



THE UNIVERSITY  
*of* NORTH CAROLINA  
*at* CHAPEL HILL

# Experiential Learning - Risk Management Best Practices from a Campus

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# UNC-Chapel Hill's Experiential Learning Situation



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## UNC-Chapel Hill

- Public university - part of the UNC System and State of North Carolina
- Our mission - academic instruction, research and public service
- Offer bachelor's, master's, doctoral and professional degrees
- 28,567 students, 3400 faculty



# UNC-Chapel Hill's EL Situation

- Substantial growth in experiential learning programs
  - Both required and voluntary programs
- “Experiential Education” requirement
  - Beginning with the Class of 2010
- Increasing international exposure
  - 40% of students study abroad
- Medical and allied health programs
  - Dentistry, Medicine, Nursing, Pharmacy, Psychology, Public Health and Social Work
- Decentralized campus
  - 14 schools and the College of Arts and Sciences
- Budget constraints
  - Affects due diligence and risk management resources



# Traditional & Evolving Risks

## Traditional Risks

- Failure to warn students of known dangers
- On-the-job injuries
- Damage to host site's property or technology
- Auto accidents en route to sites
- Allegations of sexual harassment
- Health risk exposures

## Evolving Risks

- Greater duty owed by the university
- Breach of contract
- Lack of quality
- Intellectual property and issues of confidentiality
- International exposures
- Erosion of our sovereign immunity

# Risk Management Best Practices

- Risk Management Process & Techniques
- Risk Identification
- Legal & Contractual Considerations
- Insurance Considerations



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# Risk Management Process

Follow the basic risk management process:

1. Identify and classify your risk exposures
2. Examine your options for handling these exposures
3. Select the best techniques
4. Implement the techniques
5. Monitor, measure and improve

Risk management is not the same as risk avoidance. Weigh the costs and benefits of the risk and make responsible decisions.



# Risk Management Techniques

- Controlling risks
  - Loss prevention - reduces the frequency
  - Loss reduction - reduces the severity
  - Avoidance - eliminates the risk altogether
  - Segregation of losses - eliminates simultaneous losses
  
- Financing risks
  - Retain the cost of risk internally
  - Purchase insurance
  - Contractually transfer the risk



- Various methods can be applied
  - Personal inspections
  - Surveys & questionnaires
  - Discussions with colleagues and peers
  - Experts
  - Past loss experience
- Significance of risk
  - Frequency versus severity
  - Affect on school's or program's reputation
- Develop a risk identification checklist
  - Student orientation
  - Site visit
  - Contracts and agreements
  - Programmatic and operational policies and procedures



- **Host site evaluation**
  - For required programs, inspect the site if possible
  - Site inspection may vary depending on school's involvement
  - Host site will likely be unfamiliar to the student
- **International exposures**
  - School should have consistent operating policies and procedures
  - Applicable insurance coverage with medical evacuation
  - Crisis response plan
- **Transportation**
  - Clearly indicate who is responsible for getting to/from host site



- **Special health risks**
  - Fully inform the student of special risks
  - Address the need for precautionary vaccinations in advance
- **Confidential information / Intellectual property**
  - Fully inform the student of state and federal laws
  - Written understanding of what is to remain confidential
- **Other considerations**
  - Students with special needs
  - Third-party programs
  - Background checks



# Legal & Contractual Considerations

- Put in writing the rights, responsibilities and legal limitations
  - What is the school's position toward the program and host site
  - Provide clear expectations
  - Specify the student's employment status: volunteer, contractor, paid employee
- Define indemnification and insurance responsibilities
  - Who indemnifies whom, and who pays the defense costs
  - What insurance is in place and who is responsible for it
- Specific agreements between:
  - School and host site
  - Host site and student
  - School and student



# Insurance Considerations

- **Involve your school's Risk Management Department**
  - Will the school's insurance even apply to the program
  - Insurance may already be in place
  - Assistance with the contract's insurance requirements
  - Provide evidence of insurance (Certificates of Insurance)
- **Understand your state's workers' compensation laws**
- **Liability insurance**
  - General Liability versus Professional Liability
  - Auto Liability
  - Understand the policy exclusions and other limitations



- Limited sovereign immunity
  - Written in the General Statutes
  - Limits liability to \$1M in many cases
  - Purchase excess liability insurance for employees
- Restrictions on how we buy liability insurance
  - Cannot jeopardize sovereign immunity
  - Affects ability to name host site as Additional Insured
- Restrictions on our hold harmless and indemnity language
  - Affects the language in contracts and agreements
  - Affects contract negotiations
- Student internship liability insurance program
  - Provides general and professional liability insurance for UNC System interns
  - Can be purchased on an individual student basis

# Questions & Comments

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We are now transitioning to the NC Campus Compact Business Meeting.

Please stay connected to this webinar link and dial in to 336-278-4880. We will begin in 5 minutes.