



Who Should Read

- Risk committees
- Heads of school
- CFOs

Potential Risks to Independent Schools

Ways to Use this Risk List

- Use this risk list to discover any potential risks missing from your school's register
- Use this risk list to verify that the risks included on your school's risk register are comparable to peers'

Resource Overview

Use this List to Verify Risks on Your Institution's Risk List

How to Use this Resource

This resource was compiled with contributions from the risk lists of ISEF members and non-members, along with risks reported during the Risk Management Workshops hosted by EAB in the spring of 2019.

This list is not exhaustive, nor is it a substitute for implementing a comprehensive risk management process to identify risks to your institution. Instead, this resource is meant to help you vet your own list once it has been created through the risk management process.

Next Steps

Risks are constantly evolving. As each school's risk register should be a living document, so too will this list of risks. Please submit your risk register to EAB to contribute to our database of risks by sending them to your dedicated advisor.

ISEF Sample Independent School Risk List

Academic Affairs

Curriculum/Teaching Pedagogy

- School pedagogy out-of-touch with most recent developments in educational research
- Curriculum does not adequately prepare students for next phase of education
- Course content upsetting to parents or students
- Academic standards decline
- Decline in academic rigor impacts college placements
- Academic programming not competitive relative to local market
- Lack of process around updating curricula
- School fails to educate a broad range of learners

Diversity, Equity, Inclusion

- Students feel excluded in the classroom based on their background (e.g. ability, race, religion)
- Students political views seen as unwelcome in classroom discussion
- Students of color believed to be admitted due to "affirmative action" policies, correctly or incorrectly
- Sensitive material presented in class is offensive to a subset of students
- Athletes believed to be "less smart" than peers

Co-Curricular Programming

- Risk of serious injury on an international or domestic student trip
- Decline in participation in internships impacts college placements

Faculty, Staff

- Copyrighted material used without appropriate permission in classes
- Faculty feel pressure to inflate grades
- Admissions office uses improper, inconsistent process to admit students
- Faculty creates division between parents and school
- Teachers and students meeting one-on-one results in allegations of misconduct
- Faculty feel pressure to withhold information about students from their parents
- Faculty strike and refuse to teach classes
- Faculty contracts broken; school left without teachers for certain classes

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Board Governance

Board-Head of School Relationship

- Head of school suddenly resigns from post or is otherwise unable to lead the school
- Unproductive relationship between board chair and head of school

Board Procedures, Policies

- Lack of performance assessment for school board
- Out-of-date governance policies
- Insufficient insurance coverage
- Board overly involved in school operations and day-to-day management
- Investment policy statement not being followed
- Failure to comply with 403b limits
- Board governance is siloed
- Board term length excessive or insufficient for effective participation
- Improper conflict of interest policies in place for board members

Succession Planning

- Succession planning insufficient or missing
- Lack of transition planning between board members
- Board chair viewed as undesirable position
- Board chair seat is unfilled due to lack of qualified candidates

Board Membership

- Board member replacements sub-par
- Board members ill-prepared to govern
- Board members fail to participate in required governance meetings
- Trustees unaware of important events at school
- Lack of diversity in skills to ensure proper oversight in key areas (e.g. finance)
- Board member withdraws child from school and enrolls them at another area independent school
- Board member fails to maintain confidentiality about board discussions, school matters
- Board member holds a party at their house during which students are found drinking alcohol
- All board members are current parents
- Private communications between board members, or board member to school employee (text, personal email, etc.) hacked or otherwise revealed to community at large
- Board members push a personal agenda

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Compliance

Federal, State, Local

- Failure to comply with government regulations
- Non-compliance with OSHA
- Non-compliance with Title IX
- Non-compliance with EPA regulations
- Non-compliance with ADA
- Failure to comply with ERISA
- Failure to comply with HIPAA
- Improper tax filing
- Failure to file Form 5500 for employee benefit plans

Policies, Procedures

- Insufficient insurance coverage
- No official whistle-blower policy
- Crisis communications plans unwritten, unclear to relevant to faculty, staff
- Failure to comply with college admissions requirements and expectations
- Failure to check employee driving records before they drive other faculty, staff, or students

Recordkeeping

- Institutional records missing, incomplete
- Student records improperly stored (electronically or in hard copy)
- Failure to appropriately destroy personal information
- Staff certifications out-of-date

External Relations

Donor Relations

- Risk of damage to reputation due to non-compliance with donor intent
- Inconsistent response to gifts
- Significant donor to the school marred by scandal

