

CHAPTER 3

ADMINISTRATION AND FINANCE

360 RISK MANAGEMENT, ENVIRONMENTAL HEALTH & SAFETY

The Risk Management, Environmental Health & Safety office (RMEH&S), includes Risk Management, Environmental Health and Safety, and Worker's Compensation programs.

361 Risk Management

Management of risk is a priority function of the University to ensure the use of resources for the established program purposes rather than for funding losses due to foreseeable risks. College, department and program management is responsible for: conducting campus operations in a manner that does not create unreasonable risks of loss or injury; the identification and analysis of risks; development and selection of risk controls and risk financing to manage risks; implementation and evaluation of risk management techniques; and documentation of these actions to ensure the responsible planning, organizing, leading, and control of resources.

Colleges or departments responsible for program management shall bear the financial burden associated with risk management losses.

Risk Management, Environmental Health & Safety shall provide assistance to campus entities in identification and examination of risks, selection of risk control and risk financing techniques, evaluation of the results, and improvement of risk management.

361.1 Responsibility for Programmatic and Operational Risks

University divisions, colleges, programs and departments shall be responsible for comprehensive risk management of their respective activities, programs, and operations. All campus entities shall preserve resources for the established mission of the entity. Risks of loss in the areas of personnel, property, freedom from liability and financial resources can substantially impact campus entities' resources, programs, and operations. Campus entities responsible for activities and conditions shall manage risk of loss through a proactive and collaborative process enabling both specific and shared responsibility for management of risks in the conduct of activities.

Risk identification and analysis shall be a part of the initial development of programs and projects prior to commitment to perform. Responsibility of risk involved in a program or project shall be specifically assigned to campus entity(ies) prior to commitment to perform.

Campus entities shall:

- Prevent/reduce losses due to risk through control/management of programs, projects, and properties;
- Finance or transfer losses due to risk through retention, insurance or contractual transfer; be singularly and/or severally (as agreed) responsible to address risk in their program, projects, and properties; and
- Document losses and “near misses” to enable analysis and projection of future losses.

Acceptance of responsibility for a program, project, or property shall include authority and responsibility for control within the parameters of an overall contractual agreement/understanding.

Risk Management shall coordinate and advise on risk management efforts for the University to preserve resources for the institutional mission.

361.2 Risk Control

The University has established the Injury and Illness Prevention Program (IIPP) to address control of risk in the work and academic environment.

361.3 Risk Financing

The University has established and maintains cost effective risk mechanisms to address the financial liability for catastrophic losses. The vice president for Administration and Finance may consider requests for financial assistance with costs of program losses from University resources based upon the exercise of risk management by the program manager responsible for the design, direction, and control of the activity, program, operation and/or resources involved in the loss.

361.3.1 Liability

Coverage for insurable liability losses is provided by the University above a \$250,000 self-insured retention for primary programs, and \$35,000 for University special funds programs (housing, parking, health center, extended education). Program Managers are responsible for liability losses (including related costs of investigation, defense, regulatory fines, settlements, etc.) within the self-insured retention.

361.3.2 Illness and Injury

Work related illness and injury coverage is provided for employees on a cost plus basis. Campus departments and/or programs are responsible for worker's compensation and employment liability loss costs. (Costs are currently paid within University resources.)

361.3.3 Property

Coverage for real and personal property is generally not provided unless initial funding was provided through public bonds. Campus departments and/or programs are responsible for property losses (including related costs).

361.3.4 Accident and/or Health

In general, accident and/or health insurance are not provided by the University for students or visitors on campus. Limited coverage is provided for students traveling on University programs (e.g., field trips) within the United States. Registered students have access to the University Health Center.

361.4 Accident Reporting

All accidents involving personal injury and/or property damage/loss either on campus or at campus programs located off site shall be reported to Risk Management, Environmental Health & Safety. Traffic accidents, criminal activity, or serious bodily injury/property damage shall be reported directly to University Police, who will in turn notify the RMEH&S office.

361.4.1 Automobile Accidents While On University Business

Employees involved in vehicle accidents while on official University business shall file a "Vehicle Accident Report" (as required by the State of California automobile liability program) with the RMEH&S office within 24 hours after the accident. The employee's supervisor shall be responsible for completing a "Review of State Driver Accident" report and submitting it to Risk Management, Environmental Health & Safety.

