

BUSINESS CONTINUITY MODEL

Background

In the fall of 2005, just as a new school year was beginning, a series of hurricanes and tropical storms ravaged portions of the southeast United States. Some educational institutions in the hardest hit areas experienced power outages and flooding and needed to cancel operations for a few days. Others sustained extensive damage and could not reopen until the Spring 2006 term. Even then, one entire campus had to relocate to a hotel, while another moved its operations—as well as student and faculty residences—into trailers provided by the Federal Emergency Management Agency (FEMA). Faced with the high costs of repairing and rebuilding campus facilities, several schools eliminated departments and reduced the number of faculty and staff.

How would your educational institution handle a similar situation? Suppose a natural disaster—an earthquake, flood, fire, or tornado—occurred tomorrow. Or, what would happen if your institution experienced a widespread technology failure or became the target of terrorists? In the wake of such a traumatic event, does your institution have a plan in place that would ensure the business continuity of its operations?

This model provides you with guidelines for developing such a plan. It grew out of the work of CampusRelief, a joint effort sponsored by the American Council on Higher Education (ACE) and the National Association of College and University Business Officers (NACUBO). Established in September 2005, the short-term CampusRelief project provided an Internet-based community and resource center for institutions, faculty, staff, and students struggling to recover from the effects of Hurricane Katrina. (INSERT LINK TO www.CampusRelief.org).

Through CampusRelief, people shared stories of what it was like to live through such a disaster. They talked about the myriad issues they needed to address, such as emergency planning, admissions policies, liability matters, data security, communications systems, banking arrangements, liaison with state and federal agencies, and immigration requirements. The firsthand experiences of those affected by Hurricane Katrina, coupled with the experiences of other administrators who have managed single campus disasters, produced a trove of suggestions, recommendations, and lessons learned. All the participants agreed that this information was too valuable to lose.

Consequently, the wisdom of many people has been gathered and distilled into this Business Continuity Model. Use it to guide institutional conversations about emergency and disaster planning and recovery. Review the best practices it outlines, and assess your institution's ability to meet those benchmarks. Ask the tough questions it contains, and be brutally honest in answering them. Then you'll be in a better position to develop an institutional plan to resume business operations no matter what type of disaster may occur.

In addition to serving as a guide for administrators of college and universities, the Business Continuity Model can be incorporated into the curriculum. It provides study and research opportunities for institutions by raising issues about the financial, commercial, sociological,

organizational, governmental, political, and environmental impacts that major disasters have on the United States as well as on countries across the globe.

Lessons Learned and Best Practices

The hurricanes that hit five Southeast states in 2005 affected not only institutions of higher education but also the surrounding communities. Many elementary and secondary schools, libraries, medical facilities, residential communities, and public works, for example, sustained damage and disruption of operations. In hindsight, college and university administrators who experienced the hurricanes' effects, along with colleagues who have dealt with the aftermaths of other types of disasters, generated these recommendations aimed at maintaining a high level of readiness.

Planning Lessons

- Develop and implement a Business Continuity Plan that is designed specifically for your campus. In the case of state or system institutions, it may be a system-wide plan.
- At a minimum, develop and test an Emergency Preparedness Plan, so everyone at your institution knows what to do before, during, and after a disaster. An Emergency Preparedness plan serves as a vital component of a Business Continuity Plan.
- Update and test your plans annually. The test should include not only members of your entire campus but also volunteers and personnel from local, city, regional, and federal agencies.
- Hold campus-wide workshops and seminars to ensure that all members of your campus are familiar with the Emergency Preparedness Plan.
- Incorporate a relocation plan into your Emergency Preparedness Plan: Where can you relocate students, faculty, and staff? What type of transportation will be used? What possible routes will be taken? How will you transport students, faculty, and staff with special needs? Depending on the type of disasters possible in your geographic location, your relocation plan may need to reach beyond the surrounding communities.
- Develop an online people locator system so you can ascertain the whereabouts of faculty, staff, and students after they have left the campus. You can use this same mechanism for obtaining follow-up information, such as their plans to return to the campus.
- Develop policies and procedures for accepting students who are not admitted through the regular admissions process.
- Develop agreements to provide research and library access to visiting faculty.

