

# **The Samaritan First Responders Society-SFRS General Guidelines, and Policy Regarding Risk Management 2024- 2025**

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*The Samaritan First Responders Society-SFRS approach to effective Risk Management could be considered a holistic utilization as an organization to effectively used the Founder, Executive, Finance, and Governance committees ,the Board of Directors, the Executive Director, and the President as a collective group for the ultimately responsibilities for the affairs of the organization. This united group as a whole shall govern by focusing on these three main functions & primary objectives: 1) the Mission, 2) the Policies & Bylaws, 3) the financial oversight of the Organization.*

## **I. The Collaborative Approach Involving the Executive Committees and the Board of Directors & Key Management.**

*The SFRS Organization's management of the Nonprofit shall be the Executive Director and management of the Corporation shall be with the President and each of the executives will be tasked with the duties and responsibilities of the day-to-day operations and decisions granted respectively from the Founders, and the Executive Committees & the Board of Directors. As a result of this unified and collaborative form of management will proactively assess and address the overall risks of the Organization. This is with the assumption that all executive management groups as a whole focus on their key assigned areas of that responsibility to ensure that the Organization maintains an adequate approach to risk management. While the nonprofit and the Corporation management separate, working uniformly to ensure that the entire organization is functioning properly in its structure as a prudent risk management strategy.*

*The SFRS organization working as a multiple-entity structure by following its management chain of command will delegate limited authority to key members of management and Staff. It is important that each member of both the Executive, Governance and Financial committees confer with their respective chairman(s) and the Founders at the top of the organization's*

*chain of command, and the Board of Directors, then to the President and/or Executive Director to ensure and preserve from excellent legal advice and tax counsel the important aspects & preserve of tax exemptions ( federal, state, and local) for the Organization's benefits.*

*The legal & tax counsel taken by the organization's multiple -entity structure is effective when each management-committee, to Board of Directors, to the President, and to the Executive Director, to key management, to key employees adhere to the bylaws, policies, procedures and guidelines, contractual agreements by strictly limiting exposure of an Organization's assets in the event of a liability claim that occurs in a related part of the entity. Moreover, the vast majority of liability claims formed against the organization, will be less successful when all of the Organization's multiple written structures are applied and can be effective tools for risk management when implemented properly.*

*The Organization's multiple business structure which separates the nonprofit from the corporation, while at the same time- working collectively limits the organization's liabilities as part of the overall strategy involving risk mitigation and management. Although there are no guarantees to the combinations of this multiple management structure, it allows each member or group, respectively and with due diligence, to reduce the organization's exposure to loss in most situations.*

## **II. Fundraising Practices:**

*The Samaritan First Responders Society-(“the Society”) shall establish a reputational manner, and follow policies, procedures and guidelines to ensure compliance with the laws and other written agreements, that refer to the Organization's fundraising practices that will be conducted with honesty and integrity. Moreover, non profit organizations that engage in deceptive, misleading, or unethical fundraising practices damage the reputation of that organization, as well as, put its leaders at legal risk and liability.*

*The Society shall adhere to those laws and regulations governing charitable solicitations, and the federal laws as well. Therefore, it is fundamentally important that the SFRS Organization should never solicit a contribution in a way that causes a donor to believe that funds will be used in a manner that is different from the manner in which they are actually used.*

*The Organization's check and balance, coupled with due diligence from the Board of Directors, to the Executive Director and the Treasurer shall provide a SFRS approved and sound method of assessing and reviewing the organization's fundraising practices. The Society and its legal counsel shall contribute to every proposed fundraising policy prior to its distribution to ensure compliance with the law. The Board of Directors and all designee assigned should establish clear expectations for management & staff regarding the integrity of the fundraising practices and should provide written communications about these practices. Additionally, the Board and Executive & Governance Committees should be apprised of any complaints or investigations involving the organization's fundraising practices.*

### **III. Tax Compliance & Accountability**

*The Society's policies with regards to tax compliance and accountabilities are applicable to federal and other state tax laws and is a critical element of the Organization's overall risk management. The fundamental importance can have significant implications which must be addressed by and not limited to:*

- *Laws that address the legal manner of governance of the organization.*
- *Compliance with the organization's own governing documents in the Articles of incorporation and its bylaws.*
- *Compliance with Independent & Volunteer Contract agreements.*
- *Compliance with organization's vendor or associate agreements.*

- *Human Resources related to wages, or employee benefits and HR laws.*
- *Copyright & Trademark Laws*
- *Laws governing charitable solicitation and malpractice by non profit Practices.*

*The SFRS organization's committee structure and due diligence can assess risk management coupled with consulting with legal experts in those areas of experience in the form of a "Legal Audits" to ensure compliance.*

#### **IV. Data Security:**

*The Society must continuously invent new ways to attack and, or prevent sensitive data from bad people, governments, businesses and others who may seek to buy, sell or illegally distribute this sensitive information. As such, the SFRS must continue to implement advanced technology or cyber security to protect all of its sensitive data and employ reasonable steps to reduce how sensitive data can jeopardize an organization's function. The organization's Board of Directors, the President, and the governance committee shall address the issue of Risk management & Confidentiality policies adequately at each meeting of the Board of Directors and in each notice to Key management and Employees.*

#### **V. Insurance Coverage:**

*The SFRS organization and its aspects regarding Risk management would not be complete without ensuring that the Organization has appropriate insurance coverage for its significant risks. The overall evaluation of insurance coverage should include consultation with both legal counsel and a highly experienced*

*insurance attorney or insurance consultant. The SFRS specific coverage types to be included, but not limited to:*

- *Property & casualty ( fire, theft, flood, data loss, etc.).*
- *Business Interruption; Data security, including cybersecurity.*
- *Employee Theft & Injury*
- *General Liability*
- *Sexual Misconduct ( Including child molestation, or other sex related misconduct).*
- *Director and Officer Liability- D&O Insurance.*
- *Employment Practices; ( Claims of discrimination, wrongful termination, sexual harassment and other matters related to employment practices).*
- *Fiduciary liability; (for claims by employees or volunteers related to the administration of employee/ volunteer benefit plans, particularly retirement plans).*
- *Key Personnel Life or Disability Insurance( for financial remuneration to the organization in the event of the death or disability of a key leader which would adversely affect the organization financially).*

## **VI. Internal Financial Controls:**

*The SFRS organization has an obligation to review and ensure that the organization has adequate and appropriate internal controls structure from the Founders, Governance, financial committees and the Board of Directors for guidance of this non profit organization. This organization's structure and the responsibility for maintaining the appropriate internal control, the founders and the Board of Directors should request independently methods and practices employed by management to ensure that the management periodically articulate an overseeing committee of auditing a clear and specific understanding of the manner in which the organization addresses internal control and by making*

*recommendations and by extensively implementing those changes especially those issues related to cash transactions, large donations, and capital expenses. Etc..*

*When the Society implements each of the various methods of internal financial controls coupled with segregated duties from the Board of Directors and the appropriate oversight and monitoring from both the Committees, the management of the executive director and the President will ensure effective internal controls.*