361.4.2 Employee Accidents

Employees who are injured or become ill because of their job shall immediately report the injury or illness to their supervisor. Supervisors shall provide the employee with an "Employee's Claim for Worker's Compensation Benefits" form and process the form as directed by Risk Management, Environmental Health & Safety.

361.4.3 Student and Visitor Accidents

Faculty and staff responsible for activities, equipment, facilities, programs and services shall initially report all accidents resulting in personal injury to students and/or visitors which occur either on campus (e.g., classrooms, laboratories) or off site at campus programs (e.g., field trips, Swanton Pacific Ranch) to RMEH&S within 24 hours. Students and/or visitors shall be responsible for filing an accident report when they are involved in an accident on campus that results in personal injury or property damage that is not part of a campus activity (e.g., trip and fall while walking to class) as soon as possible but within five working days of the incident.

361.4.4 Property Damage

Faculty and staff responsible for activities, equipment, facilities, programs, and services shall report all university property damage and/or loss which occurs either on campus or off site at campus programs (e.g., Swanton Pacific Ranch) to RMEH&S as soon as possible but within five working days of the incident.

361.5 Indemnification

RMEH&S shall develop indemnification standards for the University's use in agreements, contracts, and memoranda of understanding.

361.5.1 Officers and Employees

Subject to limited exceptions, the State of California (including Cal Poly) is obligated by law to provide defense and indemnification for employees for acts occurring within the course and scope of their employment duties.

361.6 Insurance

RMEH&S shall review and recommend specifications for insurance purchases for the University.

361.6.1 Public Entity Liability

The University may be exposed to liability for injury to persons and/or damage to property related to operations and programs (i.e., slip and fall, medical malpractice, failure to provide recommended safety devices). Liability expenses may include, but are not limited to, investigation, expert witnesses, legal defense, reimbursement for medical services and/or replacement of property, plus other related costs and damages.

The University shall bear the cost of minor liability losses at the program management level, including the payment of insurance deductibles. The University shall maintain insurance to finance the cost of major liability losses resulting from general operations of the University or from professional services on behalf of the University.

RMEH&S may review and recommend the purchase of additional insurance for high risk and/or unusual activities, events, or programs. Additional insurance expenses shall be a responsibility at the program management level.

361.6.2 Automobile Liability and Damage

The University participates in the State of California automobile liability program. This program provides for payment for expenses, defense and damages on behalf of the University and its employees related to the operation of state-owned automobiles within the course and scope of employment. Cost of repair for damages to state-owned vehicles when it is determined the state driver is “at fault” shall be a responsibility at the program management level.

State of California approved commercial rental car contracts provide for payment of automobile liability and repair of the rental car by the rental car agency on behalf of the State of California’s entities and their employees related to the operation of rental cars within the course and scope of employment.

The State of California automobile liability insurance program provides for payment for expenses, defense and damages in excess of the vehicle owner’s required automobile insurance for the University and its employees related to the operation of privately owned vehicles within the course and scope of employment.

361.6.3 Real and Personal Property

Real property refers to land and buildings and structures attached to the land; personal property refers to all other types of property, such as furniture, equipment, livestock, supplies, etc. Risk exposures are the loss and/or damage of property from theft, fire, flood, misuse, etc. The University shall bear the cost of state-owned property losses, including the payment of insurance deductibles, at the program management level. The University shall not provide insurance for property that is not owned by the State of California. RMEH&S may review and recommend the purchase of additional insurance for high risk and/or unusual property. Additional insurance expense shall be a responsibility at the program management level. Insurance will be purchased to satisfy the requirements of bonds and contracts.

361.6.4 Employee Injury and Illness

The State of California requires employers to maintain Worker's Compensation benefit programs to provide for medical services for work related injuries or illness of employees. This benefit is available to all persons employed by the University, including volunteer employees and student assistants. The University shall maintain insurance to finance the cost of medical and related services for work related injuries or illness of employees as required by statute.

361.6.5 Student Injury and Illness

Students participating in on-campus activities, classes, laboratories, events and/or programs may be injured or become ill. The University does not provide primary accident or medical insurance for students.

The University shall maintain insurance which provides limited payment for medical services in excess of a student's personal health insurance benefits for injuries related to travel for University activities, classes, field trips, events and/or programs. Coverage excludes participation in intercollegiate athletic activities.

The University shall maintain insurance which provides for payment for medical services, in excess of a student's personal health insurance benefits, for injuries sustained during participation in regularly scheduled intercollegiate sports events, practices, and tryouts.