- Ensure you have the capability or access to provide courses online. This may involve partnerships with other institutions.
- During (if possible) and after the disaster, document all activities and incurred expenses. For example, take pictures of damaged areas. Such detailed documentation will be useful when filing claims with insurance carriers, state system offices, and state and federal governments.
- In conjunction with your local or regional banker, agree on a plan to provide you with access to funds so the institution can continue to operate during the disaster. The plan may involve the establishment of an emergency revolving fund so that you can return to normal operations as quickly as possible.
- Develop reciprocal agreements or memoranda of understanding that, during a disaster, enable your institution to use resources—including personnel—from local, state, regional, and national partners.
- Provide back-up systems for data storage, emergency power, and food and fuel suppliers.
- Review the locations of research data, subjects, and equipment to ensure they would remain safe and secure during a disaster.
- In federal and state contracts, include specific provisions regarding the loss and replacement of research data, subjects, equipment, and funding. If, for example, your institution is located in a flood plain, campus administrators should address potential problems with flooding before submitting a research proposal.
- Ensure insurance coverage is adequate for the size and type of your institution. The geographic location of your campus—in a coastal area, for example—may also warrant consideration when deciding on the type and level of insurance coverage to purchase.
- Arrange for—and continually promote the availability of—mental health services for all those affected by the disaster. Everyone handles the stress of disasters differently, and months may go by before some people realize they need assistance.
- After a disaster, resume normal activities sooner rather than later. *Return to your core business as soon as possible.*

Communications Lessons

- Develop a communications plan that includes both internal and external sources. In the plan, identify a location for the Emergency Operations Center—an area that has the necessary power and systems to carry out communications functions and serve as the “nerve center” during the disaster.

- Designate someone to serve as the spokesperson: Only one person should speak for your institution. Also select a back-up person in case the spokesperson becomes unavailable.
- Identify alternate communication channels—such as satellite radios and non-electric telephones—that will enable you to operate even if normal channels of communication close down.
- Decide how to provide visual updates of the affected areas to the command center. Identify who will be responsible for doing so.
- Develop the agreements necessary to communicate with faculty, staff, students, and other parties, via your Web site or a back-up system, during or immediately following a disaster.

Best Practices

- Institutions that have reciprocal agreements with institutions in different geographical locations have been successful in saving data during disasters. Identify locations in other states, not just in other cities within your state.
- Institutions that have off-site agreements, in other states, to have payroll and vendor payments issued during the time of a disaster have been able to continue with scheduled weekly, biweekly, or monthly payroll and vendor payments.
- Institutions with payroll direct deposit procedures and policies have been able to issue payroll to employees even during times of disasters.

Have a best practice from your campus to share? Please click on the following link (INSERT)

Business Continuity Plan

A well-developed business continuity plan guides an institution through the evaluation of activities and processes that constitute “normal operations.” In the past, many business continuity plans were limited to systems operations; now, however, it is advisable to focus on all the critical areas and resources—and their associated risks—in developing a plan for maintaining a normal level of operations. The must-have functions—those that must be operational during a crisis or disaster—will vary from one institution to another.

Developing a business continuity plan requires these four steps:

1. **Perform a risk assessment.** What is the institution’s capacity to meet its overall goals and objectives? To guide the assessment process, develop a risk assessment tool.

2. **Develop an emergency response/preparedness plan.** This plan enables an institution to respond quickly and consistently when a disaster hits the campus.
3. **Create a communications plan.** This may be part of the institution’s overall communications plan; it should be employed to notify the campus of the development and implementation of the business continuity plan.
4. **Appoint an emergency or crisis management team.** Ensure members of this team represent the major areas of the educational enterprise, as well as external audiences, such as campus suppliers, users, and community service agencies. You might consider a two-phase approach: Appoint one team to develop the initial plan, and then augment that team with people who would introduce the plan to the campus and the surrounding communities and who would participate in its implementation.

Risk Assessment Recommendations

Conduct an in-depth review of the resources and operations that are critical to meeting the goals and objectives of the institution. This involves analyzing several areas of risk:

Strategic Risks—Long-term risks that may affect whether an institution can meet its goals and objectives. For example: changes in enrollment trends, unionized employee disagreements, and limited campus expansion opportunities.

