

Risk Management Measurement Grids

Defining risk and managing it is a daily occurrence at Arc Mid-Cities, realizing that risk is not just in one area but many. Arc Mid-Cities has taken the approach of a broad array of teams and processes. The overall risk management program is orchestrated by leadership that functions as an Administrative Team as well. The members represent Finance, Operations, Accounting, Administrative Support and Human Resources. The teams that also support this leadership risk team are case managers, supervisors, production manager, transportation coordinator, building and grounds maintenance and security.

Arc Mid-Cities has taken the correct approach by having all levels of the organization engaged and committed to identifying risk; accomplishing its mission to prevent threats to Arc Mid-Cities; and managing risk - the act of supervision and control. If we lack commitment and the management of risk, we will lose the goodwill of others and the earned excellent reputation we have worked diligently to achieve. Ultimately, we could fail to accomplish our much needed and desirable goals. The leadership team of Arc Mid-Cities knows it takes time, resources, energy, critical thinking and problem solving to have a first rate risk management program. This first-rate level is achieved through the goals of risk management strategies intended to protect financial and intangible assets, establish goodwill and favorable public reputation provide a safe environment for all consumers, employees and visitors, prepare the organization for any operational crisis situations, and identify and obtain the most effective insurance coverage.

Arc Mid-Cities, through its on-going accreditation and self-assessment process, have demonstrated its commitment to protect its human assets, financial assets, and resources through the practice of effective risk management. The leadership of Arc Mid-Cities is committed to safeguarding the safety of consumers, staff and other stakeholders, including those who have contact with the organization.

Arc Mid-Cities Risk Management Team aggressively identifies and addresses different areas of risk, including areas of its core and administrative business and its board. Employees are professionally oriented and trained to understand their responsibilities to demonstrate appropriate communications, applying consistent actions to reduce errors, having constant awareness of their surroundings, and unmistakably understanding of the organization's risk management plan. This includes the promotion of the Arc Mid-Cities value.

Arc Mid-Cities is proactively engaged in using critical risk management strategies to professionally assist in the evaluation and analysis and identification and prevention of loss revenues, consumers, manpower, reputation, etc., via various resources, such as Cal Osha, the local fire department, vehicle and auto insurance companies, Worker's Compensation Insurance, Department of Rehabilitation, the Department of Developmental Services, the Regional Centers and CARF, all of which provides corrective actions. Therefore, such resources assist in using their own technique to rectify identified problem areas and implement corrective action to reduce risks, monitoring actions and consequently improving performance and quality of services provided by Arc Mid-Cities.

Arc Mid-Cities has prepared grids – explicit measures- that identify the elements of risk and incorporated detailed and specific plans for risk management/ mitigation. It is critical to understand that which is measured will be managed. To have a successful risk management program you must measure activities and then manage results.

Arc Mid-Cities
Risk Management Control Systems - Corporate
The goal of Arc Mid-Cities regarding Risk Management Controls Systems is to
“Promote Quality Services and Manage Risk effectively”
As of June 24, 2013

The Risk Management Plan incorporates systems of checks and balances that clearly define accountability and monitor critical performance variables. Control systems are designed to minimize risks and prevent and detect illegal or unethical activity and/or fraud, waste and abuse. Access to critical information is on a need to know basis.

Exposures	Control Mechanism	Responsibility	Scheduled Report	Review Date
Loss of funding	Maintain professional relationships with the regional centers, DDS, and DOR; complete all funding requirements on a regular basis	Exec Director, Sr. Program Mgr. Accts Receivable Management Team	Monthly or as needed	Monthly
Non-Compliance with regulations related to Corporate Compliance Plan	Maintain and comply with Corporate Compliance Plan	Exec. Director Sr. Program Mgr. Risk Manager	As needed	Quarterly
Loss of Program Vendorization	Update program designs and maintain monitoring requirements by the funding sources	BOD Committee on Programs Exec. Director Sr. Program Mgr.	As needed	Immediate
Loss of CARF Accreditation	CARF Committee Internal Processes; upkeep with standards/ recommendations	Exec Director Sr. Program Mgr. CARF Committee	Monthly due 6/30/13	Due 7/15/13
Loss of reputation	Regular Staff in-service training; excellent customer service practices; maintain honest and reliable staff members	Exec Director Sr. Program Manager Management Team HR Department Risk Manager	As needed	Quarterly
Baseless, unscrupulous lawsuits	Maintain workers comp insurance records; maintain employee and consumers exit records	Exec Director Sr. Program Manager HR Risk Manager	As needed	Quarterly

