

 <b>CAPILANO UNIVERSITY</b>		<b>POLICY</b>	
Policy No.	Officer Responsible		
<b>B.312</b>	<b>Vice President, Finance and Administration</b>		
Policy Name			
<b>Risk Management</b>			
Approved by	Replaces	Category	Next Review
<b>Board</b>	<b>New</b>	<b>Governance</b>	<b>February 2026</b>
Date Issued	Date Revised	Related Policies and procedures	
<b>February 28th, 2023</b>	<b>n/a</b>	<b>B.214 External and Internal Audit Policy</b>	

## 1. PURPOSE

The purpose of this policy is to articulate the University’s approach to risk management as part of its strategic, operational and project management processes, and to define governance and accountability for Risk Management at the University so that risks which the University is exposed to or chooses to take in the pursuit of opportunities are identified and understood and appropriate action is taken to maximise benefit and minimise harm to the University and our community.

## 2. DEFINITIONS

**Employee:** Any person employed by the University

**Risk:** Refers to the effect of uncertainty on objectives, specifically the possibility that an event or change in circumstances might occur (or fail to occur) that impacts the University’s ability to fulfil its’ mandate, vision and values, or to deliver strategic and operational goals and priorities.

**Risk Criteria:** The tool used to evaluate the significance of risks that set out the tolerance and appetite of the University. Risk criteria set out scales to measure the anticipated consequence (sometimes referred to as impact) and likelihood for each risk in order to determine the risk rating.

**Risk Management:** A systematic approach to setting the best course of action under uncertainty by identifying, assessing, understanding, making decisions on, and communicating risk.

**Risk Register:** The document used to describe and track over time the significant risks faced by the University. The register includes the assessment and evaluation of each risk, documents how the University plans to respond to each risk and tracks the effectiveness of that response over time.

**University-related activity:** Activities or events conducted under the authority of the University at any location, on or off campus. All activities on the University's campuses are University-related unless they are conducted under the control of a person, organization, association, or group that is separate from the University.

### **3. SCOPE**

This policy applies to all University employees and to all University related activities. Specific responsibilities for the management and reporting of risk are defined in the Responsibilities section of this policy.

### **4. POLICY STATEMENT**

4.1 The Capilano University "the University" is committed to building increased awareness and developing a sense of shared responsibility for the identification, assessment, recording and response to risk at all levels of the University. The University's approach to risk management aims to:

- a. be understandable, transparent and consistent;
- b. integrate risk management into academic, administrative, strategic and project decision making and activities; and
- c. support the achievement of strategic and operational priorities.

4.2 The University has adopted the ISO 31000 risk management model, used as the basis of risk management practice across the Government of British Columbia, including the Risk Management Branch and University, College and Institute Protection Program of the provincial Ministry of Finance.

### **5. ROLES AND RESPONSIBILITIES**

5.1 Managing risk is a core responsibility for all University Administrators, key to academic and administrative management and to project and strategic planning. All employees are responsible for participating in initiatives to identify, assess and evaluate risks, for implementing controls as directed and reporting any risks that they become aware of.

5.2 The risk management program is directed by the Vice President Finance and Administration, led and managed by the Director, Risk Management and reports to the Audit and Risk Committee.

5.3 The University will establish an Audit and Risk Committee to assist the Board in fulfilling its obligations and oversight responsibilities related to risk management, the internal and external audit processes, financial reporting, and the system of internal controls regarding financial reporting, accounting compliance and the prevention and detection of fraud.

The Audit and Risk Committee will:

- a. review and approve the Risk Framework and Risk Criteria;
- b. receive and review periodic reports on the implementation of the risk management program;
- c. receive and review the University Risk Register, and reports on all higher rated risks;
- d. review Board policies on risk related matters and make recommendations for approving, updating, or rescinding such policies to the Board for approval; and
- e. review proposed changes to the Risk Framework, Risk Criteria or other aspects of the risk management program and make recommendations for approval to the Board.

5.4 The Vice President, Finance and Administration is responsible for:

- a. appointing a suitably qualified individual to lead the University's risk management program;
- b. ensuring that a sufficient budget is allocated to support the risk management program;
- c. overseeing the development and implementation of the Risk Framework and Risk Criteria;
- a. overseeing the University's processes for identifying, analyzing, evaluating, responding to, monitoring, and reporting on key risks; and
- d. fostering a collaborative, University-wide approach to risk management.