Financial Risks—Risks that can affect the institution’s financial stability. For example: improper cash management controls, financial system failures, fraud, misappropriation of funds, mishandling of designated funds, poor endowment investment decisions, and issuing of payroll and service provider payments.

Legal Risks—Risks associated with conforming to local, state, and federal rules and regulations. For example: failure to comply with regulations regarding foreign students and faculty; non-compliance with EEOC, OSHA, and workers compensation regulations; not training staff to comply with regulations.

Operational Risks—Risks associated with an institution’s major functions. For example: academic programs, auxiliary services, athletics, facilities, and sponsored research.

Technological Risks—Risks associated with computer, telephone, cable, and satellite services. Some business continuity plans group technological risks with facilities; depending on the level of technology on your campus, however, failure of technological systems may be considered a separate risk.

You can use various methods for assessing risks. Any risk assessment should employ:

- Comprehensive ranking methodology
- Weighing methodology

- Scoring criteria

If your campus does not have personnel who are experienced in developing or conducting a risk assessment, consider seeking advice from your insurance carrier or from other institutions with a business continuity plan already in place. Additional resources also appear in a separate section of the Business Continuity Model.

Also, check with your general liability carrier to ascertain if having a business continuity plan will lower your institution's premiums. The resulting savings may help offset the cost of developing and implementing the business continuity plan.

DRAFT

Business Continuity Checklists

Before drafting a business continuity plan, members of the emergency or crisis management team must have a solid grasp of all operational aspects of the institution. To aid in that understanding, use the 61 questions below as a starting point for conversations and additional research.

This checklist has no grading or rating scale—it’s simply a tool for helping you assess your institution’s risk in various areas. Not all questions may apply to your institution. In addition, the team may wish to ask other questions tailored to your institution’s particular operations.

	YES	NO
Planning Environment		
1. Does your institution have personnel with the knowledge base and experience to conduct a risk assessment?	<input type="radio"/>	<input type="radio"/>
2. If not, do you know what external sources are available to conduct a risk assessment?	<input type="radio"/>	<input type="radio"/>
3. Would your general liability insurance carrier assist in conducting a risk assessment?	<input type="radio"/>	<input type="radio"/>
4. Would purchasing specialized software provide you with the tools necessary to conduct the risk assessment?	<input type="radio"/>	<input type="radio"/>
5. Would the emergency or crisis management team consider working with a consultant who has experience in conducting organizational risk assessments?	<input type="radio"/>	<input type="radio"/>
6. Does the emergency or crisis management team have the resources to hire an external consultant?	<input type="radio"/>	<input type="radio"/>
7. Does the emergency or crisis management team have access to all departments that must provide information for the risk assessment?	<input type="radio"/>	<input type="radio"/>

Strategic Risks

- 8. Does the crisis management team plan to evaluate risks that are not the result of a disaster?
- 9. Will the team consider demographic changes as they relate to the student population?
- 10. Will the team consider the impact of technology on your institution?
- 11. Will the team consider the impact of for-profit entities on your institution’s core mission and market differently to potential students?
- 12. Will the team factor in any projected changes in institutional support (for example, state funding)?

Operational Risks

- 13. What are the operational risks to the institution?
- 14. What risks are associated with hiring and retaining the desired faculty and staff?
- 15. Does the institution offer a competitive benefits package?
- 16. Are unionized employees presenting any threats to future operations?
- 17. Does the institution have a classification and compensation plan that is competitive and sustainable?
- 18. Does the institution have a campus plan that identifies maintenance needs for facilities and grounds?
- 19. Does the institution have an adequate facility security plan?

- 20. Does the institution have adequate plans regarding fire, smoke detectors, and emergency shelter?
- 21. Does the institution have a plan for safeguarding and disposing of hazardous waste?
- 22. Does the institution have a process for reviewing and controlling the curriculum?
- 23. Does the institution have grading policies and a process for reviewing grades in dispute?
- 24. Does the institution have flexible admissions policies to ensure the enrollment of students who can succeed?
- 25. Does the institution have an enrollment management program?
- 26. Does the institution have policies for accepting students who do not use the regular admissions process?