Arc Mid-Cities
Risk Management Control Systems - Financial
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Exposures	Control Mechanism	Responsibility	Scheduled Report	Review Date
Failure to collect revenues on a timely manner	Maintain sponsors, donors, and contributors by short and long term fund raising activities year-round	Exec Director, Sr. Program Mgr. Accts Receivable	Every 5 th of the month	Every 15 th of the month
Over-payments on bills and invoices due to fees and penalties	Corporate Compliance Plan Observe general accounting practices; maintaining cash reserves in banks	Exec. Director Sr. Program Mgr. Bookkeeper Accts Payables	Every 10 th of the month	Every 2 nd of the month
Property loss	CCTV cameras Maintain Corporate Compliance Annual inventory	Accounting Personnel; Safety Officer	Every 30 th of the month	Monthly
Vehicle-related loss	Staff Training on Defensive Driving; Random Drug and Alcohol Testing	HR Department Transportation Coord Unit Supervisors	Monthly	Monthly
General Liability/Professional liability	Maintain Corporate Compliance Plan Annual Competency-based training	HR Department Accounting Department	As needed	On the 9 th month
Business loss/Interruption	Primary back-up business plans Contingency Plans	Exec. Director Sr. Program Mgr Leadership Team	As needed	Annual

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Exposures	Control Mechanism	Responsibility	Scheduled Report	Review Date
Lawsuits due to non-compliance of mandated requirements	Maintain Corporate Compliance Plan Payments of fees, etc on time	Exec Director Accts Payable	Monthly or As needed	Monthly
Penalties due to non-responsive acts on various business permits and licenses requirements	“Tickler” reminders Pay fees on time	Exec Director Accts Payable	As needed	Quarterly
Liability to employees	Strict Medical Provider Up-to-date ergonomics training; regular employee In-service training	Sr. Program Mgr. Risk Manager Unit Supervisors Safety/Health Mgr.	As needed	Immediate
Vehicular accidents resulting to injuries and property damages	Provide mandated defensive driving training; regular in-service training	Sr. Program Mgr. Transportation Coord Safety/Health Mgr.	Monthly	As needed
Excessive usage of utilities	Automatic set-up; training to conserve energy, utilities, etc.; cost awareness	Risk Manager Production Manager Unit Supervisors	Monthly	Monthly
Theft	Well-secured area; locked facilities; installation of CCTV cameras in various location & areas of operation	Risk Manager Production Manager Transportation Coord Unit Supervisors	Monthly	As needed

Arc Mid-Cities
Risk Management Control Systems – Human Resources
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Exposures	Control Mechanism	Responsibility	Scheduled Report	Review Date
Excessive Employee turn -over	Competitive rates Regular rate increase Fringe Benefits Regular staff training Fair and good supervisors	BOD Committee on Fund Raising, Exec Director, Sr. Program Mgr. Accts Receivable	Monthly or As needed	Monthly
Excessive absences and tardiness	Well specified Policies and Procedures; reprimands or suspension	Sr. Program Mgr. HR Supervisors	As needed	Quarterly
Fake identities, credentials and other employment documents	Ability to determine originality of real documents and checking its authenticity	HR Department	As needed	Immediate
Lawsuits due to employee acts i.e., sexual harassment, and other employee liabilities	Direct Supervision of staff Training on Sexual Harassment, etc.	Supervisors HR Department	Monthly	As needed
Lawsuits due to wrongful terminations	Training Supervisors Updated Employee Handbook	Supervisors HR Department	Monthly	Monthly
Costly medical insurance benefits and other fringe benefits	Comparative Analysis of premiums of Medical insurance providers and Updating fringe benefits	Exec Director Sr. Program Mgr HR Department	Monthly	As needed

Arc Mid-Cities
Risk Management Control Systems – Program Services
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Exposures	Control Mechanism	Responsibility	Scheduled Report	Review Date
Loss of Vendorization/Certification from funding sources	Provision of Quality Service Consumer Satisfaction Survey Compliance on mandated requirements	Exec Director Sr. Program Manager Program Staff and Supervisors	Every 5 th of the month	Every 15 th of the month
Excessive consumer absences in programs	Provide various program activities, exciting program services, pay increases; various types of incentives	Case Managers Unit Supervisors Job Coaches Floor Supervisors	Every 30 th of the month	Monthly
Reduction or non-referrals of consumers	Increase solicitation of regional center consumers	Exec Director Sr. Program Mgr. Case Managers	Monthly	Monthly
Loss of Employment contracts	Job Developer provides continuous contract maintenance Satisfaction on Consumer Performance	Job Developer Job Coaches Supervisors	Monthly	Monthly
Loss of Reputation	Quality Service Qualified Staff members Job Coach Survey Feedback Staff In-Service Training	Job Developer Supervisors Job Coaches Hr Department	As needed	Monthly