

IDENT	FIN-09
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Sponsor's Department:	Finance
Title of Sponsor:	CFO
Title of Approving Official:	CEO
Date Released (Published):	4/13/17
Next Review Date:	4/13/18

**SUBJECT: Risk Management Policy**

**1. Purpose of policy**

Vermont Information Technology Leaders, Inc. (VITL) is the recipient of Federal grant funds, the use of which is subject to certain Notices of Grant Awards (“NGAs”) and Health Human Services (“HHS”) grant administration regulations found in 45 C.F.R. Part 75—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR HHS AWARDS. The purpose of this policy is to ensure that VITL undertakes appropriate risk management, including obtaining insurance coverage and legal counsel as appropriate, consistent with prudent business practice and in compliance with federal regulations.

**2. Scope**

- a. This Policy shall be construed and applied to promote VITL’s compliance with the applicable Federal and State rules, regulations, and laws. In the event of a conflict between the provisions of this Policy and the requirements of an applicable state or federal statute or regulation, the applicable statute or regulation shall prevail.
- b. This policy applies to all risk management activities undertaken by VITL.
- c. This Policy sets forth internal guidelines for the benefit of VITL and its officers, directors, employees and agents, and does not confer any right or other benefit on any third party. The provisions of this Policy may not be used by any third party in any action or other proceeding against VITL or its interests.

**3. Risk Assessment and Risk Management**

- a. VITL will establish and implement policies and procedures to assess, prevent, detect, contain and correct situations that represent threats to its clients, data, assets (tangible and intangible), staff, reputation, facilities and business activities.
  - i. Particular emphasis will be placed on the security of the VHIE (reference VITL’s IT, Security, and Privacy policies).
  - ii. VITL depending on the situation, may retain subject matter experts such as legal counsel, security or other consultants to develop assessments of risks and assist in the formulation of strategies to mitigate or ameliorate identified risks.




**4. Insurance**

- a. VITL will obtain at a minimum insurance coverage of such type and in such amounts as specified in any grant or contract into which it enters.

- i. Costs of insurance required by and maintained pursuant to the Federal award are allowable.
- b. VITL will obtain such other insurance coverage as is deemed by management to be prudent, taking into consideration specific risks, probability of occurrence, potential cost to recover, availability and cost of insurance, and any other relevant facts and circumstances.
  - i. Costs of other insurance in connection with the general conduct of activities are allowable so long as the types and extent and cost of coverage are in accordance with VITL's policy and sound business practice.
- c. Costs incurred because of losses not covered under nominal deductible insurance coverage provided in keeping with sound management practice, and minor losses not covered by insurance, such as spoilage, breakage, and disappearance of small hand tools, which occur in the ordinary course of operations, are allowable.
- d. Annually, VITL management will provide to the Board of Directors a report of insurance coverage purchased, including type of insurance, coverage limits, deductibles, and premium cost.

**5. Policy Review & Approval**

VITL will review this policy annually and reserves the right to update this policy at any time to reflect VITL's intentions and compliance requirements.

 <hr style="border: 0; border-top: 1px solid black;"/>	<u>4/13/2017</u> Date
Reviewed by: CFO	
 <hr style="border: 0; border-top: 1px solid black;"/>	<u>4/13/2017</u> Date
Approved by: CEO	
<p><b>Approved by the VITL Board of Directors and effective April 10, 2017:</b></p>  <hr style="border: 0; border-top: 1px solid black;"/>	
Bruce Bullock, MD, VITL Board Chair	