Financial Risks

- 27. Does the institution have adequate means for safeguarding its financial assets?
- 28. Does the institution have systems for safeguarding its financial records?
- 29. Does the institution have an inventory system to account for assets above a certain threshold?
- 30. How does the institution manage its payroll and disbursement function?
- 31. How does the institution manage its cash operations?
- 32. Does the institution have a plan for issuing payroll and vendor payments during a disaster?
- 33. How does the institution record, track, invest, and manage its endowment?

- 34. Does the institution have policies regarding fraud and misappropriation of financial assets?
- 35. How does the institution handle the accessibility, accuracy, integrity, security, and confidentiality of its data and information systems?
- 36. Does the institution have an equipment maintenance and replacement plan?
- 37. Does the institution have a back-up and recovery plan?
- 38. Does the institution have a data exchange partner?
- 39. Does the institution have plans to control all information on its Web site?
- 40. Does the institution have a parking and transportation plan?
- 41. Does this plan meet current and future needs?
- 42. Does the institution have adequate auxiliary services such as foodservices, bookstore operations, residence halls, and other commercial enterprises?
- 43. Does the institution have academic support programs for its students?
- 44. Does the institution have off-campus (international) programs for its students and faculty?
- 45. Does the institution have recreational facilities or provide access to such facilities for students, faculty, and staff?
- 46. Does the institution have intercollegiate sports?
- 47. Does the institution have intramural sports?
- 48. Does the institution have club sports?

- 49. Does the institution have adequate liability coverage for all its sports facilities and activities?
- 50. Does the institution have adequate financial resources to support all of its athletic programs?
- 51. Does the institution protect, through copyright, its logo, mascot, and other means of identification?
- 52. Does the institution have adequate liability insurance based on its level of operations?
- 53. Does the institution have business interruption insurance?
- 54. Does this insurance cover all fixed and variable expenses when a disaster or a disruption of normal operations occurs?
- 55. Does the institution have a plan for medical services during a disaster?
- 56. Does the institution have insurance to cover disasters indigenous to its location (for example, floods or tornadoes)?
- 57. Does the institution have space that could be used to temporarily house classrooms or offices?
- 58. Does the institution have land available on which to place temporary modular or trailer housing?

Legal

- 59. Does the institution have legal counsel to guide it in all legal matters?
- 60. Does the institution have plans to ensure it complies with all state and federal mandates?
- 61. Does the institution incorporate federal access regulations and codes into its new construction building plans?

Emergency Preparedness Plan

The extent and complexity of your emergency preparedness plan will depend on your institution's geographic location and the type of emergencies or disasters likely to affect it. At a minimum, your plan should contain the following components:

1. Purpose.
2. A definition of what constitutes an “emergency” or “disaster,” based on the event's nature and extent. Identify the point at which the plan would be put into action.
3. An organizational plan identifying all involved parties and the chain of command.
4. Names and telephone numbers of critical staff and agencies, including back-up personnel.
5. The name of the institution's chief spokesperson. This person is responsible for quickly notifying external audiences and the campus of the emergency or disaster.
6. A list of supplies and equipment that will be needed during the emergency.
7. Actions to be taken in the aftermath of an emergency or disaster, such as quickly evacuating the campus, securing the affected areas, and relocating affected campus members.
8. Estimated time needed to return to normal operations.

To facilitate the development of a plan that enables you to effectively manage any type of disaster, consider implementing the following recommendations:

- Obtain the support and cooperation of key administrators—not just during the development stage but also whenever the plan is tested and updated.
- Organize a planning committee that consists of campus personnel, as well as key players in the surrounding community. Include state-level representatives, if appropriate.
- Assess the vulnerability of the campus; design alternate plans for relocating and evacuating the campus.
- Determine responsibilities and the level of response appropriate to each type of disaster. For example, what activities would be necessary in the event of a campus evacuation, exposure to hazardous chemicals, or exposure to a communicable disease? For some types of emergencies, various rules and regulations would apply at the local, state, and federal levels.

