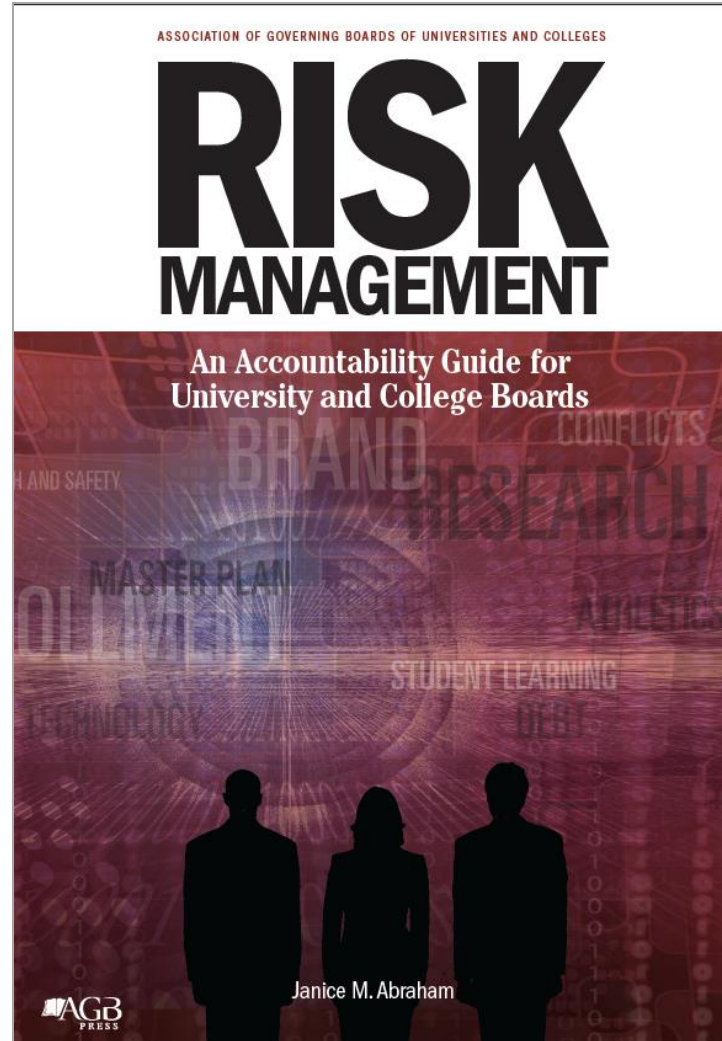




# A Framework for Risk Management

Janice M. Abraham, *President & CEO*



# Risk Management Framework

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- A business process that expands the core (traditional) concepts of risk management:
  - Identifying risks & opportunities across the enterprise
  - Assessing the impact of the risks to the plans and mission
  - Developing and testing mitigation plans
  - Monitoring identified risks and consistently scanning for emerging risks

