



MINNESOTA STATE
Board of Trustees

AGENDA ITEM SUMMARY

NAME: Finance and Facilities Committee

DATE: March 19, 2025

TITLE: Proposed Amendment to Board Policy 5.16 Risk Management and Insurance (First Reading)

Action

Review and Discussion

This item is required by policy

PRESENTERS

Brian Swanson, Associate Vice Chancellor for Facilities, System Office
Keswic Joiner, Director, Risk Management, System Office

PURPOSE

Board Policy 1A.1 Minnesota State Colleges and Universities Organization and Administration, Part 6. Board Policies and System Procedures requires board review and approval of proposed board policy changes and that each board policy is reviewed at least once every five years.

BACKGROUND INFORMATION

The proposed amendment consists of updates including stylistic changes since the last time the policy was reviewed. The changes provide clarifying language in both the policy statement and responsibilities sections of the document.

RECOMMENDED ACTION (FIRST READING DRAFT)

The Finance and Facilities Committee recommends that the Board of Trustees approve the proposed amendment to Board Policy 5.16 Risk Management and Insurance.

Date Presented to the Finance and Facilities Committee: 3/19/25

Date Presented to the Board of Trustees:

First reading – no action taken.

Date of Implementation:

TBD

PROPOSED CHANGES (FIRST READING DRAFT)

Single underlining represents proposed new language.

Strikeouts represent existing language proposed to be removed.

1 5.16 Risk Management and Insurance

2

3 Part 1. Policy Statement.–

4 The Minnesota State System ~~Colleges and Universities~~ is exposed to a multitude of risks related to the
5 operations, activities, and endeavors of its institutions. Risks can come in many forms, such as potential
6 to loss of property, reputational risks, and financial liability. ~~It is the policy of the Board of Trustees that~~
7 ~~the system office,~~ The colleges, ~~and~~ universities, and system office will obtain property and casualty
8 insurance as appropriate either through the State's Risk Management Program and/or other authorized
9 and applicable programs.

10

11 Part 2. Responsibilities.–

12 System Risk Management serves as a partner and risk advisor to Minnesota State ~~the system and its~~
13 ~~members-colleges, universities, and the system office to empower them to understand the implications~~
14 in making decisions to retain, mitigate, transfer, or eliminate the impact of risk. The chancellor for the
15 system office and the presidents for the colleges and universities are responsible for effectively
16 managing risks in order to conserve and manage the assets of Minnesota State ~~the system office,~~
17 ~~colleges and universities~~ and minimize the adverse impacts of risks or losses.

18

19 Part 3. Accountability/Reporting.–

20 The Board of Trustees will be updated ~~on an exception-based reporting system~~ on the risk management
21 and insurance coverage of the ~~system office,~~ colleges, ~~and~~ universities, and system office.

Related Documents:

- State of Minnesota – [Risk Management Website](#)

To view any of the following related statutes, go to the [Revisor's Office website](#). You can conduct a search from this site by typing in the statute number.

- Minnesota Statute 3.732, Settlement of Claims
- Minnesota Statute 3.736, Tort Claims
- Minnesota Statute 4.65B, Automobile Insurance
- Minnesota Statute 5.176, Workers Compensation
- Minnesota Statute 16B.85, Risk Management
- Laws of Minnesota Chapter 574

Policy History:

Date of Adoption:	06/21/00
Date of Implementation:	06/21/00
Last Date of Review:	xx/xx/xx

Date & Subject of AmendmentsRevisions:

Xx/xx/xx – Add Summary

11/16/11 - Effective 1/1/12, the Board of Trustees amends all board policies to change the term "Office of the Chancellor" to "system office," and to make necessary related grammatical changes.

06/18/03 - changes "system office" to "office of the chancellor", eliminated periodically updating to the Board to an exception-based reporting system; updated website for risk management.

*Additional **HISTORY** ([link](#))*

~~Single Strikethrough~~ – proposed deletion of current language

Single Underlining – proposed new language

1 **5.16 Risk Management and Insurance**

2

3 **Part 1. Policy Statement**

4 Minnesota State Colleges and Universities is exposed to a multitude of risks related to the operations,
5 activities, and endeavors of its institutions. Risks can come in many forms, such as potential to loss of
6 property, reputational risks, and financial liability. The colleges, universities, and system office will
7 obtain property and casualty insurance as appropriate either through the State's Risk Management
8 Program and/or other authorized and applicable programs.

9

10 **Part 2. Responsibilities**

11 System Risk Management serves as a partner and risk advisor to Minnesota State colleges, universities,
12 and the system office to empower them to understand the implications in making decisions to retain,
13 mitigate, transfer, or eliminate the impact of risk. The chancellor for the system office and the
14 presidents for the colleges and universities are responsible for effectively managing risks in order to
15 conserve and manage the assets of Minnesota State and minimize the adverse impacts of risks or
16 losses.

17

18 **Part 3. Accountability/Reporting**

19 The Board of Trustees will be updated on the risk management and insurance coverage of the colleges,
20 universities, and system office.

21

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