5.I-2018 Enterprise Risk Management Policy

1. **Introduction and Overview**

   Enterprise Risk Management is a comprehensive, systematic, disciplined and proactive process to identify, assess, manage and report on the significant strategic and operational level risks related to the achievement of St. Mary's University's strategic goals and objectives. This document is intended to set-out a pro-active holistic enterprise-wide view of all risks and their associated risk appetite and tolerances to make sure that they are aligned with St. Mary's University's objectives and vision.

2. **Purpose**

   The purpose of this policy is:
   • to set-out a framework for the management of St. Mary's University risks
   • to set-out a framework to assign the accountability to positions who are responsible in identifying, evaluating and reporting risk exposures
   • to identify reporting process that provides reasonable assurance that risk is being managed appropriately and within the guidelines

3. **Scope**

   This policy applies to all activities of St. Mary's University.

4. **Definitions**

   4.1 **Risk** is a potential event that affects St. Mary's University's ability to meet its objectives and preserve its reputation.

   4.2 **Enterprise risk management (ERM)** means a coordinated approach used to identify, assess, manage, mitigate and monitor risks.

   4.3 **Risk Appetite** is the degree of risk, on a broad-based level, that the university is willing to accept or assume in pursuit of its objectives.

   4.4 **Risk Owner** has the responsibility and accountability of an identified risk. A risk owner has to monitor the risk and execute risk responses when appropriate and to ensure that the risk is managed appropriately. Enterprise Risk Management

Approval Authority	Responsible Office	Effective Date	Date Last Revisited	Review Frequency
Board of Governors	Finance	April 9, 2018	April 9, 2018	Every 5 years

Committee (ERM Committee) is composed of Leadership Directors and Managers whose purpose is to provide guidance in matters related to ERM.

4.5   **Enterprise Risk Management Committee (ERM Committee)** is composed of Leadership Directors and Managers whose purpose is to provide guidance in matters related to ERM.

5. Policy Statement

St. Mary's University will embed risk management into all the operations of the University. The University will develop ERM strategies, identify risks and regularly re-evaluate its risk profile to ensure the effectiveness of risk treatments concerning its operational and strategic goals.

6. Responsibilities

6.1   The Board of Governors:

6.1.1   Sets the strategic objective for the University and the Mandate for Risk Management through the ERM Policy

6.1.2   Promotes the culture of Risk Management

6.2   Audit and Risk Committee:

6.2.1   Approves the ERM program framework

6.2.2   Reviews and defines the Enterprise Risk Appetite for recommendation to the Board

6.2.3   Monitors St. Mary's University's risk as identified by leadership team and ERM Committee

6.2.4   Delegates responsibilities for risk management to risk owners for mitigation and monitoring

6.2.5   Reports to the Board on monitoring of Risk and ERM activities

6.3   ERM Committee:

6.3.1   Is responsible for implementing the strategy that constitute the ERM

6.3.2   Reviews Risk Register

6.3.3   Estimates the Likelihood & Impact of the identified risks based on the approved risk appetite and threshold rankings

6.3.4   Identifies existing controls and risk treatments

6.3.5   Aligns departmental and area objectives to University strategies

6.4   Risk Owners: President's Council, Deans, Area Chairs, Directors and Managers:

6.4.1   Identifies and analyses operational risks for likelihood and impact

6.4.2   Incorporates control actions into processes and schedules

6.4.3   Aligns personal performance to departmental and University objectives

6.4.4   Reports on risks at status meeting

6.4.5   Support and comply with the ERM program by implementing practices, systems and controls to manage and mitigate delegated risks

6.5   ERM Coordinator:

6.5.1   Facilitates ERM Program and Framework

6.5.2   Maintains and updates Risk Register

6.5.3   Serves as a resource to University to support the ERM Program

7.   Risk Management Process

St. Mary's University Risk Management process comprises the following steps:

7.1   IDENTIFY key risks

7.2   ANALYSE the potential impact and likelihood of risks

7.3   RESPOND to risks by considering existing controls as well as selecting, prioritizing and implementing appropriate actions

7.4   MONITOR the internal and external environment for potential changes to risks and ensure that risk responses continue to operate effectively

7.5   REPORT on risks and the status of risk

St. Mary's University Risk Management Process