![United Educators]

K-12 Members Identify Top Risks

Risk Management Premium Credit Survey Results 2020-2021

United Educators (UE) surveys member schools each year about their five most pressing risk management concerns as part of our Risk Management Premium Credit (RMPC) program. This report provides a comparison of top risks identified by 272 UE independent and charter K-12 schools. It includes data collected from May 2020 through August 2021 and broken down by segment, highlights emerging risks, and tracks changes over three years. Strategies and UE resources for mitigating these risks are included to help schools handle what's most important now and anticipate what's coming next. Boarding schools and day schools have different risk profiles. Page 7 lists the top risks for these segments. Use the data below to start discussions about your school's top risks and benchmark against peers.

Learn more about the RMPC program, which enables eligible UE members to earn a credit toward their premium by mitigating critical risks.

Note: Percentages in this report reflect the percentage of respondents that identified a given risk. Because respondents listed five risks, these percentages don't add up to 100%.

COVID-19's Impact on This Report

The pandemic persisted throughout the data collection period. UE researchers coded responses that mentioned "COVID-19," the "pandemic," or a closely related term as a risk related to "COVID-19 and Future Pandemics."

Many survey responses discussed risks that may have emerged from the pandemic but didn't mention COVID-19 by name. UE coded these risks based on the topic in the response. For example, a response stating "the shift to online learning" was coded as an "Online Learning" risk, despite the pandemic causing a shift to remote learning.

With at least six of the top 10 risks intertwined with COVID-19, this report shows how the pandemic amplifies many of the risks schools face.

Top 10 Risks

1. Enrollment
2. COVID-19 and Future Pandemics
3. Data Security
4. Facilities and Deferred Maintenance
5. Operational Pressures
6. Sexual Misconduct
7. Student Health and Safety
8. Employee Misconduct
9. Public Safety
10. Funding

Managing Top Risks: K-12

Respondents listed the following as their leading risks:

01. Enrollment

79%

Risks affecting new student admission and retention of current families

UE Resource:

Parent and Alumni Associations

Mitigation Efforts:

- Offer flexibility during the COVID-19 pandemic.
- Review your tuition pricing model and financial aid strategy.
- Restructure admission staff and strategies.
- Expand to new recruitment demographics and territories.

02. COVID-19 and Future Pandemics

47%

Risks emerging from pandemics now and in the future

UE Resources:

Manage Minors in K-12 Remote Learning
COVID-19 Response Resources

Mitigation Efforts:

- Develop school-wide public health response teams.
- Follow Centers for Disease Control and Prevention; state; and local public health guidelines.
- Transition to remote learning.
- Train on-campus employees on COVID-19 safety guidelines.
- Re-engineer building ventilation systems.

03. Data Security

36%

Information technology risks such as data breaches, phishing, accidental disclosure of personal data, ransomware, and hacking

UE Resources:

Don't Take the Bait: Defending Institutional Data From Phishing During the COVID-19 Pandemic

Protecting Student Data Privacy in a Remote Learning Environment

Manage Minors in K-12 Remote Learning

Mitigation Efforts:

- Train teachers and parents on videoconference software security.
- Hire more data security staff.
- Conduct data security training.
- Create or update data governance strategy.
- Conduct third-party risk assessments.
- Update software and hardware systems.

Managing Top Risks: K-12

04. Facilities and Deferred Maintenance — 35%

Risks concerning outdated facilities and new construction, including inadequate facilities to achieve the school's mission

UE Resources:

Take Inventory of Your Off-Campus Real Estate

Adopt Tree Assessment and Removal Policies and Practices

Checklist: Investigating Accidents Causing Personal Injury

Mitigation Efforts:

- Repurpose existing buildings for low-occupancy use.
- Increase funding for deferred maintenance.
- Adjust new construction plans.
- Add new signage.
- Close unsafe spaces and areas under construction.

05. Operational Pressures — 32%

Risks created by constraints on institutional processes and the school's business model

UE Resources:

Checklist: Employee Layoffs Driven by Financial Pressure

Use a Maturity Tool to Advance the ERM Process (K-12)

Employee Burnout Is a Risk Management Issue

Mitigation Efforts:

- Access new debt.
- Reimagine organizational structure.
- Reduce operational redundancies.
- Improve financial procedures.
- Seek short-term government support.

06. Sexual Misconduct — 29%

Risks related to unwanted behavior of a sexual nature, including employee and volunteer misconduct, sexual harassment, and sexual abuse of minors

UE Resources:

Educator Sexual Misconduct at K-12 Schools

Checklist: Sexual Harassment Investigations

Prevent Sexual Abuse by Improving Volunteer Management

Mitigation Efforts:

- Increase mandatory training on policies, protocols, and boundary violations.
- Conduct thorough background checks.
- Evaluate student-to-teacher ratios.
- Review compliance with Office for Civil Rights guidelines.
- Evaluate school oversight.

Managing Top Risks: K-12

07. Student Health and Safety   27%

Risks to students' physical and mental safety and well-being unrelated to COVID-19

UE Resources:

Checklist: Preventing and Responding to School Shootings

Provide Suicide Prevention Training

Checklist: Administering Medications

Checklist: Implementing Student Threat Assessment

Mitigation Efforts:

- Train staff to recognize and report signs of student distress.
- Review health policies and procedures.
- Implement monthly safety meetings.
- Standardize your reporting system.
- Develop student wellness reporting systems and supports.

08. Employee Misconduct   20%

Risks created by an employee behavior contrary to policy, procedure, or law (excluding workplace discrimination)

UE Resources:

Checklist: Assessing Your Employee Performance Evaluation System

Review Your Performance Management System

"Operation Varsity Blues" Reinforces Need to High Schools to Review Counseling Practices

Address Workplace Bullying

Guide to Preventing Retaliation on Campus

Beware Retaliation Against Whistleblowers

Mitigation Efforts:

- Standardize vetting of new hires.
- Train employees on policies and procedures in your employee handbook.
- Respond to complaints promptly.
- Improve supervisory oversight.
- Develop consistent documentation practices.

