


| | |
|------------------------|---|
| Policy: | Risk Management |
| Last Amended: | April 2024 |
| Responsibility: | Board of Directors, President, General Manager |
| Table of Contents: | <ol style="list-style-type: none"> 1. General 2. Defining Risk 3. Risk Management Protocol 4. Approach 5. Board of Directors 6. General Manager 7. System of Internal Control 8. Review Timetable |
| Board Chair Signature: |  Ashish Ganapathy |

1. GENERAL

- A. The Saint Mary's University Students' Association is adopting a Risk Management Protocol to identify and control all hazards and risks that the Association faces. For this policy, "the Association" includes student societies that the Board has approved.
- B. The Association uses risk management strategies to make better decisions and to improve the chance of achieving strategic and operational objectives.

2. DEFINING RISK

- A. Risk is the chance of loss or injury. Risk is part of organizational decision-making and is essential for success and growth.

3. RISK MANAGEMENT PROTOCOL

- A. The Association's Risk Management Protocol has a key role to play in the Association's internal control and governance structure. The protocol explains the Association's overarching approach to risk management and documents various roles and responsibilities concerning risk management.
- B. The Association's Risk Management Protocol also describes the process that the General Manager and President use to evaluate the effectiveness of the established internal control and governance structure.
- C. The Association's Risk Management Protocol is to be reviewed annually.

4. APPROACH

- A. The Board considers risk management when making decisions.
- B. The President delegates to the General Manager responsibility for risk management within the Association.
- C. All Association employees maintain an open and receptive approach to mitigating risk, which is to be annually reviewed by the General Manager and President and at least every 2 years by the Board starting in 2024-2025.
- D. The General Manager reviews, advises and implements action plans approved by the President and Board
- E. The Association makes public the financial and non-financial implications of risk when it needs to.
- F. Full-time and executive staff are responsible for encouraging best risk management practices in their areas of operations.
- G. All Association employees are responsible to identify and keep track of possible risks.

5. BOARD OF DIRECTORS

- A. The Board is accountable for assessing and managing risk. They do this by:
 - i. receiving accurate, timely, and clear information from the General Manager through the President and
 - ii. analyzing strategy, performance, and ability to meet goals and objectives;
- B. making sure that financial information and controls are robust ;
- C. leading a culture of risk management within the Association, which includes:
 - i. determining whether the Association is exposed to risk with respect to any relevant issue;
 - ii. setting the standards and expectations of the President with respect to conduct and integrity;
 - iii. approving major decisions that could increase the Association's exposure to risk.

6. GENERAL MANAGER

- A. The General Manager protects stakeholders' interests and the Association's assets.
- B. The General Manager alerts the President to possible new risks.
- C. From time-to-time or as necessary, the General Manager manages all material controls. These include financial, operational, and compliance controls and risk management systems. Financial statements and audits, adherence to the Association's Risk Management Protocol, and all budgetary processes.
- D. The General Manager also evaluates the effectiveness and adequacy of the Association's internal controls. They do this by reviewing the previous year's risk management performance and considering the internal and external risk profiles for the current year.
- E. The General Manager directs full-time staff to put in place protocols for risk management and internal controls.
- F. The General Manager identifies and evaluates for the President risks that could have a high impact on the association (called significant and contingency risks). The President helps the General Manager to lessen the effect of risks and report them to the Board.
- G. In evaluating the effectiveness and adequacy of internal controls, the General Manager and President consider the following:
 - i. the control environment:
 - 1) financial and social objectives
 - 2) organizational structure and resource management
 - 3) culture, approach, and resources concerning risk management
 - 4) delegation of authority

- 5) public reporting
- ii. significant risks:
 - 1) assessing relevant significant risks
 - 2) prioritizing risks and allocating resources to deal with high-exposure risks
- iii. information and communication:
 - 1) quality information about significant risks
 - 2) time needed to put controls in place
- iv. monitoring and corrective action:
 - 1) ability of the Association to learn from and adapt to include identified areas of risk
 - 2) commitment to implementing corrective action and controls.

7. SYSTEM OF INTERNAL CONTROL

- A. High-Level Risk Framework: This framework is made up of the Association’s Risk Management Protocol and a list of recognized risks. Together, these documents allow the Association to identify, assess, and monitor significant risks. The list is formally reviewed every year. Emerging risks will be added, assessed, and controlled as they arise.
- B. Protocols and Procedures: Significant risks have protocols for internal controls.
- C. Monitoring and Reporting: The President and General Manager meet at least three times each year. Together, they are responsible for to provide an assessment of the effectiveness and adequacy of the Association’s system of risk management. This assessment is delivered to the Board through the President each year.
- D. Third-party Reporting: From time to time, the Board may hire an organization from outside the University to address an area of risk where special expertise is helpful.

8. REVIEW TIMETABLE

| Date | Work | Responsible Role |
|----------|---|-------------------------------|
| November | Bi-annual review of risks – update to the Board | President |
| November | Strategic risk profile review completed | General Manager and President |
| January | Review of the Association’s Risk Management Protocol | General Manager |
| February | Approval of Association’s Risk Management Protocol | President |
| April | Bi-annual review of risks – update to the Board | President |
| May | Strategic risk profile review completed | General Manager and President |
| August | Drafting of Annual Risk Management Plan to mitigate major risks | President and General Manager |