
| | | |
|---------------------------------------|---|-----------------------|
| Type: | C – Institutional | Last Approved: |
| Executive Responsibility: | Vice-President Administration and Finance | Next Review: |
| Administrative Responsibility: | Deans, Executive Directors, Directors, Campus Principals | Procedure: |

STATEMENT:

Enterprise Risk Management is the outcome of a shared commitment to risk management. Vancouver Island University is committed to building increased awareness and a shared responsibility for risk management to protect both the University community and its assets. The Risk Management function assists all levels of the university community in achieving the University's vision by bringing a systematic approach to evaluating and improving the effectiveness of risk management and control.

The University's objectives in managing risk are:

- integrate risk management into the culture of the University;
- build increased awareness and shared responsibility;
- allow VIU to anticipate and respond to changing social, environmental and legislative conditions;
- manage risk in accordance with best practice;
- support risk informed decision making; and,
- enable management to balance the cost of managing risk with the anticipated benefits.

1. DEFINITIONS:

1.1 Risk Management:

The name given to the coordinated activities used by an organization to direct and control risk. VIU's risk management process is detailed within the risk management framework (<http://www.viu.ca/riskmanagement>).

1.2 Risk¹:

The effect of an event or trend, either positive or negative that will have a significant impact on operations and/or the fulfillment of the University's objectives.

2. GENERAL

The management of risk is a shared responsibility at all levels of the University. The University acknowledges that all activities have associated elements of risk. The University will manage risk to protect both the University community and its assets. The University does not seek to eliminate risk; rather, it will ensure that existing and emerging risks are identified and managed within an acceptable risk tolerance. The process for risk management is outlined in the University's risk management framework.

3. ROLES AND RESPONSIBILITIES:

All employees of the University are responsible for the effective management of risk including the identification of potential risks. Risk management processes will be integrated into existing planning processes and academic and administrative activities.

Enterprise risk management is the outcome of a commitment to shared responsibility for risk management by:

- the Board of Governors for oversight and ensuring policies and processes are in place;
- Executive and Management by implementing the risk management framework to support fostering a culture of risk management; and,
- key portfolio areas within the University, which fulfill broader risk management responsibilities.

4. DEANS, EXECUTIVE DIRECTORS, DIRECTORS, CAMPUS PRINCIPALS, MANAGERS and KEY PORTFOLIOS:

Deans, Executive Directors, Directors, Campus Principals, Managers and Key Portfolio areas are accountable for:

- implementation of this policy within their respective areas of responsibility, incorporating risk management into their planning processes and management activities;

¹ *Australian and New Zealand Public Sector Guidelines for Managing Risk* (HB 143:1999) defines risk as the "chance of something happening that will have an impact on objectives. It is measured in terms of consequences and likelihood."

The Canadian Institute of Chartered Accountants defines risk as "the possibility that one or more individuals or organizations will experience adverse consequences from an event or circumstance."

The *Canadian Standards Association Risk Management: Guidelines for Decision-Makers* (CAN/CSA -Q850-97) defines risk as "the chance of injury or loss as defined as a measure of the probability and severity of an adverse effect to health, property, the environment or other things of value."

The International Organization for Standardization (ISO) ISO 31000 defines risk as the "effect of uncertainty on objects". Note 1- the emphasis is on effect rather than chance, similar to AS/NZS 4360, the definition is neutral in terms of negative and positive consequences.

- actively participating within the risk assessment process; and,
- monitoring and reporting on the status of risks.

4.1 Key Portfolios:

Several areas and committees within the University have distinct responsibilities that support risk management. These areas include, but are not limited to, Occupational Health and Safety, Security, Animal Care Committee and the Ethics Committee. These areas or committees have a defined scope of responsibility for functions such as safety, security and risk mitigation elements such as insurance, WCB, policy protocols or response plans.

4.2 University Executive:

The University Senior Executive has ultimate accountability for strategic level risk management within their respective areas of responsibility. Collectively, the senior executive team is responsible for:

- ensuring the identification of strategic risks that impact the University's Integrated Plans and University objectives;
- actively participating within the risk assessment process;
- identifying risk tolerances;
- monitoring and reporting risks; and,
- monitoring reports from Deans, Executive Directors, Directors, Campus Principals and Managers.

4.3 Board of Governors Audit Committee

The Board of Governors has responsibility for oversight and ensuring risk management policies and processes are in place.

Specifically, the Audit Committee of the Board of Governors is accountable for Risk Management as defined in its terms of reference.

Related Policies and Procedures:

[Risk Management Framework](#)

VIU Research Ethics Board [Policy 31.03](#) and [Procedure 31.03.001](#).

VIU Animal Care [Policy 31.07](#) and [Procedure 31.07.001](#)

end of document