

# Crazy by Chiari

## Risk Management Policy

### 1. Purpose

The purpose of this Risk Management Policy is to establish a framework for identifying, assessing, and managing risks associated with the activities, programs, and operations of **Crazy by Chiari** ("the Organization"). This policy aims to ensure the protection of the Organization's assets, reputation, and mission while promoting transparency and accountability in risk management.

### 2. Risk Management Framework

**2.1. Risk Identification:** The Organization shall regularly identify and document potential risks that may affect its mission, objectives, stakeholders, and operations. Risks may include, but are not limited to, financial risks, legal risks, operational risks, reputational risks, and strategic risks.

**2.2. Risk Assessment:** The Organization will assess the likelihood and potential impact of identified risks. Risks shall be categorized as low, moderate, or high based on their potential consequences.

**2.3. Risk Mitigation:** Upon identifying and assessing risks, the Organization shall develop and implement risk mitigation strategies, which may include risk avoidance, risk reduction, risk sharing, or risk acceptance.

**2.4. Monitoring and Reporting:** Ongoing monitoring of risks and the effectiveness of mitigation strategies shall be conducted, and regular reports on risk management activities will be provided to the board of directors.

### 3. Roles and Responsibilities

**3.1. Board of Directors:** The board of directors shall have overall responsibility for overseeing the risk management process, including approving the Risk Management Policy and receiving regular risk reports.

**3.2. Executive Director/CEO:** The Executive Director/CEO shall be responsible for coordinating risk management activities and ensuring that appropriate risk mitigation measures are in place.

**3.3. Staff and Volunteers:** All staff and volunteers have a responsibility to identify and report potential risks and to cooperate in the implementation of risk mitigation strategies.

### 4. Financial Risk Management

**4.1.** The Organization shall establish financial policies and procedures to manage financial risks, including budgetary controls, cash flow management, and investment strategies.

**4.2.** An annual financial audit shall be conducted to assess the financial health of the Organization and identify potential financial risks.

## **5. Legal and Compliance Risk Management**

5.1. The Organization shall comply with all applicable laws and regulations. It shall establish and regularly update policies and procedures to address legal and compliance risks, including governance, tax-exempt status, and reporting requirements.

## **6. Insurance**

6.1. The Organization shall maintain appropriate insurance coverage to protect against certain risks, including liability insurance, property insurance, and workers' compensation insurance.

## **7. Crisis Management**

7.1. The Organization shall develop a crisis management plan that outlines procedures for responding to emergencies, disasters, or unforeseen events that could impact its operations.

## **8. Review and Amendments**

8.1. This Risk Management Policy shall be reviewed annually and may be amended as necessary to ensure its continued relevance and effectiveness.

## **9. Acknowledgment**

By serving as a board member, staff member, or volunteer with **Crazy by Chiari** individuals acknowledge their commitment to adhere to the principles and standards outlined in this policy.

**Crazy by Chiari**

Date of Policy Adoption: 1/15/25