



**RISK MANAGEMENT POLICY**

<b>Policy Type:</b>	Institutional	<b>Initially Approved:</b>	February 26, 2009
<b>Policy Sponsor:</b>	President and CEO	<b>Last Revised:</b>	May 28, 2019
<b>Primary Contact:</b>	VP Administration	<b>Review Scheduled:</b>	May 2024
<b>Approver:</b>	President and CEO		

**A. INTENT**

The purpose of this policy is to establish a set of standards for understanding, and identifying the principle and potential risks of the activities in which the Alberta University of the Arts (AUArts) is engaged.

**B. SCOPE**

This policy applies to all administrative, academic, and research activities undertaken by, and on behalf of, AUArts.

**C. POLICY STATEMENT**

**1. General**

- 1.1 The AUArts Board of Governors has delegated to the President and CEO the authority to administer the operations of AUArts within an acceptable level of risk.
- 1.2 The President and CEO and Cabinet are responsible for identifying and communicating potential or real risks to the AUArts Board of Governors to allow the Board to monitor that:
  - a. The institution is appropriately managing risks that exist at levels both inside and outside of the Board’s acceptable level of risk appetite/tolerance.
- 1.3 The President and CEO shall establish procedures for assessing risk, assigning a treatment plan, and annually reporting to the Board through the Board’s Finance and Audit Committee the following:
  - a. Risks currently assessed within the threshold of acceptable risk
  - b. Risks currently assessed as outside the threshold of acceptable risks
  - c. The assigned treatment plan of either risk acceptance, risk avoidance, risk mitigation, or risk transfer and the reasoning behind the determination.

**D. DEFINITIONS**

**Risk:** The effect of uncertainty on objectives, which can be positive or negative, and is measured as a combination of probability of occurrence and impact of an event/change in circumstance.

**Risk appetite/tolerance:** The amount and type of risk that the Board of Governors is prepared to pursue or retain. The Board currently requires reported risks with a score of medium (either equal to or greater than 6) to be reported with a risk treatment plan.

**Risk Management:** The name given to the coordinated activities of the institution to direct and control risk.

**Risk Acceptance:** Retain the risk by informed decision.

**Risk Avoidance:** Deciding not to start or continue to pursue an activity or program as a result of the identified risk.

**Risk Mitigation:** Reduce the probability and/or negative consequences (impact) of a risk to a desirable level.

**Risk Transfer:** Give Responsibility of a risk to a third party (e.g. insurance, bonds, warranties, third party contracts).

**E. RELATED LEGISLATION**

- Post-Secondary Learning Act (PSLA)

**F. RELATED DOCUMENTS**

- AUArts Board of Governors Bylaws
- 100. Board of Governors: Code of Conduct Policy
- AUArts Finance and Audit Committee Terms of Reference
- 600. Computing and Technical Services: Information Security Policy AUArts Risk Management Framework

**G. REVISION HISTORY**

Date (mm/dd/yyyy)	Description of Change	Sections	Person who Entered Revision (Position Title)	Person who Authorized Revision (Position Title)