- View the emergency preparedness plan as a replacement for how your organization normally functions. Just as you have an organization chart for your institution as an educational organization, develop an organization chart and assign roles for emergency situations.
- Organize emergency response teams throughout the campus. Ensure that the personnel on each team are equipped to handle the types of disasters addressed in the emergency preparedness plan. Consider appointing a coordinator for each building to ensure compliance to the plan.
- Coordinate with emergency agencies in the surrounding community and other external agencies that would assist your institution in recovering from a disaster.
- Evaluate your internal resources: Which types of disasters are campus personnel trained to handle? What campus detection systems are in place (for example, fire and smoke alarms)?
- Evaluate external resources, such as the proximity and capabilities of fire departments, emergency medical services, hospitals, and police.
- Develop a multi-layered communication plan for both internal and external purposes. Determine what type of system is necessary when normal lines of communication are not available. For example: satellite telephones; standard, non-electric telephones; HAM radios; text messaging; telephone lines hosted at another institution; and any disaster-related services provided by your local telephone company.
- Consider benchmarking your plan against those prepared by similar institutions. On its Web site, the Society for College and University Planners (SCUP) offers links to emergency preparedness plans prepared by 125 schools, including community colleges, private colleges, doctoral institutions, and research universities. Click here to go directly to SCUP’s Web site (INSERT SCUP LINK).



UnivEmergPlan.pdf

A Sample Plan

Although every institution requires an emergency preparedness plan customized to its location, needs, and resources, you may find this sample plan helpful. It is reproduced with the permission of the administrators at Rollins College in Winter Park, Fla.

Also courtesy of Rollins College is a sample of a “people locator” for posting on a Web site. This online tool enables an institution to communicate with students, faculty, and staff during a disaster recovery period. You can modify it to fit your institution’s needs—such as adding fields

to inquire when students, faculty, and staff plan to return to campus and what their plans are for housing.

(INSERT EMERGENCY PREPAREDNESS PLAN AND PEOPLE LOCATOR SAMPLES FROM ROLLINS COLLEGE)

Additional Resources

During normal operations, as well as in times of crisis and disasters, educational institutions have valuable partners in other institutions, government agencies, and associations. The links below will take you directly to some of these organizations so you can identify contacts and forge a relationship now, which you can readily call upon in times of need.

(INSERT HOTLINKS IN PLACE OF WEB ADDRESSES LISTED BELOW)

Government

Department of Education www.doe.gov

The agency links below will take you directly to information about financial aid and plans and programs for schools affected by emergencies and disasters.

Office of Postsecondary Education (OPE)

www.ed.gov/about/offices/list/ope/index.html?src=oc

Federal Student Aid (FSA)

www.ed.gov/about/offices/list/fsa/index.html?src=oc

Office of Vocational and Adult Education (OVAE)

www.ed.gov/about/offices/list/ovae/index.html?src=oc

Environmental Protection Agency (EPA) www.epa.org

This agency offers information to assist institutions in ensuring the health of their campuses. If your campus is involved in a disaster, you'll also find information on clean-up efforts.

Healthy School Environment Resources

<http://cfpub.epa.gov/schools/index.cfm>

Federal Emergency Management Agency (FEMA) www.fema.gov/fima/dru.shtm

These links contain information on emergency preparedness and recovery.

[Federal Emergency Management Agency \(FEMA\)](http://www.fema.gov/fima/dru.shtm)

- [FEMA’s National Flood Insurance Program \(NFIP\) Information](#)
- [FEMA’s Guide to Building Safer, Stronger Structures](#)
- [FEMA’s Guide to Risk Assessment, Planning & Grants](#)
- [FEMA’s Guide to Creating Disaster Resistant Universities](#)
- [FEMA’s Guide to Salvaging Historic Properties & Cultural Resources](#)
- [FEMA’s Guide to Long-Term Community Recovery](#)
- [Emergency Management Assistance Compact \(EMAC\)—facilitating interstate aid by resolving liability and reimbursement issues](#)

[Partnerships to Reduce Hazard Risks: Tips for Community Officials, Colleges, & Universities](#)

[Dept. of Homeland Security: Lessons Learned Information Sharing](#)

- [FEMA’s Recovery Progress Report](#)

[FEMA/MEMA Updates for Institutions of Higher Learning](#)

[Florida Division of Emergency Management](#)

[Emergency Management Association of Texas](#)

- [Texas Governor’s Division of Emergency Management](#)

[How to Replace Vital Documents](#)

National Student Clearing House (NSLC) www.nslc.org

This organization can assist institutions in obtaining student record information.