Reputational Risks

- Parents' inappropriate behavior tied to school reputation through social media, word of mouth
- Vendors not satisfied with partnership
- Community member pulled over or arrested as a result of drinking during a school fundraiser
- Relationship with religious organization exposes school to reputational damage and risks
- Head of school engages in inappropriate behavior, which is then covered by local news media
- Familial controversies or disagreements seen as reflection on the school
- Authorities investigate recommendations or practices of state, regional, or national association of independent schools
- Case of historical employee misconduct comes to light
- Parents found to have bribed school, college, or university staff to ensure their students' admission to that institution
- Alumni in news for gross misbehavior during their time at the school

Social Media

- Inappropriate or offensive use of social media by students picked up by local news sources
- Communications team confuses personal social media account with school accounts, makes an inappropriate post

ISEF Sample Independent School Risk List

Facilities

Physical Safety/ Security

- Injury due to inappropriate storage of school supplies (e.g., chemicals, sports equipment, cleaning supplies)
- Unsafe working conditions for outdoor maintenance staff
- Injury due to construction on campus
- Injury due to poor building maintenance
- Lack of clarity around lockdown procedures
- Inadequate internal and/or external emergency communication procedures
- Improper response to an active shooter on campus
- Improper use of facilities by third party
- Improper procedures for vendor selection, negotiation, and retention
- Lack of process for managing outsourced relationships (e.g. cleaning crews, groundskeepers, IT support)
- Failure to communicate facilities needs across campuses
- Lack of policies and procedures for natural disaster response (e.g. earthquake, severe weather event)
- Failure to track guests on campus
- Improper, or lack of, visitor management protocols
- Dangerous animal(s) on campus (e.g. bears, coyotes, foxes, snakes)
- Inadequate procedures for addressing damage to school facilities/property
- Physical or emotional injury to community member by school pet
- Improper use of ladder
- Student property damaged on campus
- Inadequate training/drills on emergency response by faculty, staff, students

Vehicles/ Transportation

- Danger to school community due to poorly kept public roads
- Injury due to car accident during pickup or drop-off
- Injury to person or damage to school facilities due to delivery truck accident
- Damage to vehicles on campus
- Damage to school facilities by student drivers
- Buses fail inspection
- School bus accident
- Bus route limitations in conflict with areas of strategic admissions interest

Campus Structures

- Loss of electrical power due to facilities issue or weather event
- Non-functional locks in entryway
- Locking mechanism for school building out-of-date
- Alarms and/or PA systems missing, lacking, or fail to work when needed
- Injury due to poor athletic field maintenance
- Flooding in sports field after rain
- Improper deferred maintenance procedures
- Facilities cannot compete with peer schools due to space or financial constraints
- Summer programming damages facilities beyond expected wear and tear
- Disruption of utility services
- Gas leak on campus
- Power surge damages critical or costly equipment
- Emergency lighting missing or fails to work when needed
- Improper policy for maintaining solar panels

ISEF Sample Independent School Risk List

Financial

Advancement

- Donations are not used in accordance with donor intent
- Fundraising fails to meet expectations
- Decline in perceived value of independent school education to college admission

Institutional Finances

- Misuse of school funds, embezzlement
- Retirement fund improperly maintained
- Failure to file tax returns
- Conflict of interest policy unclear, not enforced
- Endowment improperly invested, managed
- Cost of health insurance increases
- Improper budgeting practices across departments
- Expense reporting procedures are not followed
- Improper interim reporting of financial health
- Lack of divisional fiscal accountability
- Improper purchasing practices
- School has taken on more debt than can reasonably be paid back
- School monitors financial performance using incorrect metrics
- School savings insufficient for long-term capital needs
- Budget and strategy not aligned
- Improper documentation of business processes
- Failure to create a long-term financial plan

Financial Aid

- Financial aid fails to meet student needs
- Financial aid process perceived to be, or is, unfair or inconsistent
- Downturn in school community's financial situation (e.g. departure of large employer, national financial crisis) leads to marked increase in applications for financial aid
- Community need for financial aid greater than school's ability to provide support

Tuition

- Economic downturn impacts parents' ability to pay tuition
- Cost of tuition becomes too high for target market
- Tuition revenue fails to meet ongoing operational needs
- Unexpected decline in enrollment leads to decrease in tuition revenue

