



RISK MANAGEMENT

2007 WORKSHOP

New Orleans, LA



Why we are here?

- To remind us of the reasons we need to always keep risk management in the forefront
- Introduce the new LSA Risk Management Policy
- Candid discussion of club risk management practices – what the other guy is doing



What is Risk Management?

- **Risk** is the possibility of suffering loss.
- **Risk** is anything that threatens the ability of an association or club to accomplish its mission.
- **Risk Management** is the process of analyzing exposure to risk and determining how to best handle such exposure.
- **Risk Management** provides a framework and strategies for recognizing and confronting threats to your associations ability to achieve its purpose.
- **Risk management** requires an association/club to be proactive by instilling a discipline dealing with the possibility that some future event may cause harm.



Why do you need a Risk Management Program?

- An important goal of a risk management program is the protection of an organization's people, property, income, and reputation. These assets are critical to an organization's long-term success.
- **People** – Board members, coaches, referees, & patrons
- **Property** – Fields, buildings, & facilities
- **Income** – Revenue and assets of the organization
- **Reputation** – Overall quality or character as seen or judged by people in general within a community



Why do you need a Risk Management Program?

- Associations and clubs are encouraged to develop a risk management program for their different activities by asking the following basic questions and carefully analyzing the responses.
 - What could go wrong?
 - What can you do to prevent it from occurring?
 - If something goes wrong, how will you respond?
 - How do you ensure the effectiveness of your program and keep it current?
- Your risk management program has to be diligent to constantly evade the threats of harm to your participants. Your program should define how to address the risks and make good choices in dealing with these risks.



Look for risks: who and what can be considered at risk...

- People – board members, coaches, referees, players, volunteers, spectators and others.
- Websites – Clubs/teams
- Property – complexes, field, equipment, buildings
- Income – registration fees, donations, team funds and tournament fees.
- Reputation – of association/club, community standing, players, volunteers and field usage.



People Risk

- **Board Members**

- Fiduciary responsibilities - one often in a position of authority who obligates himself or herself to act on behalf of another (as in managing money or property) and assumes a duty to act in good faith and with care, candor, and loyalty in fulfilling the obligation
- Defined & published processes, reviews and periodic audits/inspections to validate maintaining the organizations assets (tangible & intangible).



People Risk (cont'd)

- Coaches, referees, players, volunteers, spectators and others
 - Defined and communicated expectations
 - Appropriate & acceptable behavior
 - Training
 - Signage
 - Enforcement
 - Volunteers (Board, parents, etc)
 - City/county/park officials
 - Law Enforcement (contracted)



Specific Risks

- Player equipment
 - Shin guards
 - Water
- Complex/fields
 - Installation and anchoring of goals
 - Condition of grounds/benches/stands/sprinklers/parking
- Assigning of referees
 - age level
 - experience
 - anticipated difficulty



Club/Team Websites

- Technology exists for almost any team to create its own website.
 - Create using website design templates or packaged software (eteamz, school, business or privately sponsored sites).
- The Risks?
 - Many of these team web sites can be used by those who would prey on our children to identify, single out, and make contact with a victim – whether at home or during soccer events.



Examples of Inappropriate Content

- Team's roster unprotected.
- Individually identifiable player photographs, which include information on interests, hobbies, and siblings.
- A 'contact list' that includes each child's name, parent's business phone, home phone and household e-mail.
- Times and dates and locations of practices and games, including directions.



