

THE NON-PROFIT PROTECTOR

RAS

RISK ASSESSMENT
SOLUTIONS, LLC

A LOSS PREVENTION & RISK MANAGEMENT SYSTEM DESIGNED FOR NON-PROFITS

- Provides high level of protection from fraud and operational losses
- Improves agency transparency
- Provides a proactive due diligence for the board and agency
- Creates an infrastructure
- Impress donors, funding agencies and auditors
- Program files can be easily downloaded and edited
- An inexpensive solution to avoiding major business exposures



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The "Non-Profit Protector" was developed to provide Non-Profit Executives with a systematic way to recurringly reevaluate the most significant risks in the major business functions under their control. Policies addressing the business side of an agency's operations are the starting point. The addition of regular risk reviews and comprehensive job descriptions makes this system "active."

Policies

BY-LAWS & GOVERNANCE POLICIES

- By-laws specifics are carried over from current agency by-laws
- Governance Policies are comprehensive, They address numerous potentially difficult situations not typically addressed in agency by-laws
- Governance Policies improve communications between administrative staff and the board as potentially problematic situations are pre-addressed by established policies
- Governance Policies include all major IRS Form 990 Guidelines
- Governance Policies inform and commit the board as well as administration. Important decisions are consistent year to year

ACCOUNTING & PURCHASING POLICIES

- Accounting Policy formats are provided for both small and larger agencies
- These policies improve basic internal controls
- They establish dollar thresholds, affix responsibilities by position titles and address segregation of duties
- Policies provide basis for training new employees to these functions
- Policies review by staff, annually, ensures employee knowledge of specific controls in these critical areas
- Policies are an assist to CPA/ Auditors in their Risk Assessments
- Purchasing Policies specify authorities and specific protocols
- Together, these policies support board due-diligence related to the board's fiscal responsibilities

INSURANCE COVERAGE POLICIES

- Assure board knowledge of all classes of coverage and dollar amounts
- Provide a number of important protective stipulations

SAFETY & EMERGENCY PREPAREDNESS

- Staff safety is improved through well defined policies. Semi-annual training agendas and action sheets are provided for each type of emergency
- Provides numerous important protective stipulations

THIS PROGRAM TRAINS ADMINISTRATIVE STAFF TO RECOGNIZE MAJOR RISK EXPOSURES THROUGH THE RELATED RISK REVIEW PROCESS. POLICIES IN WRITING AND IN USE CAN RESULT IN D&O INSURANCE DISCOUNTS WITH CERTAIN INSURERS.

WHAT CLIENTS HAVE TO SAY

“I NOW HAVE VERY SPECIFIC GUIDELINES FOR THE DIFFICULT SITUATIONS THAT ARISE.”

—EXECUTIVE DIRECTOR

“ACCOUNTING & PURCHASING POLICIES ARE CONCISE AND SPECIFIC.”

—CPA/DIRECTOR

“POLICIES ARE THERE FOR INVESTMENT, INVENTORIES AND PETTY CASH, ETC.”

—DIRECTOR

“THIS PROGRAM SHOULD BE CALLED THE NON-PROFIT PROTECTOR.”

—LAWYER/DIRECTOR

“INSURANCE COVERAGE INFORMATION IS NOW ON MY COMPUTER.”

—DIRECTOR

“EMPLOYEE SAFETY IS ENHANCED AND EASILY MAINTAINED.”

—EXECUTIVE DIRECTOR

“THIS IS STRONG, PRO-ACTIVE DUE DILIGENCE.”

—CHAIRPERSON

Risk Reviews

The Risk Review Process gives “life” to the policies and job description components.

Risk Reports are completed and certified semi-annually by the administrative officer and the controller or bookkeeper. These reports should take one to two hours to complete. Generally, distribution is to the chairperson and treasurer and may include other directors, if the board so chooses.

- Benefits of a recurring program of risk reviews are:
- Assures senior management review of major policies, semi-annually
- Trains administrative staff to recognize major fraud and operational exposures
- Alerts administrative staff and board to emerging problems
- Maintains focus on IRS Form 990 Guidelines
- Assures donors and funding agencies that a strong business infrastructure is in place and in use
- Although Human Resource Policies are not provided, the program addresses key HR risk exposures

Format for Risk Reports is a checklist of positive affirmations – one for each major policy. If an affirmation is not be entirely correct as presented on the Risk Report, then a correcting explanation is inserted on the line beneath, in red type.

A “Risk Report Explanation Guide” is provided to detail the specific reasons why each affirmation is important and needed. This tool makes the Risk Report easily understandable by all.

Job Descriptions

Job descriptions are provided for board officers, major committees and for the administrative officer and the controller or bookkeeper. Job descriptions address major board responsibilities and they also assign specific IRS Form 990 guidelines to the job descriptions of board officers.

This format does not mean more work for the board’s officers, as the administrative officer will oversight Form 990 policy compliance and other board officer responsibilities as a part of the Risk Review process.

The RAS program was developed by Dennis Clark, former CEO of Goodwill Industries of Broward County Florida for 13 years, and former president of two Broward County banks.

THIS PROGRAM ADDRESSES POTENTIAL OPERATIONAL RISKS AS WELL AS POTENTIAL FRAUD RISKS. OPERATIONAL LOSSES CAN THREATEN AN AGENCY’S SUSTAINABILITY JUST AS DRAMATICALLY AS FRAUD LOSSES. AND, DOLLARS LOST ARE ALSO DOLLARS INTENDED FOR MISSION.

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