

Risk Financing & Insurance Department Overview

FAS – Research Administration Services

October 17, 2014

rmas.fad.harvard.edu



Department Overview

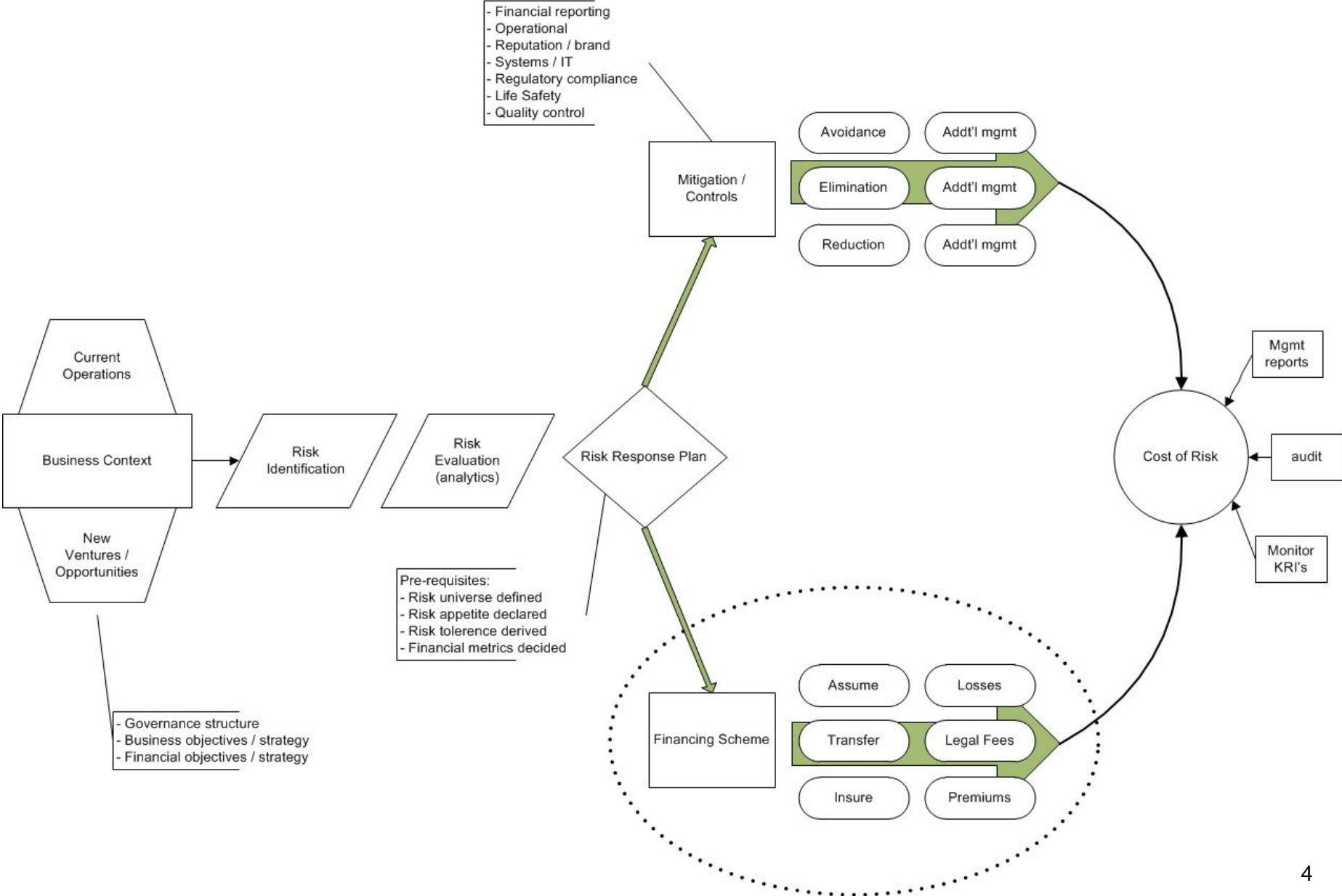
1. Department mission, and service model - see website [<http://rmas.fad.harvard.edu/pages/risk-financing-and-insurance-0>]
2. Department approach / risk mgmt process [<http://rmas.fad.harvard.edu/pages/risk-financing-and-insurance-0>]
3. Org chart and staff members – see website [<http://rmas.fad.harvard.edu/people/rmas-functional-areas/risk-financing-and-insurance>]
4. Program funding insights and coverage universe
5. Areas of possible intersection with FAS-RAS