Website Guidelines

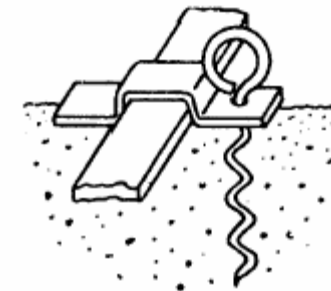
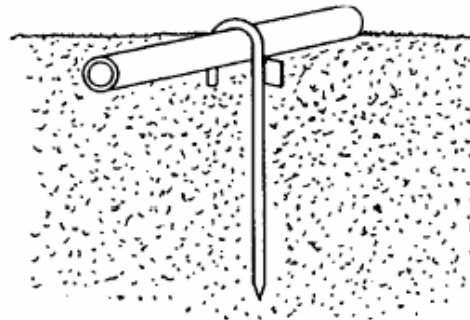
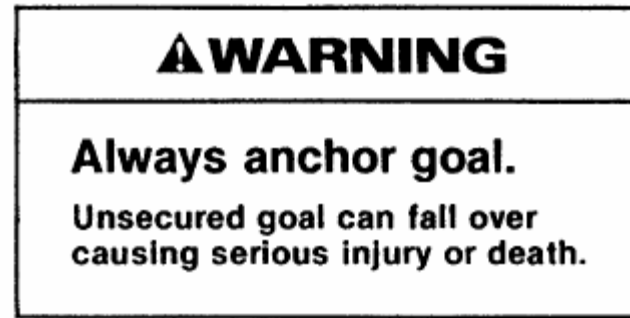
- Risk Management Action
 - Provide guidelines on managing appropriate content (public versus secured).
- Examples:
 - Do not put pictures that identify children by name on the internet.
 - Do not put practice schedules, times and locations on the internet.
 - Do not put names, phone numbers and emails of children or families on the internet.
 - Communicate by e-mail not by web sites.
 - Albums and video are better sent as attachments.
 - Eteamz provides password protection. Pictures, rosters, directions all need to be protected.



Property Risk

- Complex layout
- Building/structure/playgrounds, etc
- Fields
- Bleachers/benches
- Parking
- Sanitation
- Equipment

Goal Safety





Income Risks

- **Club budget** – (Lack of or not managed) Must be realistic and accurate with the intent of meeting the association's/club's goals and objectives.
- **Games/tournaments** – Acts of God can cause a cancellation or abandonment of games or tournaments. Cash collected and accounted for often during an event. Use receipts when you take the cash and compare balances (cash vs receipts).
- **Consider tournament cancellation insurance** – Insure your event or have sufficient cash reserves to replace lost income.



Income Risks cont'd

- **Board Financial Mismanagement** – Have an external entity provide a review of all financial records and provide full report to board and make available to membership.
- **Loss/Spoilage of assets** – Verify inventory and audit annually with a copy distributed to the board.
- **Account Abuses/Fraud/Embezzlement** – Adopt a financial policy! Have 2 live signatures for amounts over \$250.00. Separate duties - check writing, bank statement receipt, monthly reconciliation and report to board, annual review or audit by CPA.



Risk Management Actions

- Assess risks
- Control Risk
- Risk resolution
- Develop and Manage your Risk Management Action Plan



Assess Risk

- Clubs need to consciously decide which risk they can accept.
- Identify risks in relation to the clubs overall mission of providing soccer.



Control Risk

- Controls:
 - Reviews/Audits
 - Walk-throughs and/or Inspections
 - Policies/Guidelines
 - Publish Reports/Findings periodically



Risk Resolution

- Avoid: If the club thinks it is too risky – it probably is!
- Modify: You can change/modify an activity/process you feel puts the organization/individual(s) at risk.
- Transfer: Protect the organization through contracts and insurance. **Your membership in LSA provides a D&O (Directors and Officers) liability insurance policy.**
- Retain: Some risks are deemed acceptable and the organization accepts the risk knowing the consequences.



Risk Action Plan

- Develop: a list of potential resources that will help you determine what risks exist and how best to deal with them.
- Develop specific actions that could help prevent or respond to identified risk
- After implementing your risk management procedures, continually reevaluate your program.
- As new issues arise, repeat the process of risk assessment, control and resolution for new risk exposures you identify.
- Expand your risk management as your program expands.

REMEMBER - Risk management is an ongoing process.