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Human Resources

Background Checks

- Improper, infrequent, or inconsistent background check procedures for faculty, staff, volunteers, contractors, and/or third parties on campus
- Background checks performed infrequently, inconsistently, or improperly
- School staff fail to follow procedures when giving a reference for a former employee

Disciplinary Procedures

- Employee/employee or employee/student sexual harassment
- Unprofessional behavior by teacher with students and/or parents
- Harassment or bullying of employees
- Disciplinary and dismissal process is unclear and/or slow-moving
- Disciplinary action taken against employees is inconsistent
- Improper dismissal of faculty or staff

Hiring

- HR staff, interviewers unaware of legal regulations around interviewing and hiring procedures
- Inconsistency in hiring processes
- Inability to attract and retain the best faculty and staff in region
- Sudden departure of key administrative team members or faculty members leaves important positions open

Data Privacy

- Human resources office suffers breach and private data exposed
- Lack of electronic records or improper electronic record keeping

Employee/HR Relationship

- HR staff unavailable for school employees
- Community members fail to report relevant information to HR staff
- Low employee retention
- Faculty, staff are dissatisfied due to improper management

Policies/Handbook

- Lack of documentation of hiring and termination processes
- Employee Code of Conduct, Handbook out-of-date
- Employee Handbook policies are not adhered to, known to community
- Inconsistent on- and off-boarding policies and practices across institutional departments
- Benefits not competitive with peers
- Unclear grievance procedures
- Lack of consistency in employee performance review and evaluation procedures
- Insufficient processes to address immigration status of faculty, staff, and students
- School fails to comply with Department of Labor requirements (e.g. underage camp counselors)
- Inadequate reporting of worker compensation related incidents to insurance carrier

ISEF Sample Independent School Risk List

Information Technology

Data Security/Privacy

- Faculty, staff, families' personal data stolen, shared online
- Student, faculty, staff, or family's personal information unintentionally shared
- Breach of school networks, data
- Improper password management
- Failure to require regular and frequent password changes
- Failure to comply with GDPR
- Faculty, staff, students not aware of dangers of phishing
- Data corrupted during disclosure recovery plan
- School is subject of ransomware attack

Social Media

- Inappropriate use of social media (e.g. bullying)
- Social media use by community members results in reputational risk

School Technology (hardware, networks, etc.)

- School network outage
- Out-of-date hardware, software, and/or security technology
- School equipment used for inappropriate activity by student, staff, or community member
- School equipment stolen or misplaced
- Vendors fail to protect institutional data (e.g. cloud providers, dashboards)
- Technological outage impacts business or classroom instruction and critical data is lost
- School implements new technology without evidence of its usefulness or effectiveness
- Lack of cyber incident response team to promptly address incidents

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Student Affairs

Admissions, Enrollment

- School fails to recruit and retain a diverse student body
- School no longer attractive to the best students in the region
- Low retention between school divisions
- Lack of diversity impacts school's ability to attract prospective students

Policies, Procedures

- Out-of-date substance abuse policy
- Out-of-date technology use policy
- Student handbook contents unknown to students, families
- Failure to collect doctor approved physicals for athletic participation
- Failure to collect appropriate permissions slips for activity participation
- Duplicative or improper forms used
- Forms or permission slips improperly stored
- Failure to provide and collect release forms when recommending therapists
- Communication between faculty and student or parent through unauthorized channels (e.g. social media, personal text)

Student Misconduct/Discipline

- Inconsistent disciplinary actions
- Harassment policy not up-to-date
- Poor response to student protests
- Allegations of student/student sexual misconduct, abuse, or harassment

Co-Curricular Programming

- Institution fails to curtail dangerous traditions
- Students unprepared to participate in off-campus activity, trip, or community service project
- Student lost or left behind during school outing
- Decline in quality of athletics programs
- Decline in quality or number of extracurricular programs
- Removal of popular travel program results in lack of interest in institution
- Decreased emphasis on community service results in change to college placements

Student Mental and Physical Health and Wellness

- School unprepared to respond to flu, or other, epidemic among community members
- Injury or death due to improper use of AED (Automated External Defibrillator)
- School cannot locate students in case of parent/guardian request or emergency
- Risk of student self-harm, suicide
- Student death or injury outside of school
- Student injured while off campus for lunch or field trip
- Student experiences a severe allergic reaction on campus
- Injury, emotional damage due to lack of supervision in locker rooms
- Student struck by lighting on campus
- Students left unsupervised on school grounds before and after school