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Risk Management Policy

Office of Accountability:	Office of the Vice-President (Finance and Administration)
Office of Administrative Responsibility:	Risk Management Services
Approver:	Board of Governors (Board Audit Committee)
Scope:	Compliance with University policy extends to all members of the University community. The Risk Tolerance Statement is to be applied at the institutional level

Overview

In an environment of significant change and of increasing competition it is essential that the University recognize the importance of assuming a reasonable level of **risk** if it is to fulfill its vision, mission and strategic priorities. Due to the diverse nature of the University's teaching, research and community service, and the fact that not all risks can be transferred to third parties through insurance policies, contracts or waivers, the management of residual risk at all levels of the organization is imperative. The Board of Governors has delegated responsibility for **risk management** policy matters to the Board Audit Committee.

Purpose

The University is committed to building increased awareness and a shared responsibility for risk management at all levels of the organization. A clearly defined Risk Management Policy supports this. This policy is intended to assist in decision making processes that support the acceptance of risk, improve the management of existing uncertainty and the approach to new opportunities, thereby helping the University achieve its vision and mission and to maximize the University's available resources.

POLICY

The University will accept and manage risk in support of the University achieving its vision, mission and strategic priorities. In doing so it will protect both the University community and its assets and will maintain a proactive, long-term and sustainable enterprise-wide risk management strategy as summarized in the Risk Management Framework and supported by the **Risk Tolerance** Statement, which is applied at the institutional level.

The management of risk is a shared responsibility at all levels of the University.

The University, when appropriate and cost effective, will seek to share risk with third parties through the use of insurance policies, waivers and contracts.

DEFINITIONS

Any definitions listed in the following table apply to this document only with no implied or intended institution-wide use. [\[▲Top\]](#)

Risk	<p>The effect of uncertainty on objectives.</p> <p>An effect is a deviation from the expected – positive and/or negative.</p> <p>Objectives can have different aspects (such as financial, health and safety, and environmental goals) and can apply at different levels (such as strategic, organization-wide, project, product and process).</p> <p>Risk is often characterized by reference to potential events and consequences, or a combination of these.</p> <p>Risk is often expressed in terms of a combination of the consequences of an event (including changes in circumstances) and the associated likelihood of occurrence.</p> <p>Uncertainty is the state, even partial, of deficiency of information related to, understanding or knowledge of, an event, its consequence, or likelihood.</p>
Risk Tolerance	<p>The organization's or stakeholder's readiness to bear the risk after risk treatment in order to achieve its objectives.</p> <p>NOTE Risk tolerance can be influenced by legal or regulatory requirements.</p>
Risk Management	<p>The coordinated activities to direct and control an organization with regard to risk.</p>

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PUBLISHED PROCEDURES OF THIS POLICY

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[Risk Management Policy \(Appendix A\) Institutional Risk Tolerance Statement](#)

[Risk Management Policy \(Appendix B\) Framework and Process](#)

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