Department Overview

The Risk Financing and Insurance department plays three important roles in fulfillment of its mission:

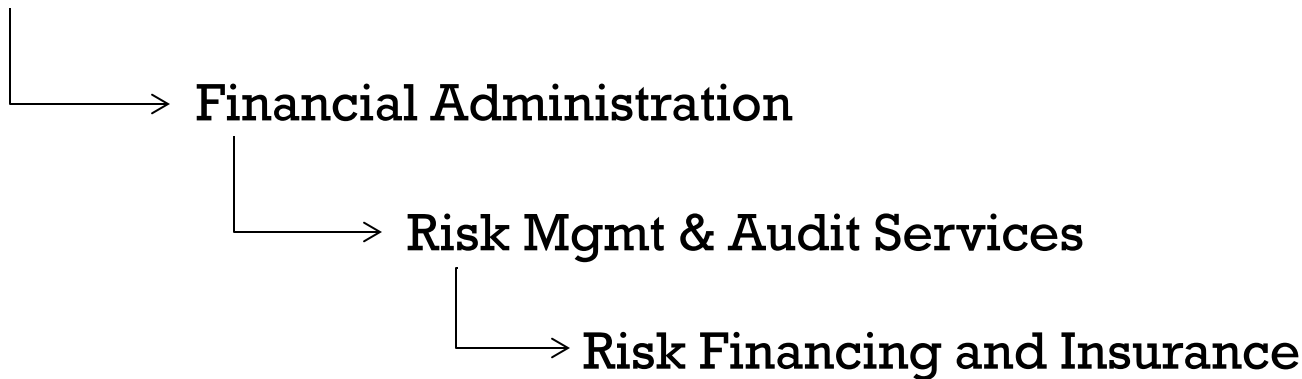
- designer and administrator a set of enterprise-level insurance policies protecting all operations against catastrophe type events (e.g. University's Master Property & Casualty insurance program);
- architect and curator of a specialized suite of risk financing tools intended for mitigating unique, uncommon or TUB-specific operational exposures;
- expert resource to the entire University community in analyzing exposures, evaluating vulnerabilities, and creating bespoke risk financing solutions aligned with an individual risk situations.

Risk Management Process Flow



Department Overview

CADM



STAFF:

