



**Original Approval Date:** January 20, 2006  
**Most Recent Approval:** December 8, 2023  
**Most Recent Editorial Date:** -

## Enterprise Risk Management Policy

<b>Office of Accountability:</b>	Vice-President (University Services and Finance)
<b>Office of Administrative Responsibility:</b>	Internal Audit and Enterprise Risk Management
<b>Approver:</b>	Board of Governors (Board Audit and Risk Committee)
<b>Scope:</b>	Compliance with the University of Alberta (university) policy extends to all members of the university community and all activities conducted by or on behalf of the university.

### Overview

In an environment of significant change and of increasing competition it is essential that the university recognizes the importance of assuming a reasonable level of risk to fulfill its vision, mission and strategic priorities.

Due to the diverse nature of the university’s education, research and community engagement, and the fact that not all risks can be transferred to third parties, the management of risk at all levels of the organization is imperative.

### Purpose

The purpose of this policy is to formally articulate the university’s approach to enterprise risk management (ERM) and provide an overview of the related roles and responsibilities.

### Policy

#### 1. Principles

The university will utilize the International Organization for Standardization 31000 “Risk management – Guidelines” standard to:

- a. Establish and maintain an effective and efficient ERM program, including an ERM Framework, to support the university in achieving its mission, vision and strategic priorities.
- b. Integrate the ERM program into the university's culture, strategic and operational planning and activities.
- c. Ensure a systematic, consistent, proactive, continuous and scalable approach to ERM is utilized throughout the university to support decision making and governance responsibilities.
- d. Identify, assess, evaluate, treat and monitor the risks within the university's risk appetite. This may include, when appropriate and cost effective, sharing the risk with third parties through the use of insurance policies, waivers and contracts.

## **2. Risk Appetite**

In alignment with the [University of Alberta Strategic Plan "Shape - A Strategic Plan of Impact \(2023-2033\)"](#), the following is the university's Institutional Risk Appetite Statement:

Over the next ten years, the university is striving for deeper and more transformational impact and promotes doing things fundamentally different. It is understood that there is an element of risk in any decision or activity and all members of the university community are encouraged to responsibly manage risk by leading with purpose and making a lasting, positive impact that assists the university in achieving its mission, vision and objectives.

## **3. Roles and Responsibilities**

All members of the university community manage risk and work collaboratively to ensure an effective ERM program is in place.

The Board has ultimate oversight of the ERM program and has delegated responsibility to the Board Audit and Risk Committee, who is responsible for keeping the Board abreast of key developments.

The Vice President (University Services and Finance) has the following roles and responsibilities:

- Primary responsibility to establish and execute the ERM program in collaboration with the President and Vice Chancellor and the President's Executive Committee - Strategic.

- Authority to establish, approve and amend procedures, including the ERM Framework, necessary for the purpose of implementing this policy.

#### 4. Review

This policy will be reviewed by the Board, through the Board Audit and Risk Committee, at minimum every five years or as deemed required.

### Definitions

<b>Enterprise Risk Management</b>	The coordinated activities to direct and control the university with regard to risk.
<b>Risk</b>	The effect of uncertainty on the university’s objectives. An effect is a deviation from the expected that can be positive (commonly referred to as an opportunity), negative, or both.
<b>Risk Appetite</b>	The amount of risk the university is willing to accept in the pursuit of its objectives.
<b>University Community</b>	All employees, (including but not limited to academic staff, support staff, excluded staff and postdoctoral fellows as outlined and defined in the <a href="#">Recruitment Policy (Appendix A and Appendix B: Definitions and Categories)</a> , adjunct professors, professors emeriti, lecturers, clinical staff; all students (including undergraduate, graduate and Continuing & Professional Education students); visitors, volunteers, contractors, and members of the Board of Governors.

### Related Links

- [Internal Audit and Enterprise Risk Management Website](#)
- [University of Alberta Strategic Plan “Shape - A Strategic Plan of Impact \(2023-2033\)”](#)

### Published Procedures of This Policy

- [Enterprise Risk Management Framework](#)

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