Students participating in University programs involving international travel shall obtain and maintain in force health insurance consistent with CSU International Programs' requirements for the entire period abroad.

361.6.6 Certificates of Coverage

The University may provide certificates of insurance, evidence of self-insurance, or endorsements demonstrating coverage or providing additional coverage as required in contracts administered through Contract and Procurement Services. Contracts and Procurement shall be responsible for the acquisition and distribution of certificates of coverage.

361.6.7 Agreements, Contracts, Leases, Memorandums, and Purchases

Agreements between the University, its Auxiliaries, and other entities for the construction of University facilities, materials, and services for the University, and educational placements shall include language which transfers the risks related to the products provided and performance of the terms of the agreement to the other entity(ies) to the fullest extent possible. In addition, the other entities

shall provide proof of insurance for risks and losses that may occur related to the performance of the agreement commensurate with those risks.

361.6.8 Release Agreements (Waivers)

RMEH&S shall be responsible for the development and authorization of Release Agreements for University programs.

361.6.9 Claims

Claims against the University-maintained insurance programs shall be reported to and coordinated by RMEH&S (liability, property, injury and illness).

RMEH&S shall be responsible for direct handling of all workers compensation claims by employees.

Intercollegiate Athletics shall be responsible for the direct handling for their athletes' injury claims.

361.7 Air Travel

361.7.1 Employee Air Travel

Travel by a group of employees in the same aircraft or other mode of transportation is discouraged when the employees' responsibilities are such that an accident could seriously affect the functioning of the University.

Before a private aircraft (including a rented aircraft) may be used for official travel, the pilot must register with and obtain written approval from the CSU Executive Vice Chancellor/Chief Financial Officer or University President.

When private aircraft are used on University business, the appropriate campus officials are responsible for requiring that employees have adequate Bodily Injury, Property Damage, and Passenger Liability Insurance coverage. In addition, pilot and insurance requirements outlined in the CSU Travel Procedures and Regulations must be met.

361.7.2 Donor Provided Air Travel

Donor provided air travel involving private aircraft requires that campus Risk Management complete the "Donor Provided Plane Travel-Supplemental Form" to document pilot and insurance information. Travel itinerary, donor identity, pilot license number, pilot flight experience, aircraft description, evidence of insurance and endorsement of the University as an additional insured by the aircraft insurer will be documented on the Supplemental Form.

The completed Supplemental Form will be forwarded to the vice president for Administration and Finance for final approval prior to the use of the donated aircraft.

361.7.3 Student Air Travel

Any student air travel sponsored by, or pursuant to, a program of the University and any affiliated organizations, e.g., student clubs, academic programs, and enterprise projects, shall be conducted in ways which offer the least risk to the safety of participants and the least liability to the University. Use of scheduled or chartered air transportation services must be reviewed and approved by the appropriate respective campus administrator or their designee (i.e., executive director of the Associated Students, Inc., provost and executive vice president for Academic Affairs, executive director of the Cal Poly Corporation). Selection of air carriers, planning of travel itineraries, and conduct of student air travel shall be done prudently by employees with demonstrated good judgment and with paramount concern for the safety of program participants.

361.8 Motor Vehicle Use

361.8.1 University Vehicles

University vehicles shall be used only in the conduct of official University business. This means “only when driven in the performance of, or necessary to, or in the course of, the duties of University employment.” Only University employees may drive University vehicles. The campus shall not loan or lease a University vehicle to an auxiliary organization.

361.8.2 Privately-owned Vehicles

Employees may be authorized to use a privately-owned vehicle for official University business if the employee certifies that the vehicle being used is covered by standard liability insurance, adequate for the work to be performed, equipped with safety belts in operating condition, and in safe mechanical condition as required by law.

361.8.3 Commercial Rental Vehicles

Employees shall use one of the commercial vehicle rental companies currently under contract with the State of California when renting a vehicle for official University travel. If none of the contracted companies can provide vehicles in a specific location, employees may seek the services of a non-contract company.

361.8.4 Eligibility to Drive Vehicles on Official University Business

To be eligible to drive University-owned, privately-owned, and/or commercial rental vehicles on official University business, the vehicle driver must be a University employee and must have a valid California state driver's license. Drivers must certify they have no outstanding traffic warrants and have not been issued more than three moving violations or have been responsible for more than three at fault accidents (or any combination of more than three thereof) during the past twelve month period. Employees with unacceptable driving records should not be authorized by their supervisor to drive vehicles for University business purposes. RMEH&S shall be responsible for reviewing employee Motor Vehicle Driving Records, notifying supervisors of those employees whose driving records are poor and/or unacceptable, and recommending appropriate action.