09. Public Safety   20%

Risks related to crime and safety for the school community and guests

UE Resources:

Checklist: Physical Security

Checklist: Preventing and Responding to School Shootings

Secure Classroom Doors to Stop Active Shooters

Active Shooter Response Options and Training

Increased Risks and Costs of Arming Educators

ProResponse

Mitigation Efforts:

- Revisit relationships with third-party security providers.
- Restrict access to campus.
- Increase monitoring of campus grounds and facilities.
- Install key card entry systems in buildings.
- Change the scope of your campus safety office's work.

Managing Top Risks: K-12

10. Funding

17%

Risks concerning a lack of financial resources

UE Resource:
Parent and Alumni Associations

Mitigation Efforts:

- Maintain your strategic financial plan and budget.
- Develop new auxiliary revenue sources.
- Expand enrollment strategies to reach new demographic groups.
- Reconsider your budgeting strategy.
- Increase philanthropic fundraising.

Changes Since 2018

Rank	2020-2021 Top Risks	Rank in 2019-2020	Rank in 2018-2019
1	Enrollment	1	1
2	COVID-19 and Future Pandemics	Not ranked	Not ranked
3	Data Security	9	Not ranked
4	Facilities and Deferred Maintenance	4	Not ranked
5	Operational Pressures	6	3
6	Sexual Misconduct	2	2
7	Student Health and Safety	7	9
8	Employee Misconduct	5	6
9	Public Safety	Not ranked	10
10	Funding	10	7

Emerging Risks

Survey participants also were asked to identify the risk they think will have the greatest impact to their school over the next few years.

Top responses include:

Implications of the COVID-19 pandemic

Enrollment, retention, and affordability

Data security

External economic and social pressures

Student mental health

Deferred maintenance and adequacy of facilities
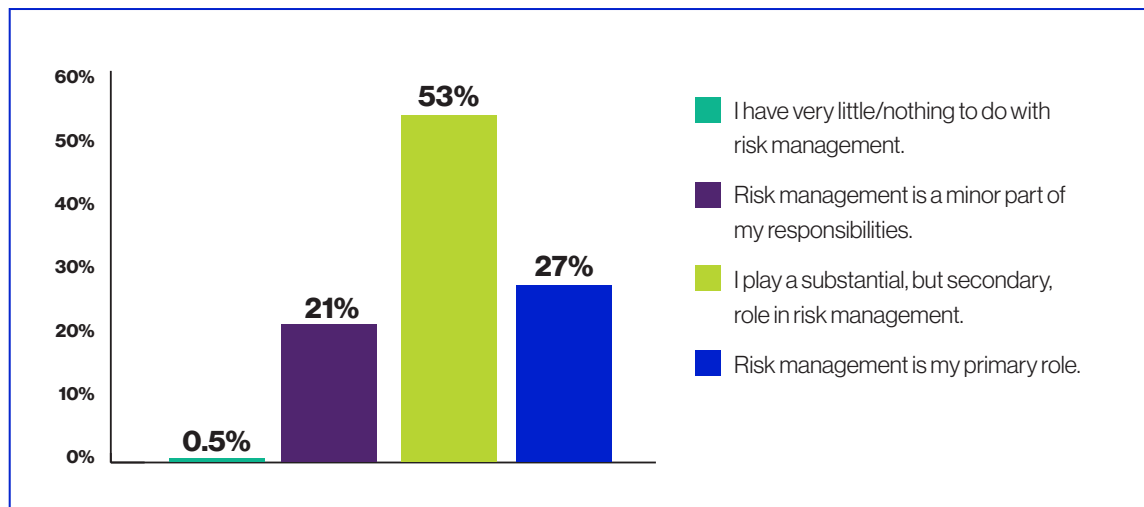
Top Risks by Segment

There are some notable differences between the top risks for day schools and boarding schools. Day schools are slightly more concerned about risks to their business operations, including Operational Pressures, Employee Misconduct, and Funding, while boarding schools see Student Health and Safety and Sexual Misconduct as greater risks.

Rank	Day School 2020-2021 Top Risks (n=173)	Percentage of Respondents Identifying this Risk	Boarding School 2020-2021 Top Risks (n=99)	Percentage of Respondents Identifying this Risk
1	Enrollment	79%	Enrollment	78%
2	COVID-19 and Future Pandemics	46%	COVID-19 and Future Pandemics	51%
3	Data Security	38%	Data Security	34%
4	Facilities and Deferred Maintenance	36%	Facilities and Deferred Maintenance	33%
5	Operational Pressures	34%	Student Health and Safety	32%
6	Public Safety	24%	Sexual Misconduct	29%
7	Employee Misconduct	24%	Operational Pressures	28%
8	Student Health and Safety	23%	Student Diversity and Inclusion	15%
9	Funding	20%	Public Safety	14%
10	Sexual Misconduct	17%	Employee Misconduct	14%

Respondents' Risk Management Role

Most survey respondents manage risk as one of several responsibilities. However, the percentage of respondents whose primary role is risk manager grew from 15% in the 2019-2020 survey to 27% in this year's survey.

This increase suggests that risk management is a growing strategic and operational necessity for independent schools.

Legend:
- I have very little/nothing to do with risk management. — 0.5%
- Risk management is a minor part of my responsibilities. — 21%
- I play a substantial, but secondary, role in risk management. — 53%
- Risk management is my primary role. — 27%

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To learn more, please visit **www.ue.org**.