

Section:	Administration (AD)
Subject:	Enterprise Risk Management

Legislation:	
Effective:	February 6, 2019
Revision:	

APPROVED: _____
President and CEO

POLICY

The policy of the Board of Governors is for SAIT to be a risk-aware institution that properly manages its risks while pursuing opportunities to enhance SAIT's value. All members of the SAIT community are responsible for managing risk as part of their daily responsibilities.

PROCEDURE

DEFINITIONS

RACI chart A matrix of process or risk management strategies set against roles. At each intersection of strategy and role it is possible to assign roles that are responsible, accountable, consulted or informed for that strategy.

RACI: Accountable The person/department accountable for the activity being completed appropriately. Responsible persons/departments report to the Accountable person/department.

RACI: Consulted The person/department not directly involved in carrying out the activity but consulted about the activity. The person/department may be a stakeholder or subject matter expert.

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RACI: Informed	The person/department receiving output from or needing to stay informed about the activity.
RACI: Responsible	The person/department carrying out the activity.
Risk	Anything that can or has the potential to impede SAIT from achieving its priorities, goals and objectives as set out in SAIT’s strategic and business plans. Risk is measured in terms of impact and likelihood.
Risk categories	A collection of common risks relating to SAIT’s activities.
Risk Management Framework	An inventory of current risk management strategies by risk category.
Risk management strategies	Policies, procedures, processes, practices, actions or projects that help SAIT achieve its objectives by reducing risk. They minimize negative events or increase opportunities.
Risk Universe	A document that outlines the current potential risks and risk categories to which SAIT is exposed.
SAIT community	SAIT’s governors, employees, students, contractors, affiliates and volunteers.

GOVERNING PRINCIPLES

1. Schools/departments manage risk on a decentralized basis by regularly using risk management strategies.
2. SAIT’s president and CEO is responsible for SAIT’s risk management. The president and CEO will delegate authority to the CFO and vice president, corporate services, who will report on risk management at least annually to SAIT’s Audit Committee and SAIT’s Board of Governors.

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PROCEDURE

A. Risk Management

1. A Risk Management Framework must be in place for each risk category in the Risk Universe. This framework:
 - a) Outlines existing and future risk management strategies for each risk category.
 - b) Assigns responsibility in the form of a RACI Chart for each current risk management/mitigation strategy.
 - c) Assigns an owner who is responsible for implementing future risk management strategies, and a timeline for implementation of those strategies.

B. Maintaining the Risk Management Framework

1. The associate vice president, finance, is responsible for maintaining the Risk Management Framework and will:
 - a) Review the future risk management strategies on a quarterly basis to assess the implementation status of those strategies in accordance with their implementation timelines.
 - b) Confirm that new risk management strategies have been fully implemented with the risk management strategy owner and integrate those strategies into the Risk Management Framework's existing risk management strategy section.
 - c) Refresh the Risk Universe every two years by reviewing risk categories, considering SAIT's current activities, including new and emerging risks and risk categories, and removing irrelevant categories.
2. Schools/departments will refresh the Risk Management Framework every two years by:
 - a) Providing all current and future risk management strategies employed to manage their risks.
 - b) Assigning responsibility using a RACI chart for risk management strategies.

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3. The creation of and revisions to the Risk Management Framework and Risk Universe must be reviewed and approved by:
 - a) CFO and vice president, corporate services.
 - b) Executive Management Council.

POLICY/PROCEDURE REFERENCE

AD.1.11 Enterprise Risk Management Policy

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