

## Enterprise Risk Management Policy

<p><b>Classification</b> Governance</p>	<p><b>Table of Contents</b></p> <p>1 Purpose ..... 1</p> <p>2 Scope ..... 1</p> <p>3 Definitions ..... 1</p> <p>4 Policy Statement ..... 2</p> <p>5 Responsibilities ..... 2</p> <p>6 History ..... 3</p>
<p><b>Approval Authority</b> General Faculties Council</p>	
<p><b>Implementation Authority</b> Vice-President (Finance and Services)</p>	
<p><b>Effective Date</b> December 12, 2014</p>	
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### 1 Purpose

The purpose of this policy is to:

- a) define roles and responsibilities for Enterprise Risk Management within the University community; and
- b) identify accountability for establishing and maintaining an Enterprise Risk Management program.

### 2 Scope

This policy applies to all activities of the University.

### 3 Definitions

In this policy:

- a) "Audit Committee" means the audit committee of the Board.
- b) "Board" means the Board of Governors of the University.
- c) "ELT" means the Executive Leadership Team which is comprised of the President, Vice-Presidents and General Counsel.
- d) "Enterprise Risk Management Committee" means the committee composed of SLT members and others whose purpose is to provide guidance on matters relating to Institutional Enterprise Risk Management.
- e) "Institutional Enterprise Risk Management" means a coordinated approach used to identify, assess, manage, mitigate and monitor Risks significantly affecting the entire University.
- f) "GFC" means the General Faculties Council of the University.
- g) "GFC Executive Committee" means the Executive Committee of GFC.

- h) “GFC Committee” means a committee of the General Faculties Council of the University.
- i) “Risk” means the effect of uncertainty related to understanding or knowledge of an event, its consequences, or its likelihood, on objectives.
- j) “Risk Appetite” means, for an identified institutional Risk, the level of risk that the University is willing to accept in pursuit of institutional objectives.
- k) “Risk Owner” means the ELT member identified by the ELT as the appropriate person to manage an identified Risk for the University. ELT members may delegate monitoring, managing, and mitigating their assigned Risks.
- l) “SLT” means the employees who, at the relevant time, are designated as members of the Senior Leadership Team.
- m) “University” means the University of Calgary.

#### **4 Policy Statement**

- 4.1** The University will establish and maintain an Institutional Enterprise Risk Management program and a register of identified Risks and other data related to the University’s ongoing Institutional Enterprise Risk Management activities.
- 4.2** Risk identification, analysis, management and mitigation will occur on a regular basis.

#### **5 Responsibilities**

- 5.1** The Board will approve the University’s institutional Risk Appetite for each identified institutional Risk as recommended by the Audit Committee.
- 5.2** The Audit Committee will:
  - a) Recommend the Risk Appetite for each identified institutional Risk to the Board;
  - b) monitor each identified institutional Risk in light of the approved Risk Appetite;
  - c) receive, and communicate to the Board, the results of the Institutional Enterprise Risk Management activities; and
  - d) delegate responsibility to ELT for assigning identified institutional Risks to Risk Owners for analysis, management, and mitigation.
- 5.3** The GFC Executive Committee has oversight for the management of institutional Risk relating to attraction, recruitment, and retention of students. GFC Executive Committee may engage any other GFC Committee to monitor the University’s management of Institutional Risks relating to the attraction, recruitment and retention of students, in light of the approved Risk Appetite.
- 5.4** The Vice-President (Finance and Services) or delegate will:
  - a) develop and administer practices, systems and controls for the Institutional Enterprise Risk Management program;
  - b) monitor compliance with the Institutional Enterprise Risk Management program; and
  - c) report to the Audit Committee on the University’s Institutional Enterprise Risk Management activities, including ELT’s annual ranking of the institutional level Risks.
- 5.5** The ELT will:
  - a) assign identified institutional Risks to Risk Owners for analysis, management and mitigation;

- b) annually rank the institutional level Risks; and
- c) annually review Risk Appetite for each identified Institutional Risk.

**5.6** Risk Owners will:

- a) manage and mitigate assigned Risks by developing and implementing practices, systems and controls to address the Risks. This may include developing comprehensive programs to manage their Risks with oversight from an appropriate committee; and
- b) review reports from the Enterprise Risk Management Committee and present Risk reports to the ELT.

**5.7** The Enterprise Risk Management Committee will report regularly, conduct analysis, and make recommendations to the ELT on the management and mitigation of identified Institutional Risks.

**5.8** The Enterprise Risk Management Office will:

- a) develop Institutional Enterprise Risk Management standards, processes and best practices;
- b) develop and maintain Institutional Enterprise Risk Management tools and templates including Risk categories and Risk rating tables;
- c) create and maintain a register of identified Institutional Risks;
- d) provide training and advice on Institutional Enterprise Risk Management to Risk Owners and others involved in University activities; and
- e) prepare reports for review by the Audit Committee, GFC Executive Committee, ELT, and the Enterprise Risk Management Committee, as needed.

## **6 History**

December 12, 2014	Approved and Effective.
November 28, 2018	Revised.
January 1, 2020	Editorial Revision. Updated format.