

## **SHEFFEY BIBLE COLLEGE**

### **CHURCH ADMINISTRATION — STUDENT HANDOUT**

#### **CHAPTER 9: ADMINISTERING RISK MANAGEMENT**

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#### **LEARNING OBJECTIVES**

- Understand the biblical and administrative definition of risk management
- Identify the three major areas: safety, security, and insurance
- Apply practical strategies to protect people, property, and ministry

#### **I. RISK MANAGEMENT DEFINED**

Risk management is the intentional effort to foresee dangers and take action to prevent them or respond appropriately when they occur.

#### **Proverbs 22:3 (KJV)**

“A prudent man foreseeeth the evil, and hideth himself: but the simple pass on, and are punished.”

#### **Key Principle:**

Biblical administration requires foresight, preparation, and responsibility.

#### **WEDGWOOD BAPTIST CHURCH — CASE STUDY**

A gunman entered a Wednesday night church service and opened fire, resulting in multiple deaths and injuries. The church was engaged in normal ministry activity at the time, including youth services.

The author personally knew individuals involved. One student was shot after approaching the gunman, and another was shot while attempting to call for help. A witness experienced severe trauma after seeing a close friend killed.

#### **Why This Matters:**

- Churches are not immune to violence
- Ministry environments can be vulnerable
- Tragedy can occur during normal church operations

**Administrative Lesson:**

Church leaders must move from assuming safety to actively preparing for risk. Protection is now a necessary part of faithful administration.

**Nehemiah 4:17 (KJV)**

“They which builded on the wall... every one with one of his hands wrought in the work, and with the other hand held a weapon.”

**Principle:**

Ministry and protection must operate together.

**II. THREE AREAS OF RISK MANAGEMENT**

1. Safety — Protecting people from harm
2. Security — Protecting people and property from threats
3. Insurance — Protecting resources from loss

These areas work together as a unified system of protection.

**III. SAFETY**

Safety involves preventing accidents and maintaining a secure environment for all who enter the facility.

**Key Elements:**

- Code compliance (building and fire codes)
- OSHA requirements for safe working environments
- Proper lighting in all areas
- Emergency response planning and trained personnel

**Key Principle:**

Safety is a proactive responsibility, not a reaction after an incident occurs.

## **IV. SECURITY**

Security focuses on preventing unauthorized access, protecting assets, and ensuring the safety of individuals within the church.

### **Key Elements:**

- Adequate exterior and interior lighting
- Alarm systems (local and monitored)
- Key control and limited access
- Securing valuables and sensitive areas
- Developing a culture of awareness among staff and leaders

### **Key Principle:**

Security is both a system and a mindset.

## **V. INSURANCE**

Insurance provides financial protection against loss, liability, and unforeseen events.

### **Four Types of Insurance:**

1. Liability Insurance — Protects against lawsuits
2. Property Insurance — Protects buildings and equipment
3. Fiduciary Bonds — Protects against theft and fraud
4. Worker's Compensation — Covers employee injuries

### **Key Principles:**

- Maintain adequate coverage levels
- Understand coinsurance requirements
- Insure based on replacement value
- Reduce risk to lower premiums

## **FINAL PRINCIPLE**

Risk management is a matter of stewardship. Wise administrators take proactive steps to protect people, property, and ministry resources.

## **Proverbs 22:3 (KJV)**

“A prudent man foreseeth the evil...”

## **THINGS TO KNOW (EXAM PREPARATION)**

- Definition of risk management
- Significance of the Wedgwood case
- Three areas: safety, security, and insurance
- Importance of code compliance and OSHA
- Elements of effective security systems
- Importance of key control
- Four types of insurance
- Basic insurance principles and risk reduction

## **ASSIGNMENT**

Read Chapter 9 and review these concepts in preparation for assessment.