

## Curriculum Guide for Presentations on: *Risk Management and Insurance*

**Goal:** To raise awareness to the presence of risk, its impact on the organization, and how to manage risk successfully.

*Points to cover when presenting on risk management and insurance:*

1. Description and examples of risk (e.g., natural disasters, physical injury, financial loss, personal injury, employment liabilities, criminal actions).
2. Potential impact of risk on the organization
  - a. Loss of assets
  - b. Lives and reputations damaged
  - c. Loss of confidence in church leadership
  - d. Loss of membership
3. Define risk management: The process of *directing, organizing* and *controlling* the *activities* and *resources* of an organization in order to *minimize* and *prevent* the adverse effect of accidental losses.
4. The presentation and discussion of risk management may be arranged under the headings:
  - a. Risk identification: analyze risks, hazards and values
  - b. Risk control: prevention, minimization or avoidance
  - c. Risk financing: insure, retain or transfer
5. Define insurance: A system by which a risk is transferred by a person, business or organization to an insurance company, which reimburses the insured for covered losses and shares the cost of losses among all insured policyholders.
6. Describe how insurance assists in risk transfer.
7. Define important insurance terms, such as “limit” and “deductible.”
8. Explain denominational relationships between organizations and the concept of ascending liability.
9. Identify issues of risk as they relate to the local church and the conference, especially the risk of legal action against the conference because of actions at the local church level (e.g., selection and supervision of volunteers; hiring employees; writing contracts; renting property, etc.).

Author’s suggestion: An excellent power point example of a presentation on risk management is available on this website in the section entitled: “Asset Management & Investments.” This model power point was prepared by ARM, with specific thanks to Arthur Blinci, Tim Northrup, and Frenita Buddy.