



RISK MANAGEMENT PROCEDURE

Procedure Type:	Institutional	Initially Approved:	January 10, 2017
Procedure Sponsor:	Vice-President, Finance and Operations	Last Revised:	April 8, 2025
Administrative Responsibility:	Finance Department	Review Scheduled:	April 2030
Approver:	President and CEO		

A. PURPOSE

This procedure aims to establish a consistent and effective approach to identifying, assessing, managing, and monitoring risks that may affect the achievement of AUArts' objectives. This procedure aligns with the university's commitment to fostering a proactive risk management culture and ensuring the sustainable achievement of its strategic goals.

B. SCOPE

This procedure applies to all academic, administrative, operational, and financial activities within AUArts.

C. RISK CATEGORIES

AUArts employs an Enterprise Risk Management (ERM) system with the following risk categories:

- Academic and Instructional
- Operational
- Financial
- Administrative

D. PROCEDURE

1. GUIDING PRINCIPLES

- 1.1. Vice President, Finance and Operations facilitates the coordination and documentation of the risk management reporting process.
- 1.2. AUArts maintains a Risk Register that summarizes identified institutional risks and associated actions.
- 1.3. In identifying and quantifying organizational risks, the following approaches may be used:
 - a) Information collection from Risk Owners using the Risk Identification Form
 - b) Feedback from other AUArts sources, including employees, contractors, and publications
 - c) Reference of external sources such as Provincial or Ministerial sources and publications, risk trends, and investment reports
- 1.4. Each identified risk is assigned to a Cabinet member as "risk owner" by the Vice

President, Finance and Operations (VPFO) with the accountability and authority to manage the risk.

- 1.5. If a risk treatment plan is required, the risk owner will be responsible for overseeing the development and implantation of the e plan.

2. PROCESS

2.1. Risk Identification

- a) Annually, the Vice President Finance and Operations will facilitate risk identification and documentation.
- b) Identified risks are documented using the Institutional Risk Identification Form. The Vice President Finance and Operations compile identified risks into an institutional Risk Register.

2.2. Risk Assessment

- a) Each identified risk is assessed using a standardized risk-scoring methodology for its potential impact and likelihood of occurrence.
- b) Risks are categorized on a risk matrix as Low, Medium, or High

2.3. Risk Mitigation

- a) For each assessed risk, a mitigation plan is developed, outlining actions to reduce the likelihood or impact of the risk.
- b) Risk Owners are responsible for the timely implementation of risk mitigation plans.

2.4. Risk Monitoring, Review, and Reporting

- a) The VPFO evaluates all identified risk and risk documentation for completeness, reasonability and accuracy.
- b) A risk report, Risk Register and heat map are prepared and presented to the President's Cabinet and Board by the Vice President Finance and Operations.
- c) Risk owners monitor the status of risks and the effectiveness of mitigation plans.

E. DEFINITIONS

Risk: The possibility of an event or condition that may adversely impact the achievement of AUArts' objectives

Risk Management: The systematic process of identifying, assessing, managing, and monitoring risks

Risk Owner: An individual responsible for managing specific risks

Risk Appetite: The level of risk that AUArts is willing to accept in pursuit of its objectives

Risk Register: A centralized record of all identified risks and their management plans

F. RELATED LEGISLATION

- Post-Secondary Learning Act (PSLA)

G. RELATED DOCUMENTS

- Risk Management Policy
- Risk Management Matrix
- Risk Identification Form
- Health and Safety Policy
- President's Cabinet Terms of Reference

H. REVISION HISTORY

Date (mm/dd/yyyy)	Description of Change	Sections	Person who Entered Revision (Position Title)	Person who Authorized Revision (Position Title)
07/23/2024	Revisions for clarity and relevance	All sections	VP Finance and Opertions	President and CEO
04/08/2025	Revisions and Updates	All	VP Finance and Opertions	President and CEO