



Title	Risk Management Policy
Policy Area	Operations - Finance
Policy Number <i>(to be assigned by Information Services)</i>	E.1.14
See also <i>(related policies)</i>	

Effective Date of Policy:	September 26, 2012
Approval Date:	September 25, 2012
Applies to:	Employees, Board of Governors
Approving Body:	Board of Governors
Supersedes/New:	New
Authority	<i>College and Institute Act</i>

The following are responsible for the administration of this policy,

Primary Office	Contact
Board of Governors	Secretary, Board of Governors

Policy Statement

Oversight of risk management is an integral part of the role of Board of Governors of Okanagan College, and the Finance, Audit, and Risk Review Committee of the Board.

Okanagan College recognizes that a coordinated risk management approach is critical to the achievement of its strategic goals and key directions. Risk exists in all activities. However, an established institutional risk management system provides a framework to identify, assess and mitigate potential risks that may significantly impact the goals or operations of the institution.

Risk management is a College wide activity. Employees and members of the Board of Governors have a role to play in the identification and management of risk, through risk management processes being integrated into planning, and risk management being embedded in all activities of the College.

Policy Details

Okanagan College's Institutional Risk Management System follows the risk management guidelines for the BC Public Sector developed by the Province of British Columbia Risk Management Branch.

Definitions

Risk refers to the uncertainty that surrounds future events and the impact they may have on the ability of an organization to meet its objectives.

Risk management is a systematic approach to setting the best course of action under uncertainty by identifying, assessing, understanding, and acting on risks.

Institutional risk management means applying the principles of risk management to the full spectrum of strategic and operational risk throughout the organization.

Process

The Vice President, Employee and Corporate Services shall be responsible for implementing and maintaining the Institutional Risk Management System. The Vice President will:

1. Implement methodologies and strategies to monitor, mitigate, and manage risk; and
2. Ensure that employees and members of the Board of Governors understand the value of risk management and adopt best practices across the institution.

Operational risks are identified at the department level and incorporated in the budget process.

Deans and Directors are responsible for identifying, assessing and formulating plans to mitigate department operational risks, and for identifying strategic risks that relate to their departments.

The Executive is responsible for ensuring that all strategic risks for the institution are identified and assessed, and that plans are formulated for mitigation.

Risks are assessed on the probability of the risk event occurring, and the severity of the consequence should the risk event occur.

Through the assessment process risks are classified as low, medium, high or extreme based on the probability and consequence.

Reporting

The Vice President, Employee and Corporate Services will:

1. Annually identify and report to the Finance, Audit, and Risk Review Committee on current and anticipated significant strategic and operational risk;
2. Annually report to the Finance, Audit, and Risk Review Committee on management efforts taken to mitigate strategic or operational risk identified as high or extreme; and
3. Report to the Finance, Audit, and Risk Review Committee significant emergent risk on a timely basis.