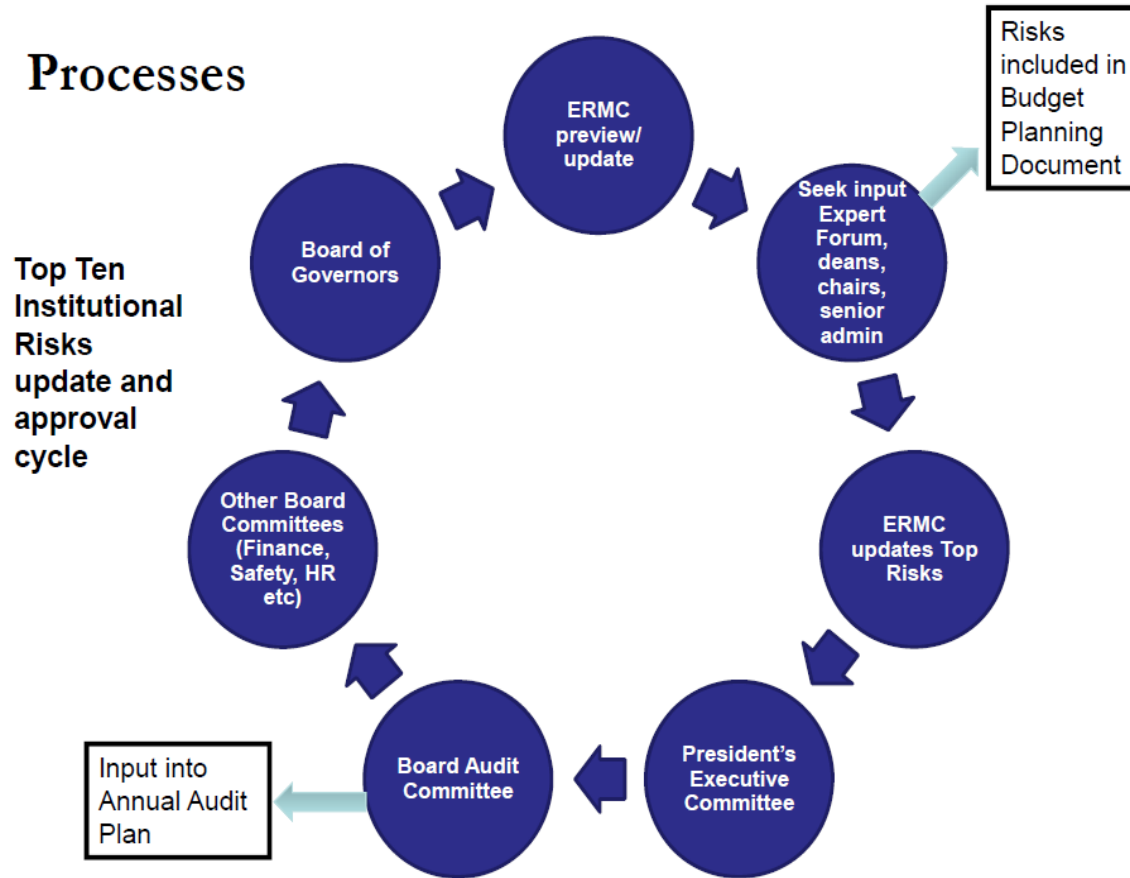
# Best Practices

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- Tone at the top matters; champions are essential
- Understand and embrace specific roles, while building bridges across campus
- Question sacred cows
- Incorporate RM into planning
  - Annual, strategic and project planning
  - Ask questions, require annual updates, establish accountability

# University of Alberta RM process

## Processes



# University Risk Register

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1. Adequacy of financial resources
  2. Information technology infrastructure, systems and support
  3. Age and condition of facilities and physical plant infrastructure
  4. Recruitment and retention of top personnel
  5. Individual and institutional conflict of interest, employee misconduct, regulatory non-compliance
  6. Execution of Strategic Plan
-



# University Risk Register

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1. Governance
  2. Student enrollment
  3. Liquidity, debt and reserves
  4. Healthcare costs
  5. Management turnover
  6. Return on investment in new capital projects and programs
  7. Legal/regulatory compliance
  8. Information security
  9. Disaster recovery and business continuity
  10. Potential for fraud and conflicts of interest
-



# University Risk Register

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- Strategic plan implementation
- Income diversification
- New initiatives: Research, Accreditation
- Governance
- Faculty: Demographics
- Compliance: Research, Title IX, Clery
- Athletics: Compliance, funding, injuries





# Student Life

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- Admissions, Enrollment, Retention
  - Alcohol and drug use
  - Athletics
  - Campus safety and security: Clery Act, VAWA
  - Sexual Assault/Title IX: Safety and compliance
  - Experiential Learning
  - Financial aid/Student debt
  - Student Health Center and Mental Health
-

# Research

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- Intellectual property
- Conflicts of interest
- Financial sustainability
- Incubator support

# Academic Affairs

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- Academic quality
- Accreditation: New and ongoing programs
- Blended-learning strategy
- Entrepreneurial ventures
- Faculty: Recruitment, tenure, development
- Global strategy
- Research: IP, financial support

# Audit

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- Compliance
- Coordination of audit plan and gap analysis
- Whistle blower, fraud and reporting
- Training

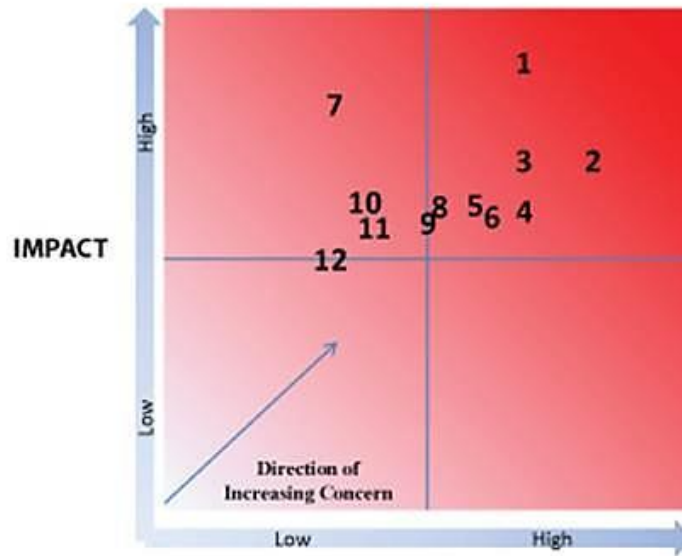
# Facilities

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- Campus master plan
- Deferred maintenance and life safety
- Space utilization
- Total cost of capital projects

# Risk Assessment

## Heat Map of Top System Risks



1. Student enrollment
2. Management turnover
3. Governance
4. Government support
5. Health care costs
6. Employee morale
7. Disaster recovery and business continuity
8. ROI in new initiatives and capital projects
9. Information security
10. Liquidity
11. Legal/regulatory compliance
12. Potential for fraud and conflicts of interest

**PROBABILITY**  
of future negative event  
over next 1-3 years

# Opportunities to begin RM

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- Strategic plan
- Annual operating plan
- Major new initiatives
- New buildings
- .....It's a process not a project

# Lessons learned from others:

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- Focus on high-impact risks
- Focus on mitigation/continuity plans
- Take on the tough issues and sacred cows
- All risks must have owners
- Involve other departments in risk register and responses
- It's a process and business tool, not a project



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