

Medicine Hat College Board Policy

Policy #: **FIN-04 Enterprise Risk Management (ERM)**

Effective Date: May 16, 2023

Next Mandatory Review Date: May 16, 2026

Frequency of Reviews: Every 3 years



1. HIGH LEVEL STATEMENT

The Board of Governors (the Board) acknowledges that all activity has an element of risk associated with it. Due to the diverse nature of the college's operations including instruction and community service, and the fact that not all risks can be avoided or transferred to third parties through insurance policies, contracts or waivers, the management of risk at all levels of the organization is imperative. Medicine Hat College (MHC) manages risk to protect its assets and will maintain a proactive, long term, and sustainable Enterprise Risk Management (ERM) strategy.

2. PURPOSE

This policy promotes a proactive, consistent, scalable approach to risk management throughout MHC to support decision-making and governance responsibilities. MHC is committed to building increased awareness and a shared responsibility for risk management at all levels of the organization.

3. SCOPE

This policy applies to the Board when involved in ERM activities, including approach and implementation across MHC.

4. PRACTICES

- MHC seeks to share risk with third parties through the use of insurance policies, waivers, and contracts.
- A consistent risk assessment process is used in developing risk registers, including those for executive portfolios, departments, and strategies/initiatives where a separate registry is appropriate.
- Risk assessment and mitigation is a standard element of business cases, new programs and courses, and changes within the operation of MHC.
- Identified risks are evaluated and either accepted, avoided, controlled, or transferred depending upon the impact(s) the risk may have against the achievement of MHC's strategic direction and vision.
- ERM supports the achievement of MHC's strategic priorities, which may occasionally require a higher risk acceptance; however, significant risk controls must be implemented when public funds, reputation, and loss prevention (serious harm,

injury, property damage or environmental impact) remain within the scope of accepted risk.

5. RESPONSIBILITIES

The MHC Board of Governors is responsible for approving the Board Risk Management Policy and Risk Appetite Statement as well as endorsing and monitoring effectiveness.

The President and CEO is responsible for ensuring effective risk management performance within the Risk Management Framework.

6. RELATED INFORMATION

Appendix A - Institutional Risk Appetite Statement
Risk Management Framework (Operational)

DOCUMENT HISTORY

May 2023	Policy Approved
Xxx 20xx	Reviewed – Revised Policy Approved
Xxx 20xx	Reviewed – No Changes Made