

Department/Unit: Risk Management **Year:** Fiscal Year 2018-19
Contact Name: Lura Clapper **Contact Title:** Director of Risk Management

Unit Overview/Mission/Purpose

The Office of Risk Management supports Wright State University by promoting a risk-aware culture through being a valued partner and resource to administrative and academic units across campus, and by developing efficient ways to manage and finance risk. The unit also works closely with 3rd parties such as the Inter-University Council Risk Management and Insurance Consortium (IUC-RMIC) and the insurance broker to identify and implement appropriate risk mitigating methods.

Staffing*

	FY16	FY17	FY18	FY19
# Full Time Staff	2	1	1	1
# Student Employee FTE	0	0	0	0

*The individual who held the Risk Management Specialist position left the university in FY16. Due to WSU’s budget problems, the vacant position was eliminated.

The Success Outcomes and KPI’s below include Workers Compensation data from the Office of General Counsel (excluding salary/benefits/etc), but not General Counsel’s other claims-related expenses. That info was unavailable at the time of this submission.

Success Outcome 1:

Evaluate the success of the risk management program by benchmarking WSU’s Total Cost of Risk (TCoR) for the property and the casualty programs. The data will identify opportunities to manage costs in these areas.

KPI 1.1

Data: Benchmark TCoR by line of coverage year-over-year. The data will include insurance premiums plus losses and administration costs, which include internal/external expenses.

Response/Action Plan: Insurance markets can be volatile due to natural disasters and property/casualty claims trends. Therefore, the IUC-RMIC will continue to secure multi-year policies, where available, in order to smooth out fluctuations in premium and also continue to stay abreast of risk management-related issues in order to help mitigate future losses.

WSU claims and IUC-RMIC loss sharing can impact TCoR. While WSU experienced a large property claim and also a few large liability claims in FY16 and FY17, TCoR has significantly improved in FY18 due to favorable loss experience.

Risk management will continue to monitor expenses and fully participate in the administration of the IUC-RMIC so that WSU can continue to secure the most favorable coverage and pricing in the market.

KPI 1.2

Data: Benchmark WSU’s overall TCoR against the RIMS TCoR Benchmark Survey data. The data will include insurance premiums plus losses and administration costs, which include internal/external expenses.

Result: See KPI 1.1 Result.

Response/Action Plan: See KPI 1.1 Response/Action Plan.

Success Outcome 2:

Evaluate loss history data by line of coverage year-over-year. Effective claims management and review can help lower both the amount and frequency of losses.

KPI 2.1

Data: Analyze annual loss history looking at the number of claims and the total incurred losses.

Result: A 3-year property and casualty loss history summary is below. WSU's three year loss history includes one large property claim and several large liability claims. Those claims caused the increased TCoR in FY16 and FY17. The good news is there have not been any large claims since that time and WSU's FY18 TCoR result highlight our reduced frequency/severity.

Response/Action Plan: Loss history data is central to determining how future losses can be mitigated or prevented altogether. Risk management will continue to monitor claim trends and use the data to assist with managing WSU's operational risks.