5.5 The Director, Risk Management is responsible for:

- a. developing the Risk Management Framework and Risk Criteria in consultation with the Vice President, Finance and Administration
- b. developing an ongoing process to identify, assess, evaluate, develop risk response plans and report on significant risks through the University's Risk Register;
- c. supporting and facilitating University Administrators in identifying, assessing, evaluating, responding and reporting on the risks within their areas of responsibility;
- d. developing risk management processes, protocols and guidance;
- e. providing bi-annual reports on the progress of the Risk Management program, Risk Register updates and reports on all higher rated risks to the Executive and the Risk and Audit Committee; and
- f. with the Director of Communications, developing key messages to raise risk awareness across the University Community.

5.6 Members of the Executive Team are responsible for

- a. reviewing and refining the Risk Framework and Risk Criteria;
- b. approving the appointment of Risk Owners to manage risk in their portfolios;
- c. receiving and approving risk updates from Risk Owners; and
- d. making sure that programs or initiatives under their leadership are aligned with the risk management program.

5.7 Project Managers and Steering Groups are responsible for

- a. completing an initial project risk appraisal and for significant initiatives, developing a project risk register;
- b. incorporating risk response plans into project planning;
- c. making regular reports on the project risk management process, risk status and the progress of project risk response plans; and
- d. reflecting on issues arising during the project and communicating lessons learned.

5.8 Those identified as Risk Owners are responsible for:

- a. describing, assessing and evaluating each risk;
- b. developing and actioning risk response plans; and
- c. providing regular updates on the risks they are responsible for, including the effectiveness of controls, progress with risk response plans and changes to the risk environment.

## **6. RISK MANAGEMENT PROGRAM, FRAMEWORK, CRITERIA AND REGISTER**

6.1 The University will implement a risk management program to make sure that risks that may impact on University objectives are identified and addressed and that risk management is incorporated into core operations, including coordinating and overseeing:

- a. the development of a register of all risks with the potential to significantly impact the University community and our partners;
- b. the assessment, evaluation and prioritization of each risk using consistent criteria;
- c. the development of risk response plans in order to manage each risk within agreed risk tolerances;
- d. regular reports on the progress of risk response plans; and
- e. education and awareness initiatives to increase the understanding of risk management across the University

6.2 The Risk Management Framework supports this policy by providing an outline of the University's approach to risk management including:

- a. the governance and oversight processes in place,
- b. a high level description of the risk management process, guidance on evaluation using the University risk criteria and guidance on developing appropriate risk responses.

6.3 The University has developed a set of Risk Criteria to be used for all University-wide risk evaluation exercises, with standardized descriptions of consequence and likelihood levels. The consequence criteria are a set of qualitative descriptions set in relation to the University's strategic priorities and organisational objectives, focusing on the possible impact on learners and employees, university functions, wider community consequences and resource impact. Criteria will be reviewed and updated on a periodic basis to ensure alignment with University priorities, reflect any changes to the mandate from the Ministry and account for inflation and other environmental changes.

6.4 A University Risk Register will be created to record risks, their causes and consequences, the controls currently in place and risk response plans. All risks will be assigned to a member of the Senior Leadership Council and will be reviewed and approved by the VP responsible for the portfolio where the risk arises or that has responsibility for all or a significant part of a risk response plan.

6.5 Major projects are also required to develop project risk criteria and to identify and monitor risks to be addressed, created by or that impact project objectives in a Project risk register with oversight by the Project Steering Committee (or equivalent alternative).

## **7. DESIGNATED OFFICER**

The Vice President, Finance and Administration is the Policy Owner, responsible for the oversight of this Policy. The Administration of this Policy and the development, subsequent revisions to and operationalization of any associated procedures is the responsibility of the Director, Risk Management.

## **8. POLICY REVIEW AND AMENDMENT**

This policy and associated procedure will be reviewed on a regular basis and amended as required in accordance with Policy B.102 Policy Development and Management.

## **9. ASSOCIATED GUIDANCE**

B.214 External and Internal Audit Policy

OP.402 Health and Safety

E.404 Crisis and Emergency Management

Capilano University Risk Framework

Capilano University Risk Criteria

## **10. REFERENCES AND PROFESSIONAL STANDARDS**

ISO 31000 Risk Management - Guidelines

Risk Management Guideline for the BC Public Sector