

# Risk Management Policy

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## 1.0 Rationale and Scope

- 1.1 This policy describes the University's commitment to facilitating strategic and operational goals and objectives through risk management, enabling continuous improvement in decision-making and performance;
- 1.2 The University will promote continuous improvement and review of risk management through regular training, monitoring, audit and reporting processes;
- 1.3 Employees in all areas and activities of the University are responsible for applying risk management principles and practices in their work areas;
- 1.4 Employees in supervisory and managerial positions are responsible for ensuring that risk management principles and practices are applied by those under their supervision.

## 2.0 Principles

A common risk management process is established in accordance with the following standards:

AS/NZS 4360:2004 Risk Management;

ISO 31000 Risk management — Principles and guidelines on implementation;

HB 221:2004 Business Continuity Management.

## 3.0 Policy

The risk management policy specifies that:

- 3.1 All current and future University activities are to be risk assessed prior to commencement and risk managed throughout the activity's duration;
- 3.2 All University risk identification, analysis, evaluation and treatment are to be reported and updated within the University's risk register;
- 3.3 All University Cost Centre's are to implement business continuity management plans, and maintain business continuity management data within the University's business continuity management system.

## 4.0 Definitions

- 4.1 "Risk" is identified as any event that has an impact on the realisation of the University's strategic and operational goals and objectives;
- 4.2 "Strategic Risks" are recognised as risks that affect the ongoing work of the University as outlined in the University's Strategic Plan;

- 4.3 “Operational Risks” relate to all other corporate risks associated with the operation of the University;
- 4.4 “Risk Identification” The process of determining what might happen, how, when and why;
- 4.5 “Risk Analysis” is the systematic process applied to understand the effect of the uncertainty of the risk on our goals and objectives;
- 4.6 “Risk Evaluation” is the process of comparing the significance of the risks to define the order in which they should be dealt with;
- 4.7 “Risk Treatment” is the process of selection and implementation of measures to modify risk.

## 5.0 Responsibilities

The Risk Management Policy places responsibility upon employees at all levels within the University.

### 5.1 Audit and Compliance Committee

As a committee of the University Council, the Audit and Compliance Committee oversees the risk management and business continuity framework, management and implementation, on behalf of the Council.

- (a) The Audit and Compliance Committee are responsible for ensuring that the University executives comply with appropriate risk management and business continuity policies and practices;
- (b) To ensure that risk management and business continuity policies, procedures and framework are established, implemented and maintained;
- (c) Identifying strategic and significant operational risks (in consultation with the Vice-Chancellor) that impact upon the University's strategic objectives;
- (d) Monitor the management of strategic and significant operational risks;
- (e) Promote compliance with statutory and regulatory requirements and make recommendations to the Director of Internal Audit and Risk Management, the Risk Management Policy and Steering Committee, and the Vice-Chancellor (as appropriate) on risk management and business continuity policies, framework and procedures.

### 5.2 Risk Management Policy and Steering Committee

Risk Management Policy and Steering Committee provides overview and direction to the risk management processes within the University. The Risk Management Policy and Steering Committee reports and makes recommendations to the Audit and Compliance Committee.

- (a) Monitor and review of strategic, significant operational and enterprise-wide risks;
- (b) Receive and consider risk management and business continuity reports to inform the Audit & Compliance Committee;

- (c) Make recommendations to the Director of Internal Audit and Risk Management, on risk management and business continuity policies and procedures;
- (d) Review risk management and business continuity management incidents as they occur.

### 5.3 Risk Management and Internal Audit Directorate

The Directorate facilitates the application of risk management in operational, decision making and governance processes as well as:

- (a) Develop, implement and maintain University-wide risk management and business continuity frameworks;
- (b) Provide support and advice to relevant University executive on risk management issues affecting their portfolios, including the identification, analysis and evaluation of risk and the development and implementation of risk treatment and business continuity plans;
- (c) Establish and administer a University-wide risk register;
- (d) Establish and administer University-wide business continuity management system;
- (e) Implement campus-wide risk management and business continuity training.

### 5.4 University of New England Executives

Responsibility within Cost Centre's resides with the respective executive for ensuring that risk management and business continuity are addressed at all levels in their portfolios.

- (a) Nominate senior staff members who shall be recognised as the portfolios Risk Management Manager and Risk Management Coordinator;
- (b) Establishing and maintaining activity portfolios within the University's risk register;
- (c) Establishing and maintaining business continuity management portfolios within the University's business continuity management system;
- (d) Ensure the design, resource, operation and monitoring of internal control systems;
- (e) Assign accountability for managing risks and controls within agreed boundaries and comply with University standards relating to particular types of risks;
- (f) Providing a system of ongoing risk treatment and review that is capable of responding promptly to new and evolving risks;
- (g) Identify and report on the results of assessments, regarding the effectiveness of risk treatments, to the Risk Management Policy and Steering Committee, Audit and Compliance Committee and Vice-Chancellor as part of budget planning, reporting and assurance processes.

### 5.5 Employees

Employees are responsible for applying risk management principles and practices in their work areas. Employees in supervisory and managerial positions are responsible for ensuring that risk management principles and practices are applied by those under their supervision.

- (a) To report risks with the potential to impact upon their work area or the wider University to the relevant area of the University's Risk Management Structure;
- (b) Employees are to participate in University risk management and business continuity education and training activities relevant to their level of responsibility;

5.6 Heads of Controlled Entities and Entities that are derived from the legal status of the University.

Heads of Controlled Entities and Entities that are derived from the legal status of the University are responsible to their respective Boards and through their Board to the University Council for:

- (a) The development and maintenance of strategic plans that integrate risk management principles with strategic planning processes and management activities;
- (b) Identify and report on risk issues for the entity as part of budget planning, reporting and assurance processes;
- (c) Implementing business continuity management and the development and maintenance of business continuity management plans.