361.8.5 Defensive Driver Training

RMEH&S shall be responsible for providing defensive driver's training for University employees and student assistants as a part of Safety Training (CAP 362.2.2).

361.8.6 15-Passenger Vans

Use of multiple passenger vehicles can provide economical transportation for such University programs as academic field trips, athletic teams, activities and ride pooling to and from work. However, use of specialized vehicles requires increased efforts to address safety of operations related to the drivers, their supervisors, the vehicles and passengers. In order to minimize the frequency and severity of bodily injury or property damage related to the use of 15-passenger vans on University business, increased attention to risk control of drivers, passengers, vehicles, and operations is necessary.

Drivers of 15-passenger vans shall comply with the "California State University Use of University and Private Vehicles" policies and procedures which includes equipping the vans with passenger seatbelts and requiring their use. In addition and prior to driving a 15-passenger van, drivers shall be required to complete driver/passenger van safety training, submit a driver license/identification record information or driving record from the Department of Motor Vehicles, and have a Class B driver's license* and a medical certification. RMEH&S shall provide the driver with written approval indicating that University requirements have been met upon submission of the required documentation. (*As University vanpool drivers are only driving 15-passenger vans to and from work, they are not required to have a Class B driver's license.)

Employees supervising/assigning employees to drive 15-passenger vans shall ensure compliance with Cal Poly procedures, and that employees assigned to drive passenger vans on University business have completed the University requirements and have received written approval from RMEH&S. Employees that are regularly assigned to drive passenger vans on University business shall have this duty included in their position description.

361.8.7 Student Drivers on Academic Instructionally-Related Field Trips

Faculty members shall insure that each student driving a state-owned or privately-owned vehicle and transporting other students on academic/instructionally-related field trips, as directed and coordinated by the faculty member for his/her respective course, is appointed as a Volunteer Employee of the University in advance of the scheduled field trip. As an employee, the student will be provided coverage and defense as well as access to Worker's Compensation coverage.

362 Environmental Health and Safety

Risk Management, Environmental Health and Safety is responsible for identifying and analyzing operational risks of the University as related to:

- Regulatory requirements and accepted industrial, environmental, and occupational standards;
- Recommending policies, processes, programs, and techniques to achieve compliance; and
- Monitoring and supporting the improvement of compliance efforts and safe practices.

RMEH&S shall be involved in, but not limited to, the following:

- Federal, state, and local regulations pertaining to the environment (i.e., air and water quality, pollution, hazardous materials, hazardous waste);
- Federal and state regulations pertaining to life and occupational safety (i.e., Cal-OSHA safety orders, building codes, fire codes, safety communications, medical monitoring, hazardous conditions and materials, food safety).

362.1 Environmental Compliance Program

The University shall comply with applicable federal, state, and local laws and regulations related to environmental protection and pollution control.

362.1.1 Hazardous Waste Control

All hazardous waste materials shall be handled, stored, managed, and disposed in compliance with applicable federal and state laws and regulations.

362.1.2 Water Pollution Control

No hazardous waste or other materials prohibited by the campus Non-Industrial Waste Discharge Permit shall be placed in a campus sanitary sewer. No waste materials, other than storm runoff, shall be placed in a campus storm sewer or creek.

362.1.3 Air Pollution Control

All stationary sources of air pollution (engines, boilers, spray booths, etc.) shall have a permit or exemption issued by the San Luis Obispo County Air Pollution Control District prior to installation and operation. The University shall implement transportation control measures consistent with its Trip Reduction Plan in response to the San Luis Obispo County Air Pollution Control Board's Clean Air Plan.

362.2 Injury and Illness Prevention Program

The University shall plan and maintain, insofar as it is reasonably within its control to do so, a campus environment for faculty, staff, students, and the general public that will protect their health and safety and prevent avoidable risks of accidental injury or illness. University operations shall be conducted in a manner to avoid injuries or illnesses and to comply with all applicable regulations and, when appropriate, with accepted health and safety standards. No student or employee will be required to perform any task that is determined to be unsafe or unreasonably hazardous.