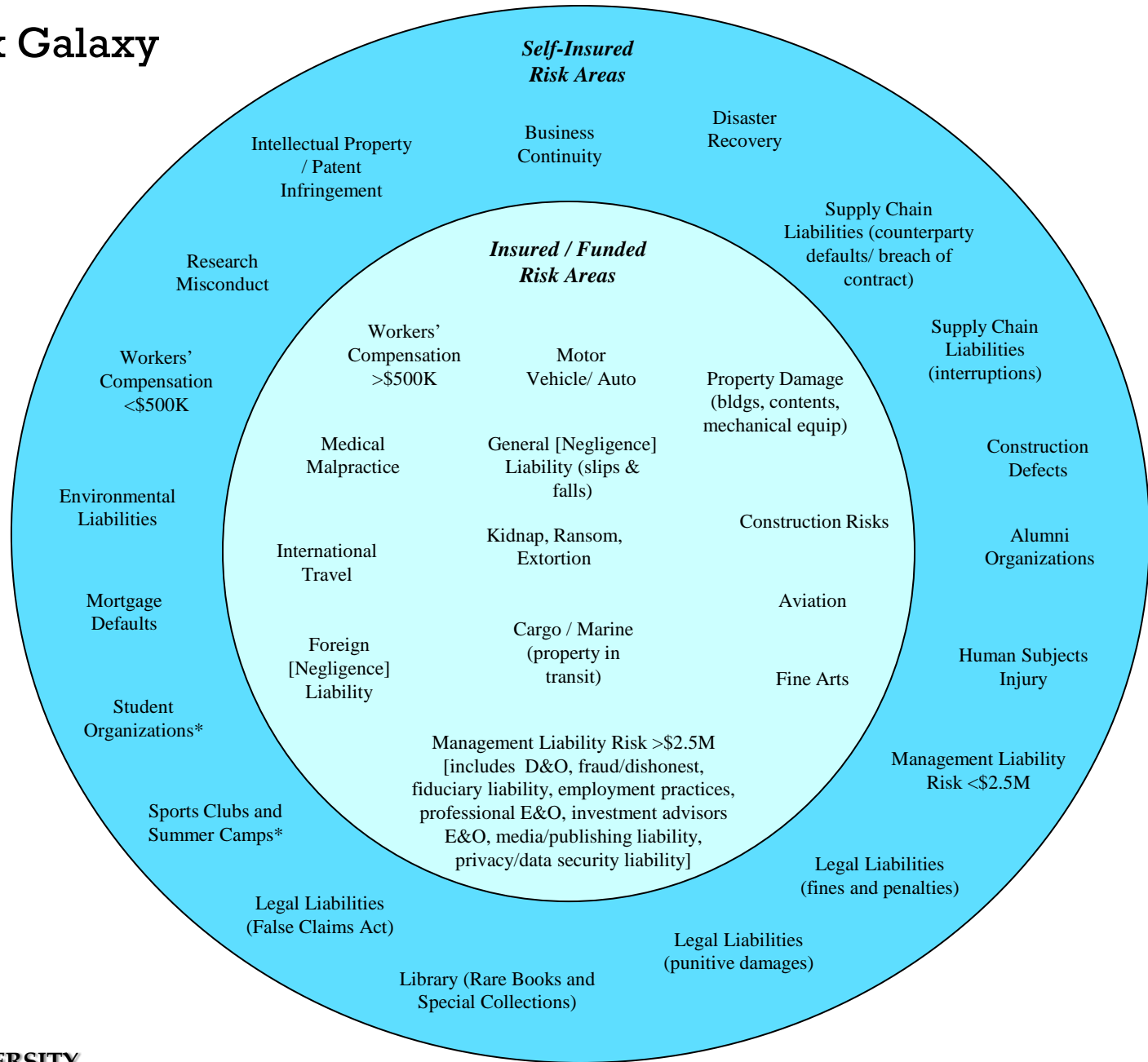
- **Johanna Delahunty**, Department Administrator
- **Mark Frazier**, Manager of Claims & Loss Prevention
- **Victor Greene**, Assoc. Director, Insurance
- **Walter Pizzano**, Director, Risk Strategy & Insurance
- **Rachel Thuerk**, Assoc. Director, Insurance & Risk Programs

Funding Insights

- Department budget – independently funded / separate assessment from CADM ‘tax’
- Master insurance premiums and admin costs – annual charged assessed to all schools, allied orgs, service units, and CADM
- Master insurance program costs same allocation model since 2010
- Special purpose insurance placements paid for by users at time of engagement (and henceforth annually as long as coverage remains effective)
- Currently no Department financial support for damages, costs or expenses caused by risks in “Self-Insured Risk Areas” though we regularly assist with reviews of alternative mitigation strategies

