

INSTITUTIONAL RISK APPETITE STATEMENT

Appendix B

Overview

Medicine Hat College acknowledges that there is an element of risk in any decision or activity and encourages risk taking when the risk is appropriately managed. The College's Risk Management Framework requires that we understand uncertainties that may impact the achievement of objectives to guarantee we are continuously focused on the most important risks and opportunities as we identify priorities and allocate resources. Defining the College's risk appetite and aligning this with the strategies and objectives of the institution is fundamental to risk management.

Purpose

Risk appetite is the College's willingness to accept risk in pursuit of its objectives and is assessed against the College's key drivers of success, which in turn support the strategic initiatives outlined in the 2015 to 2020 Strategic Plan. Doing so ensures the appetite is linked to institution-wide business objectives.

The Statement of Risk Appetite is a formal expression of the amount and type of risk the College is prepared to accept to achieve goals and objectives. The statement, which is applied at the institutional level, should be used to guide employees in their actions and ability to accept and manage risk and also forms the basis for the College's risk rating criteria identified in Schedule 1 of Appendix A.

Medicine Hat College Statement of Risk Appetite

Key drivers	From strategic plan (higher level driver)	Strategic plan assertions the key driver supports	Statement	Outcomes (alignment with Board Ends)	Appetite Level
Students	Students	1.1, 1.2, 1.3, 1.4, 2.1, 2.2, 2.3, 2.4	Medicine Hat College will provide an instructional and service quality that exceeds students' expectations. The college will provide a creative, stimulating and collegial atmosphere. We will enhance our strategic enrolment and student success plans to serve learner needs and continue to provide seamless processes and services that focus on student success. We will provide a healthy, safe, and environmentally friendly atmosphere and offer learners both cultural and sport and wellness opportunities.	Accessibility Research & Innovation Empowered Students Teaching & Learning	2
Employees	Employees	3.1, 3.2, 3.3, 3.4, 4.1, 4.2, 4.3, 4.4	Medicine Hat College will continue to hire and retain employees that meet the high standards of the college. The college will support open and effective communications and continue to empower employees to pursue personal, leadership and professional development opportunities that will foster innovative, flexible and efficient programs and services. The college will take corrective action to address known health, safety, and employee well-being exposures and ensure cultural, and sport and wellness opportunities are enjoyed by all.	Accessibility Teaching & Learning Sustainability	2
Reputation	All	All	Medicine Hat College will respond in accordance with established policy, procedure and agreements to any legal or ethical breach. The college will continue to maintain its high standards of conduct, service and academic quality.	Accessibility Sustainability	2
Financial Sustainability	All	2.2, 5.1	Medicine Hat College will maintain its high standards of financial stewardship and will continue to ensure that financial commitments do not exceed available resources. The college will strive to ensure that financial need does not impede student success. The college will continue to monitor, review and adjust programs and services to maintain relevance and efficiency. The college will pursue opportunities that promote entrepreneurship and revenue generation to support future sustainability.	Sustainability	2
Academic Programs	Students Communities	1.1, 1.2, 1.3, 1.4, 2.1, 2.2, 2.3, 2.4, 3.4, 4.1, 4.2, 4.3, 4.4, 5.1, 6.2	Medicine Hat College will continue to offer relevant and flexible academic programs that are monitored, reviewed, evaluated and adjusted regularly. The college will continue to work with its university partners to expand degree completion opportunities on campus. We will continue to maintain and strengthen relationships with the community, regional agencies, international partners, and the K-12 system to expand and enhance learning opportunities in the region.	Partnerships Accessibility Research & Innovation Empowered Students Teaching & Learning Sustainability	3
Services	All	1.1, 2.2, 5.3, 6.1	Medicine Hat College will continue to offer services to learners, employees and the community in both cultural and sport and wellness opportunities that are monitored, reviewed, evaluated and adjusted regularly to maintain relevance and efficiency.	Partnerships Accessibility	3
Stakeholder Relationships	Students Communities	1.1, 2.2, 5.1, 5.2, 5.3, 6.2	Medicine Hat College will continue to maintain strong relationships with critical stakeholders (community, funding agencies, donors, government). We will engage alumni and private sector partners in the effort to provide access to learning opportunities and offer services in both cultural and sport and wellness opportunities to the community.	Partnerships Teaching & Learning Sustainability	3
Strategic Partnerships	Students Communities	1.1, 1.2, 1.3, 1.4, 2.2, 4.1, 4.2, 4.4, 5.1, 6.3	Medicine Hat College will collaborate with university partners to develop and sustain programs and service partnerships to meet community needs and expectations. The college will support and enhance international exchange and learning opportunities. We will continue to maintain and strengthen relationships with the community, regional agencies, and the K-12 system to expand and enhance learning opportunities in the region.	Partnerships Teaching & Learning Sustainability	3
Research and Innovation	All	1.3, 3.2, 4.1, 4.3, 5.1, 6.3	Medicine Hat College will continue to pursue research and innovation opportunities with other agencies to achieve mutual goals and enrich the learning environment.	Research & Innovation Teaching & Learning	4
Building and Infrastructure	All	2.2, 3.1, 4.1, 6.1	Medicine Hat College will maintain the security, integrity and availability of information systems as it pertains to core processes and activities including Students, Financial Management, Government Reporting and Human Resources. The college will continue to prioritize the construction of infrastructure supporting student access and the areas of deferred maintenance and renewal of basic furniture and office equipment.	Accessibility Sustainability	2

Assessment scale

The assessment scale outlines the five appetite levels of residual risk the College is willing to accept and should be applied against the key values drivers of success outlined in the Statement of Risk Appetite.

Appetite Level	Risk Appetite Descriptor	Definition	Description
1	Zero Risk	Not willing to accept risk (threats or opportunities)	The College is not willing to accept risks under any circumstances that may result in reputation damage, financial loss or exposure, building or infrastructure damage, major breakdown in information system or information integrity, significant incidents of regulatory non-compliance, potential risk of injury to staff and students.
2	Low	Unwilling to accept even a very limited amount of downside risk (threat) in most circumstances unless the upside risk (opportunities) exceed the downside risk	The College is not willing to accept risks in most circumstances that may result in reputation damage, financial loss or exposure, building or infrastructure damage, major breakdown in information system or information integrity, significant incidents of regulatory non-compliance, potential risk of injury to staff and students
3	Modest	Willing to accept some downside risk (threats) in certain circumstances that include opportunity	The College is willing to accept some risks in certain circumstances that may result in reputation damage, financial loss or exposure, building or infrastructure damage, major breakdown in information system or information integrity, significant incidents of regulatory non-compliance, potential risk of injury to staff and students
4	Moderate	Willing to accept downside risks (threats) commensurate with the potential upside risk (opportunity)	The College is willing to accept risks that may result in reputation damage, financial loss or exposure, building or infrastructure damage, major breakdown in information system or information integrity, significant incidents of regulatory non-compliance, potential risk of injury to staff and students
5	High	Willing to accept a high level of downside risk (threats) in circumstances where there are significant or important opportunities	The College accepts opportunities that have an inherent risk that may result in reputation damage, financial loss or exposure, building or infrastructure damage, major breakdown in information system or information integrity, significant incidents of regulatory non-compliance, potential risk of injury to staff and students

The appetite level for each value driver will be used as a guideline to determine the College’s tolerance for each risk category during the assessment process.