

BOARD OF GOVERNORS – Governance Process

Policy #: **GP 10 Risk Management**

Original Implementation Date: March 18, 2014

Most Recent Activity: May 19, 2015 *Revisions Made*

Next Mandatory Review Date: 2020-2021

Frequency of Reviews: Every three (3) years



Medicine Hat College Board of Governors acknowledges that all activity has associated with it an element of risk. Due to the diverse nature of the College's operations including instruction and community service, and the fact that not all risks can be avoided or transferred to third parties through insurance policies, contracts or waivers, the management of risk at all levels of the organization is imperative. The Medicine Hat College Board of Governors is responsible for approving the Risk Management Policy, Framework and Risk Appetite Statement as well as endorsing and monitoring effectiveness. The College President is responsible for ensuring effective risk management performance within the Risk Management Framework.

Policy Statement

Medicine Hat College will manage risk to protect the College community and its assets and will maintain a proactive, long-term and sustainable Enterprise Risk Management strategy as summarized in the Risk Management Framework (Appendix A). The College, when appropriate and cost effective, will seek to share risk with third parties through the use of insurance policies, waivers and contracts. The College will ensure that risk associated with emergency preparedness and business continuity is addressed in appropriate plans.

Purpose

Medicine Hat College is committed to building increased awareness and a shared responsibility for risk management at all levels of the organization. A clearly defined Risk Management Policy including a Risk Appetite Statement (Appendix B) supports this commitment. This policy is intended to assist in decision making processes that will minimize potential losses, improve the management of existing uncertainty and the approach to new opportunities, thereby helping to maximize the College's available resources.

Scope

Compliance with policy extends to all members of the College community.

Definitions

Enterprise Risk Management Steering Committee: A sub-committee set up by the vice-president, administration and finance that oversees and supports enterprise risk management activities at the institution. Members outside of the committee will be invited to participate on an as needed basis.

Members of the College Community: Includes employees, students, contractors, volunteers, and others.

- Employees are persons on the payroll of Medicine Hat College
- Students are persons enrolled at Medicine Hat College
- Contractors are persons working under a contract or agency relationship
- Volunteers are persons who perform an unpaid service for the College
- Others are members of the general public on campus for reasons other than outlined above

Risk: The effect of uncertainty on objectives. Risk is measured in terms of probability and consequence.

Risk Appetite: The amount and type of risk that an organization is prepared to pursue, retain or take.

Risk Management: Coordinated activities to advise and guide an organization with regard to risk.

Risk Management Framework: A set of components that provide the foundations and organizational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the institution.

The foundations include the policy, objectives, mandate and commitment to manage risk.

The organizational arrangements include plans, relationships, accountabilities, resources, processes and activities.

The risk management framework is embedded with the institution's overall strategic and operational policies and practices.

POLICY SUPPORTS

Appendix A – Risk Management Framework

Appendix B – Risk Appetite Statement