

Risk Management

CREATIVE HIRING IN CHALLENGING TIMES

Agenda

Inadvertently increasing risk

Hidden costs of staff reductions

Unintentional funding impacts

Increasing Risk

Staff reductions may increase risk in a few key areas

- Limited supervision or support for tasks
- Less oversight in procedural or compliance areas
- Increased liability
- Reduced training

Increasing risk can translate to increased costs

- Insurance premium increases
- Increased liability and potential litigation costs

Hidden Costs of Staff Reductions

Staff reductions are often analyzed by only looking at the savings that occur through the elimination of salary and benefit costs. However, there are some hidden costs that should be reviewed.

- Unemployment
- Health Insurance
- Workers Compensation
- Termination Study – [PERS Termination Studies Information](#)

Common Hiring Alternatives

Retired Rehires

- [Bona Fide Separation Rules](#)
- [SB 185](#) – Reemployment of Retired Teachers

Privatization

- Outsourcing
- Independent Contractors

Volunteers/Temporary Employees

- Fitness for duty
- Appropriate screening
- Minimum wage, overtime, and PERS determinations

Unintentional Funding Impacts

Be mindful of local funding caps

Know your “Maintenance of Effort” requirement

Transferring expenditures to grant funds

- Supplement not supplant

A caution about grants

- Matching requirements
- Sustainability expectations
- Attached mandates