) nonprofit organization. The Center does not sell insurance or endorse organizations that do.

**October 7 / 2 p.m.**

### ***The Volunteer Protection Act***

More than 10 years have lapsed since the passage of the Volunteer Protection Act, the federal law that was intended to remove the fear of liability from the hearts of nonprofit volunteers. This webinar will explore the landscape of volunteering since the passage of this law. During the webinar we'll take a look at cases citing the Volunteer Protection Act and try to discern a pattern in the ways that courts have applied the law to insulate volunteers from liability. Explore the lessons from this legislation and learn how to leverage those lessons into effective volunteer management practices at your nonprofit.

**November 4 / 2 p.m.**

### ***Managing the Risk of Volunteer Misconduct***

Let's face it, from time to time, even the most promising, mission-driven volunteers make judgment errors or fail to meet performance expectations. The positive contributions of volunteers are incalculable in many nonprofits, yet along with that benefit comes the need to attend to the risks arising from misconduct or poor performance. During this webinar we'll explore practical strategies that increase the opportunity for your volunteers to succeed. We'll also look at examples of volunteer misconduct and outline steps that will help you and your organization get back on track with minimal damage.



**December 2 / 2 p.m.**  
***Conducting a Youth Protection  
Risk Assessment***

Got youth? Well, then you've got risk! Every nonprofit serving young people faces a wide range of risks associated with either serving youth or relying on youth to provide volunteer services to fulfill its mission. Attend this webinar to learn how to conduct a proactive, youth-protection risk assessment for your organization. You'll learn what policies are fundamental and the questions to ask—and how to act on the revealing answers.

**Features**

- A new topic each month
- 60-minutes of content with continuous live chat
- Real-time visuals and audio
- Downloadable handout materials
- Callers within the USA incur no long-distance telephone charges
- Same time, same place: Tune in the first Wednesday of each month at 2 p.m. Eastern time

**Uses — Several**

- In-service education
- Orientation

- Refresher course
- Issue update

**Requirements — Some**

- 1 computer with Internet connection
- Telephone (with speaker function if others will be joining you)
- Chairs for participants

**Restrictions — None**

- Invite as many staff to participate as can comfortably view a single computer screen
- Sign up for one topic, several or the entire series
- If you can't participate in the live event, order the recording of the Webinar (for the same price) and listen when it's more convenient for you

**Register**

- Register for the entire series and save!

***RISK MANAGEMENT AND  
FINANCE SUMMIT FOR  
NONPROFITS***

The Center has delivered a dozen annual meetings (formerly the *Nonprofit Risk Management Institutes* and then the *Risk Management and Finance Summit* for

*Nonprofits*). The 2009 event will feature inspiring keynote sessions, informative workshops, myriad networking opportunities and a helpful exhibit hall. Corporate Sponsors of the SUMMIT enable the Center to offer a reasonable, nonprofit-friendly registration fee.

**September 20–22**  
***2009 Risk Management and Finance  
Summit for Nonprofits***

AT&T Executive Education and Conference Center at the University of Texas at Austin Austin, TX

Hosted by: Texas Association of Nonprofits, Texas Municipal League, Community Foundation of Austin, and others to be announced!

We encourage you to book your hotel accommodations early at the AT&T Center, as we anticipate that rooms will fill quickly! To reserve your room at the AT&T Center, call (512) 404-1900. The discounted room rate for the Summit is \$149 for single or double accommodations. For information on the Conference Center, visit: [www.meetatatexas.com](http://www.meetatatexas.com).



**2009 Risk Management and  
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Mark your calendar today and plan to attend this annual gathering of leaders committed to bringing risk management to life in their organizations.

<http://nonprofitrisk.org/training/conference/conference.shtml>

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# RISK MANAGEMENT MARKETPLACE

Inclusion in the Marketplace does not constitute an endorsement by the Nonprofit Risk Management Center. To inquire about space availability, contact [Melanie@nonprofitrisk.org](mailto:Melanie@nonprofitrisk.org).



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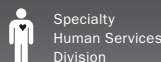
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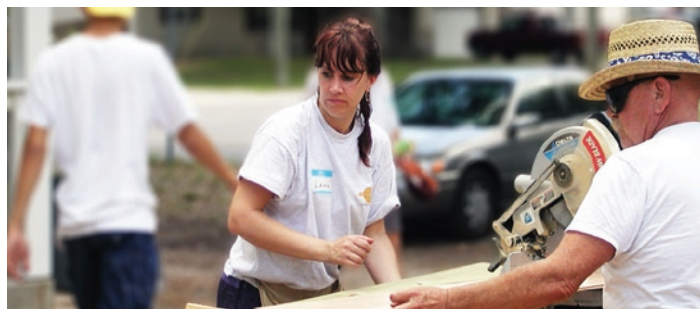
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# RISK MANAGEMENT MARKETPLACE

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- ▶ Home Health Care Organizations
- ▶ Homeless and Battered Women Shelters
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- ▶ Mental Health Organizations
- ▶ Other Non-Profit Organizations
- ▶ Residential/Transitional Group Homes
- ▶ Other Social Service Organizations
- ▶ Substance Abuse Rehabilitation Facilities
- ▶ Thrift Stores
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Taking the High Road: A Guide to Effective & Legal Employment Practices for Nonprofits— <i>2nd Edition</i>	\$45.00		
Staff Screening Tool Kit— <i>3rd Edition</i>	\$30.00		
The Season of Hope: A Risk Management Guide for Youth-Serving Nonprofits	\$30.00		
Managing Facility Risk: 10 Steps to Safety	\$15.00		
No Surprises: Harmonizing Risk and Reward in Volunteer Management— <i>4th Edition</i>	\$15.00		
Pillars of Accountability: A Risk Management Guide for Nonprofit Boards— <i>2nd edition</i>	\$12.00		
Playing to Win: A Risk Management Guide for Nonprofit Sports & Recreation Programs	\$20.00		
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My Risk Management Plan (or purchase at <a href="http://www.MyRiskManagementPlan.org">www.MyRiskManagementPlan.org</a> )	\$139.00		
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\*The Risk Management Essentials Series includes: *Coverage, Claims & Consequences*; *Staff Screening Tool Kit*; *Pillars of Accountability*; *No Surprises*; *Ready in Defense*; and *Vital Signs*.

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# Risk Management ESSENTIALS

Tips, Knowledge and Tools  
for Nonprofit Organizations

## Please route to:

- ☐ Executive Director
- ☐ Director of Volunteers
- ☐ Risk Manager
- ☐ Legal Counsel
- ☐ Human Resources
- ☐ Finance/Administration

## Prepared for distribution to:

- Arkansas Coalition for Excellence
- Big Brothers Big Sisters of America
- Boy Scouts of America
- California Association of Nonprofits
- Center for Non-Profit Corporations, Inc
- Council of Community Services of New York State, Inc.
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