Enterprise Risk Management

Enterprise Risk Management (ERM) is a strategic process that will identify, evaluate, and respond to adverse risks in a manner that is structured, consistent, and continuous to support and advance the Board's educational and operational goals and objectives. The objectives reflected in the ERM should be consistent with the Board's vision, mission and values as identified in the Board's Strategic Plan. The purpose of the ERM is to set out the School District's general approach strategy to manage its risks, and to set out related roles in order to:

- Increase the probability of achieving the District's objectives,
- Increase the probability of achieving student outcomes,
- Recognize the importance of risk management to the District's governance and management responsibilities,
- Support the continuous application of risk management practices in decision making, and
- Establish clear responsibilities for risk management within the District.

Definition

1. Enterprise Risk Management (ERM)
   Enterprise Risk Management is a strategic approach that supports the achievement of the District's strategic priorities, goals and objectives by addressing the full spectrum (reputational, strategic, financial, operational and compliance) of its risks and managing the combine impact of an interrelated risk approach.

2. Risk
   Risk is defined as any event that can potentially impact (positively or negatively) the District's ability to achieve its mandate, it's vision, mission, values, and it's strategic priorities. Such risks can affect reputational, strategic, operational, financial and compliance objectives.

3. Risk Appetite
   Risk appetite is the amount and type of risk that the District is willing to pursue or retain.

4. Risk Tolerance
   Risk tolerance is the District's readiness to bear the risk after its risk treatment response in order to achieve its goals.

Enterprise Risk Management Process

The District will establish and maintain an Enterprise Risk Management Process.

For the ERM Process, the following must be observed:

1. The ERM will be carried out systematically, with a view to support and facilitate the Board's Strategic Plan in achieving its priorities, goals, and objectives. This will be accomplished by identifying, analyzing, evaluating, treating, monitoring, and reporting out on risks on a continual basis.
2. The District will promote a culture of risk management and will strive to anticipate and evaluate risks at the point of conception for strategies, plans and objectives. Management processes and controls are in place to provide reasonable assurance that the District's appetite and tolerance are sufficiently mitigated to within an acceptable risk tolerance.
3. The ERM Process will be an integrated and collaborative process involving all levels of the District.
4. The District will maintain a formal register of key risks, indicators and other information that will facilitate management of its ongoing ERM process.

Stages of the Enterprise Risk Management Process

The District's ERM approach has five main stages:

1. Risk Identification - develop a consistent and sustainable approach to identify risk that could impact the District's ability to achieve its strategic priorities.
   This risk identification will be updated at least annually.

2. Risk Analysis and Evaluation - provide a standard and consistent approach to understanding, documenting and evaluating the likelihood and consequence of potential risks to the District. This risk evaluation will be updated at least annually.

3. Risk Treatment and Mitigation - develop, document and implement formal risk treatments for any risks exceeding the risk appetite and risk tolerance of the District. This risk treatment and mitigation will be updated at least annually.

4. Risk Monitoring and Reporting - assess the effectiveness of the ERM process and make modifications as required. This will involve regular reporting to the Board on emerging/new and existing risks, as well as the respective risk treatments and risk mitigation plans. This risk reporting will be communicated to the Board at least annually.

5. Communication and Training - awareness and training should be developed to ensure that communication is effective and reaches every employee throughout the District. This will promote that risk management responsibilities must be taken seriously by all employees throughout the District.

Roles and Responsibility

The roles, accountabilities, and responsibilities for the District ERM includes:

1. Identifying and evaluating key risks,
2. Documenting and managing the response to key risks,
3. Facilitating appropriate risk/reward decisions at all levels of management, and
4. Communicating risks and management risk responses and risk management priorities to all relevant staff.

The roles and responsibilities for governance and management of ERM are as follows:

Role	Core Responsibility
The Board of Education	Through its delegated authority, the Board of Education will provide direction on the importance of risk management and expected risk management culture. The Board will review and approve management's recommended risk strategy.
Superintendent	The Superintendent retains the ultimate responsibility for risk management and for determining the appropriate level of risk that the District is willing to accept in the determination and execution of the District's strategy and the effective operation of key functions, processes and activities are considered as part of the annual strategic and business planning process.
Secretary Treasurer	As the key facilitator of the ERM process, the Secretary Treasurer supports the Leadership Team to design and facilitate the execution of the ERM framework and processes to support good practice risk management.
Risk Owners	As risk owners, the Leadership Team ensures that risks are managed appropriately be ensuring the integration of risk identification, analysis and response into planning and management processes, and for designing and executing risk management action plans.
All Employees	The District's employees have a general duty of care and are responsible for complying with requests from management in connection with the application of this procedure. Through appropriate preventative and detective action, reasonable care should be taken to prevent and mitigate adverse impacts on the District. Employees need to communicate with management of any addition, deletions and changes in facilities, systems, processes, regulations or operations that may add significant risk and/or significantly affect existing risk assessments.