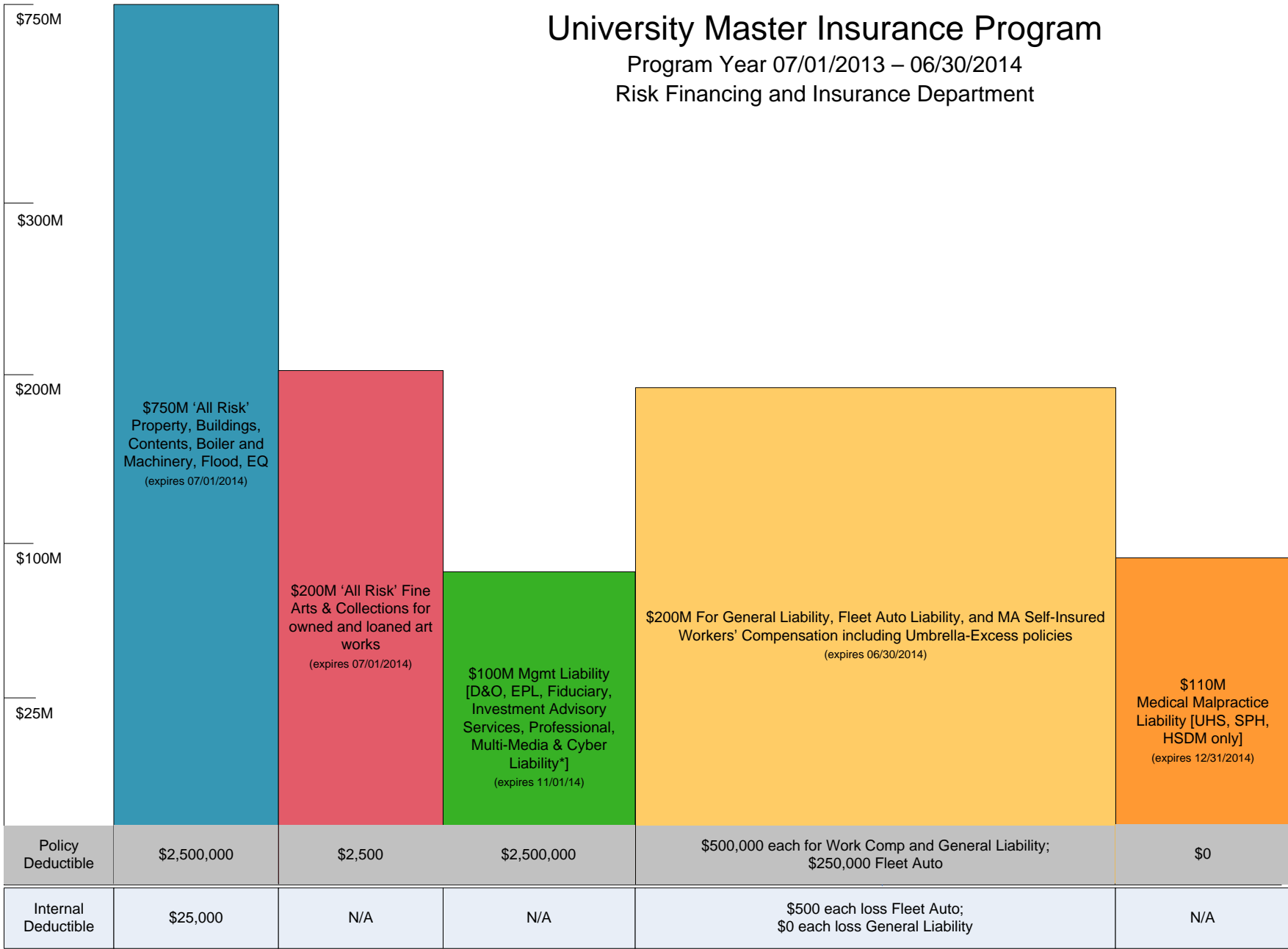
Insurance Risk Galaxy

(a/o 01-Jul-2014)



University Master Insurance Program

Program Year 07/01/2013 – 06/30/2014
 Risk Financing and Insurance Department



*Multimedia and cyber liability coverages subject to a \$25M sublimit

Master Insurance Program Objectives

1. Protect the University, collectively, against the financial consequences of catastrophic loss
2. Provide broadly applicable coverage that is stable over time (premium costs, terms and conditions)
3. Insulate individual TUB and Department budgets from the short-term impacts of large losses that are universal or common across the University

Common intersections with FAS-RAS

1. Insurance coverage needs – for routine requests for documentation in connection with sponsored project, use risk management online system
[\[http://rmas.fad.harvard.edu/pages/online-risk-management-system-0\]](http://rmas.fad.harvard.edu/pages/online-risk-management-system-0)
2. Special purpose insurances (equipment/fixed assets, transit/shipping, marine/over-the-side, aircraft, etc.)
3. Document reviews / risk advisory – “are the terms in Agreement Section XX acceptable to Harvard?”
4. Special case risk issues (research subjects, clinical trials, international sponsors, subawards)

Other potential FAS-RAS intersections

- Intellectual property (licensing, royalty payments)
- Interruptions to research / damage or destruction of research materials (risk of loss/default on grant)
- Compliance breaches such as FCA, FCPA, HIPPA, A-110 (fines, penalties, external audits, litigation, cost of process rebuild)
- Data Management – security and privacy breach implications