To implement this safety policy, administrators, managers, and supervisors shall ensure that facilities and equipment meet all federal, state, and local safety laws and regulations, and shall promulgate and supervise compliance with appropriate policies, standards and procedures to carry out campus health and safety programs. Employee shall also have an avenue to report potential safety hazards without fear of retribution, and with confidence that they will be addressed in a timely manner.

The immediate responsibility for preventing campus accidents belongs to each employee who performs a supervisory role and, finally, to each individual campus employee. Accordingly, all faculty and staff are expected to take whatever actions

are necessary to ensure that safe and healthful conditions and practices prevail within the areas under their control.

All members of the campus community are responsible for cooperating fully with all aspects of the University health and safety programs. Program management shall ensure the performance of health and safety inspections, safety training, hazardous materials inventory, and hazard assessment.

362.2.1 Health and Safety Inspection

Scheduling and performance of regular and systematic inspection processes for all departmental areas shall be the responsibility of the respective department administrator.

362.2.2 Safety Training

Employees and students shall receive appropriate general and specific training prior to initial assignment of work. All training shall be documented in writing (i.e., content, dates, and attendance). Supervisors shall be responsible for ensuring that respective employees receive general and specific training prior to assignment on the job. Supervisors shall be responsible for ensuring that employees are trained whenever new substances, processes, procedures or equipment are introduced to the workplace which represent a new hazard or whenever the supervisor receives notification of a new or previously unrecognized hazard.

362.2.3 Hazardous Materials Inventory

Deans, directors, and/or department heads/chairs shall develop and maintain an inventory of all hazardous materials present in all areas under each program's control. A copy of each inventory shall be provided to RMEH&S annually, or when new materials are added to the inventory.

362.2.4 Hazard Assessment

Deans, directors, and/or department heads/chairs shall be responsible for ensuring that health, safety, and environmental compliance concerns are assessed and addressed prior to entering into new activities, operations, or processes. This assessment and response shall be documented.

362.2.5 Injury and Illness Investigations

Program management shall ensure that all injuries and illnesses related to campus operations and programs are investigated by the supervisor of the injured party. Findings and corrective actions shall be reported to RMEH&S.

362.3 Program Management Financial Responsibilities

The program management level shall be responsible for expenses for regulatory enforcement action, including fines, cleanup, disposal, expediting and extra expenses to restore University property and operations; providing facilities and equipment required for a safe working environment; and specialized training and disposal costs for hazardous materials in excess of what is provided by the University.

References for CAP 360:

1. Date approved by the President: January 19, 2014
2. Effective Date: January 19, 2014
3. Responsible Department/Office: Risk Management, Environmental Health and Safety
4. Revision History: January 2, 2001; April 2, 2003; January 19, 2014
5. Related University Policies, Procedures, Manuals and/or Documents:
 - a. CSU Insurance Requirements, [Executive Order 743](#).
 - b. [Use of University and Private Vehicles Guidelines](#).
 - c. [Gifts to an Agency](#).
 - d. CSU Travel Procedures and Regulations, [ICSUAM Section G-001](#)
 - e. California State University Risk Management Policy, [CSU Executive Order \(EO\) 533](#).
 - f. Injury and Illness Prevention Program [CSU EO 1039](#).
 - g. Information Security Policy, [ICSUAM Section 8000](#).
 - h. Emergency Preparedness Program, [CSU EO 524](#).
 - i. Student Records Administration, [CSU EO 382](#).
 - j. Student Air Travel Policy, [CSU EO 590](#).
6. Laws, Regulations and/or Codes of practice referred to herein or related to this policy:
 - a. Emergency Management Plan; Federal Disaster Relief Act of 1974 (Public Law 93-288).
 - b. Federal Civil Defense Act of 1950 (Public Law 920), as amended.
 - c. NUREG 0654, Federal Emergency Management Agency REP-1, Rev. 1, 1980.
 - d. United States Army Corps of Engineers-Flood Fighting (Public Law 84-99).
 - e. California Code of Regulations, SEMS, Title 19, Division 2, Section 2400 et seq.
 - f. California Emergency Services Act, California Government Code Section 8550 et seq.
 - g. California Master Mutual Aid Agreement, California Government Code Section 8615 et seq.
 - h. California Natural Disaster Assistance Act, California Government Code Section 8680 et seq.
 - i. California Water Code Section 128.
 - j. California Code of Regulations, Title 5, Sections 41302, 42402.
 - k. California Education Code Sections 66600, 66606, 89031.