Your Actions, LSA & US Youth Soccer

- Are your practices consistent with LSA & US Youth Soccer?
- Your decisions impact us, especially when you and/or member(s) of your board make decisions that are not done with the good of all the kids in mind.
- Example: An officer responsible for Team Formation creates his/her own "Super Team" or an Association Director of Coaching hires an individual to help with instruction who is not verified or is unqualified to train or instruct.



US Youth Soccer Kidsafe Program

Kidsafe - a program to promote the health, safety and protection of soccer players.



US YOUTH SOCCER KIDSAFE PROGRAM...

- Intends to foster safe circumstances for every player who participates in any activity affiliated with US YOUTH SOCCER.
- Intends to inform all coaches, administrators, volunteers and employees of the risks connected with youth programs.



KIDSAFE Program Mission

- *To promote the health, safety and protection of players in the game of soccer.*
- US Youth Soccer has adopted the KIDSAFE PROGRAM in order to exclude from participation in its activities all persons who have been convicted of felonies, crimes of violence or crimes against persons.



The KIDSAFE PROGRAM of US YOUTH SOCCER and its affiliates should include...

- Written policies and procedures governing, hiring, training, supervision, investigation and firing/dismissing.
- A Risk Management Coordinator (RMC) and alternate.
- A means of identifying all coaches and program administrators.
- The development and communication of the Kidsafe guidelines to all coaches, administrators, volunteers and employees.
- Monitoring the implementation of the above objectives.



Generally all states require:

- All club officers, team managers, trainers, coaches, assistant coaches, fill out a disclosure statement and register with the state association...
- All club officers, team managers, trainers, coaches, assistant coaches agree to a background check...
- Referees submit disclosure forms through USSF (This procedure is under review)



LSA Risk Management Policy

- To promote the welfare of youth players and to protect coaches, volunteers, program administrators and affiliated clubs.
- To exclude from participation in LSA activities all persons who have been convicted of crimes of violence, crimes against persons or any other violation detrimental to the health and safety of the players.



LSA Risk Management cont'd.

- Each club shall require every adult coach, trainer, manager, club official, club employee or other volunteer that has or could have, direct or indirect contact or influence on a youth player to complete the LSA online risk management questionnaire annually.
- All LSA Board members and office staff shall complete the LSA online risk management questionnaire annually.



LSA Risk Management cont'd.

- The LSA Risk Management Committee (RMC) shall conduct a national background check of all online applicants at least bi-annually.
- In the initial soccer year (2007-2008) LSA will credit the club with a maximum of two online applicants per registered team.
- All additional online applicants will be billed to the club at the rate charged to LSA (currently \$3.50 per background check.)



RM Disqualification Criteria

- The RMC will make all initial decisions pertaining to disqualification of an applicant.
- The RMC may immediately disqualify an applicant based on the results of the criminal history background check.
- The RMC may request additional information from an applicant based on the results of the criminal history background check.
- Failure to respond to a request for additional information may result in disqualification.



RMC Members

- LSA Vice President Youth
- LSA Vice President Adult
- LSA Secretary
- LSA Legal Counsel (if appointed)



RMC Disqualification Procedure

- The RMC will send written notification to any applicant who has been disqualified with instructions on how to appeal.
- A disqualified applicant shall have 7 calendar days to appeal.
- If written notification of an appeal is not received in the LSA State Office within 7 days, the disqualification shall be final.
- Appeals shall be heard by the LSA Board members not on the RMC, in executive session at the next regularly scheduled board meeting.
- The decision of the LSA Board of Directors shall be final and take effect immediately.



In Summary

- Identify the risks
- Risk evaluation
- Risk resolution
 - Eliminate the risk
 - Reduce the chances of injury
 - Accept the risk
 - Transfer the risk from your responsibility
- Design/Implement your actions into your RM program
- Maintain periodically by evaluating/re-evaluating the results.