National Institutes of Health (NIH) www.nih.gov

NIH provides information on various health matters before, during, and after an emergency or disaster.

National Endowment of the Arts (NEH) www.neh.gov

This site provides information to support the recovery efforts of valuable library, museum, cultural, and historical materials.

Occupational Safety and Health Administration (OSHA) www.osha.gov

This agency provides information on planning and recovering from an emergency or disaster.

Emergency Preparedness & Response

www.osha.gov/SLTC/emergencypreparedness/index.html

OSHA Resources on Disaster Recovery Hazards

www.osha.gov/OshDoc/hurricaneRecovery.html#fact

Associations

Campus Safety Health & Environmental Management Association (CSHEMA)

An association designed to help keep your campus compliant with federal regulations and recover in the aftermath of a disaster. www.cshema.org

Society of College and University Planners (SCUP)

Provides information on planning and recovering from an emergency or disaster, as well as general information on college and university planning. www.scup.org

University and Risk Management Insurance Association (URMIA)

Provides information that can be used in the advancement and application of effective risk management principles and practices in institutions of higher education. www.urmia.org

Web Sites

Here is just a sampling of sites that have information related to developing a business continuity plan.

Risk Assessment

www.riskwatch.com

- www.krollworldwide.com
- www.marsh.com
- www.riskshield.com.au
- [www.Google.Risk Assessment Methodologies \(Risk Analysis/Risk Management, B.D. Jenkins, 1998\)](#)
- www2.h20219.hp.com/services
- www.disasterrecoveryworld.com
- www.attainium.net
- www.ibm.com/services/us/indes.wss

Emergency Preparedness

www.nacubo.org/x2748.xml

www.nacubo.org/x78.xml?s=x36

www.edfacilities.org/Florida_Disaster_Guidance.DOC

www.pandemicflu.gov/

Articles

Lomax, Michael L., “What If We Turn ‘Big Easy’ Into ‘Big Campus’ Too? Education Can Contribute to New Orleans’ Recovery,” *Houston Chronicle*, November 28, 2005.

- Young, Jeffrey R., “Some Students Displaced by Katrina Say a Special Distance Education Program Was an Academic Lifesaver,” *Chronicle of Higher Education*, December 15, 2005.

Randolph, Ned, “FEMA Adopts Higher Flood Elevations for Louisiana,” *2theadvocate.com*, February 7, 2006.

Books

- Gregg, Michael, and David Kim, *Inside Network Security Assessment: Guarding Your IT Infrastructure*, 2005.
- Qayoumi, Mohammad H., *Mission Continuity Planning: Strategically Assessing and Planning for Threats to Operations*, National Association of College and University Business Officers, 2002.

DVDs

A Thousand Heroes: Dramatization of the Crash of United Airlines Flight 232 (near Stapleton Airport). Lives were saved because of the community/agency-based emergency management plan that had been developed, 1992.

- *The Storm*, PBS, aired November 22, 2005.

The Storm that Drowned the City, PBS, aired November 22, 2005.

An American Experience: The Fatal Flood, PBS, aired November 22, 2005.

Webinars

“Lessons from Katrina: Improving Emergency Preparedness Plans,” SCUP & NACAS Web Conference, January 26, 2006-01-30

(Cathy Pales will send the link for NACAS AND SCUP)

Community Resources

Developing a business continuity or emergency preparedness plan involves forming partnerships or alliances with community-based agencies and organizations that provide the support and services needed before, during, and after a crisis or emergency.

During meetings of the crisis management team, use the form below as a starting point for brainstorming the list of organizations you may incorporate into your plans. When you finalize the list of community partners, be sure to include contacts at the local, state, and federal levels.

	TELEPHONE NUMBERS
Community hospitals	
Community emergency medical services	
Community ambulance services	
Community fire departments	
Community police departments	
Utility companies: Telephone	
Gas/Oil	
Electricity	
Garbage	
Sewer	
Grocers (depends on foodservice provider)	
911 Service Center	