



POLICY ON ENTERPRISE RISK MANAGEMENT

Effective Date: April 21, 2011

Originating Office: Board of Governors

Supersedes /Amends: N/A

Policy Number: BD-14

SCOPE

This policy applies to all units and employees of the University.

PURPOSE

The purpose of this policy is to articulate the University's approach to risk management, and to set forth the roles of the Board of Governors, the administration, and their various committees.

DEFINITION

For the purpose of this Policy, the following definitions apply:

"Risk" means any event whose occurrence could have a significant impact on the university's ability to attain its objectives.

"Enterprise Risk Management" means a coordinated approach to be used by the University to identify, assess, respond to and monitor risks.

POLICY

1. The University will establish and maintain an Enterprise Risk Management ("ERM") program.
2. ERM will be carried out systematically, with a view to supporting and facilitating the achievement of the University's strategic, operational and financial objectives, by identifying, analyzing, evaluating, treating and monitoring risks on an ongoing basis.
3. ERM will serve not as an independent activity but as a valuable source of information to assist administrators in making informed, consistent decisions throughout the University.
4. The University will promote an administrative culture of risk management and will seek to evaluate and anticipate risk at the planning stages of initiatives and projects.

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5. The University will decide with respect to each identified risk whether to transfer, accept, mitigate or avoid that risk. As appropriate, the University will seek to prevent or mitigate the impact of losses occasioned by negative risks, while encouraging the informed and controlled undertaking of positive risks, having regard to the University's strategic objectives and operational commitments.
6. In addition to its regular reports, the University will maintain a formal register of key risks, indicators and other data derived from its ongoing ERM activities.

Responsibilities

7. ERM is the responsibility of the President and Vice-Chancellor and is overseen by an ERM Committee appointed by the President and Vice-Chancellor, with reporting responsibility to the Board of Governors through the Audit Committee.
8. The Audit Committee monitors and, having regard to current best practices, recommends improvements to the University's overall approach to risk management.
9. The ERM Committee exercises oversight for the successful incorporation of ERM principles and activities into the University's administration. Regular reports of all ERM activities will be provided to the President and Vice-Chancellor and to the Audit Committee.
10. The ERM Committee and its representatives including its Subcommittees, with strict accountability for confidentiality and safeguarding records and information, is authorized full, free, and unrestricted access to any and all University records, physical property, and personnel pertinent to carrying out any risk assessment. All employees are required to assist the ERM Committee in fulfilling its roles and responsibilities. The ERM Committee will also have free and unrestricted access to the Audit Committee.
11. The function of the ERM Committee is advisory, and will not supersede existing reporting structures or exercise direct authority over those in the University whose work is the subject of risk assessment or treatment.

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12. The ERM Committee's work of identifying, analyzing, evaluating, treating and monitoring risks will not in any way relieve Unit Heads of responsibilities assigned to them.
13. The ERM Committee will oversee and report on the work of its Subcommittees:
 - a. the Operational Risk Management Subcommittee chaired by the Vice-President, Services;
 - b. the Financial Risk Management Subcommittee chaired by the Chief Financial Officer;
 - c. the Reputational Risk Management Subcommittee chaired by the Chief Communications Officer; and
 - d. the Compliance Risk Subcommittee chaired by the Vice-President, Institutional Relations and Secretary General.
14. The President's Executive Group will have responsibility for strategic risks, which will be reported to the ERM Committee.
15. The ERM Committee will be responsible for the implementation and operation of an Enterprise Risk Management Information System to support the University's ERM activities.