



## POLICY STATEMENT

Policy Name	<b>Enterprise Risk Management</b>		
Policy #	<b>502-G</b>	Category	<b>General Administration</b>
Policy Sponsor	<b>Associate Vice-President, Strategy</b>	Previous Revision Date	<b>June 22, 2012</b>
Policy Approved by	<b>Board of Directors</b>	Issue or Revision Date	<b>June 27, 2018</b>
Procedures Approved by	<b>President &amp; CEO</b>	Review Date	<b>June 2021</b>

See the related [PROCEDURES](#).

### PURPOSE

The purpose of Enterprise Risk Management (ERM) at Saskatchewan Polytechnic is to identify and manage the risks that could influence the achievement of the organization’s strategy and operations. The ERM program provides a structured, consistent, and continuous process for the proactive identification and reporting of risks to senior management and the Board of Directors. The policy and procedures establish the principles of the program, assign roles and responsibilities for risk management and establish a common risk language.

### GUIDING PRINCIPLES

The ERM program is directed by the following guiding principles:

1. Saskatchewan Polytechnic is committed to assessing and managing Risk as an important aspect of the stewardship of its resources and responsibilities in fulfilling its vision, mission, values, and strategic goals.
2. Saskatchewan Polytechnic views ERM as an integrated activity embedded in the strategic planning, execution, and operations of the organization, and not as a standalone activity separate from the organization’s main activities and processes.
3. Saskatchewan Polytechnic is committed to embedding a culture of Risk Management across all areas of the organization’s operations.
4. Saskatchewan Polytechnic defines Risk in a neutral way. It is defined as the effect of uncertainty on objectives. Managing Risk leads to realizing opportunities as well as limiting losses.
5. Saskatchewan Polytechnic understands that ERM supports and facilitates the achievement of Saskatchewan Polytechnic’s strategy and operations by standardizing the process for the identification, analyses, evaluation, treatment, monitoring and reporting of strategic and operational Risks on an ongoing basis.
6. Saskatchewan Polytechnic accepts that ERM informs decision making and action regarding strategic and operational activities by providing decision-makers with informed choices to manage through uncertainty.

## **POLICY**

Saskatchewan Polytechnic will maintain an ERM program to support strategic execution and operations. Saskatchewan Polytechnic will utilize an established framework to develop and implement its ERM program.

## **DEFINITIONS**

**Control Record** – a document that defines each risk, assigns ownership, and contains the risk score (both impact and likelihood). It also contains the list of existing risk controls, the risk appetite and tolerance and key performance indicators.

**Enterprise Risk Management (ERM)** – the methods and processes used by the organization to manage risks and seize opportunities related to the achievement of goals and objectives.

**Impact** – the effect and consequence the risk will have on the organization.

**Likelihood** – the chance of a risk happening, whether defined, measured or determined objectively, subjectively, qualitatively or quantitatively.

**Risk** – the effect of uncertainty on the achievement of objectives.

**Risk Appetite** – the level of risk that an organization is prepared to accept in pursuit of its objectives, and before action is deemed necessary to reduce the risk.

**Risk Controls** – the processes used to monitor and minimize the probability and impact of unfortunate events.

**Risk Management** – the coordinated policies, procedures and activities to direct and control Saskatchewan Polytechnic with regard to risk. This includes: identifying, analyzing, evaluating, treating, monitoring and reporting risks.

**Risk Owner** – a person or entity with the accountability and authority to manage a risk. All risks in the risk register are owned by a single named individual with the understanding that it may take shared responsibility to mitigate or manage the risk successfully.

**Risk Register** – a record of information about identified risks.

**Risk Score** – identifies the magnitude of a risk and is expressed in terms of the product of likelihood and consequences.

**Risk Tolerance** – the readiness to bear a risk in order to achieve objectives.

## **RELATED POLICIES/DOCUMENTS**

International Standards Organization's Risk Management Principles and Guidelines

## **APPLICABLE LEGISLATION OR REGULATIONS**

N/A