

# Risk Management Policy

Administrative Authority: Vice-President, Finance & Administration  
Approval Authority: Board of Governors  
Approval Date: October 20, 2023  
Next Review: October 2026  
Review History:

## 1. Purpose

The university's leadership recognizes that risk management is an integral part of the university's governance framework and its operating environment and is committed to establishing an environment that ensures risk management is a fundamental part of all university activities. The purpose of the policy is to encourage the integration of risk management at all levels of management within the University and to establish guidelines for the reporting of risk to Senior Management and the Board of Governors.

Risk management assists all levels of academic, research and administration management by supporting a systematic approach to identifying, evaluating, and managing the risks which could prevent the university from achieving its strategic and operational goals. In supporting the achievement of the university's strategic and operational goals, the objective of the policy is to raise awareness of risk management. More specifically, the policy provides guidance for all levels of management and other stakeholders, to promote:

- awareness of the business risks that are associated with the operations of the university;
- identification of the university's enterprise risks that the university faces;
- applying due diligence in decision-making;
- an appropriate level of due care in daily operations;
- intelligent risk taking in the pursuit of new ideas and innovation; and
- legal and statutory compliance as a minimum standard.

## 2. Scope

2.1 This policy is applicable

Risk



- develop the risk management framework and policies that allows the University to manage risk in a structured way and promotes a strong risk management culture at the University;
- ensure risk and opportunities are formally recognized, prioritized, and assigned to appropriate risk owners throughout the university.
- ensure that the risk owners have assigned appropriate managers to oversee the implementation of actions to mitigate risks and enhance opportunities wherever possible.
- monitor and report on progress of those actions;
- ensure the ERM program is monitored and updated regularly;
- maintain/update the Top 10 Key Risk Register;
- conduct or arrange appropriate risk management education and training;
- provide policy and processes to departments to identify, analyze and manage risks;
- produce and provide relevant and timely user reports;
- provide an annual ERM status report (measured progress/next steps);
- manage the risk financing program of the University through the procurement of adequate insurance coverage to protect the University's physical assets and any potential liability exposure.

#### 4.6 Role of Internal Audit

At the time drafting this framework Laurentian University does not have the role of Internal Auditor. Should the position be created, the Internal Audit will:

- monitor the effectiveness of the operation of the risk management framework and be an input into the risk identification process; and
- recommend changes to controls, which when implemented will provide more effective and efficient mitigation of the identified risk.

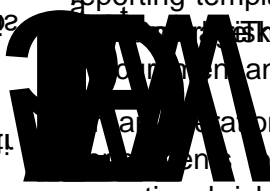
### 5. Enterprise Risk Management Framework

5.1 The university has adopted an Enterprise Risk Management Framework, and procedures to ensure that operational managers apply due diligence, demonstrate due care, comply with applicable laws and regulations, and take the appropriate level of risk when making decisions.

5.2 Managers are required to refer to the Enterprise Risk Management Framework for the identification of risks and management of risks.

The Enterprise Risk Management process is linked directly to the University's strategic planning process. The Director, Procurement and Risk is responsible for the development and implementation of the Enterprise Risk Management Framework and process. It is also the responsibility of the Director to communicate the key enterprise risks identified as part of the Enterprise Risk Management Process to stakeholders, such as senior management and the Board of Governors. The detailed Enterprise Risk Management process, including specifics on risk identification, risk analysis and evaluation, risk treatment and reporting templates are described in the university's Enterprise Risk Management Framework. The framework's details can be accessed by reaching out to the Director, Procurement and Risk Office.

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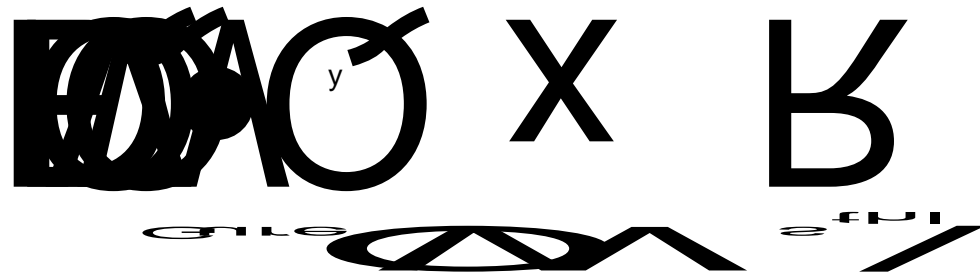


At the operational level, it is the responsibility of all academic and administrative staff to manage day to day risk effectively. To assist managers in the operational risk management process the University has developed a "Guide on How to Perform an Operational Risk Assessment (Department, Project, Event or Activity)". The Guide can be obtained by contacting the Procurement and Risk Office. Before initiating any significant event or activity,

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