



AP 573 – ENTERPRISE RISK MANAGEMENT

PURPOSE

Enterprise Risk Management (ERM) is designed to identify, assess and respond to potential and existing events or risks that may significantly affect the division’s ability to achieve its strategic plan.

Saskatoon Public Schools is committed to ensuring that risk management practices are embedded into key processes and operations to drive consistent, effective and accountable actions and decisions in management practice and board governance. Saskatoon Public Schools has designed its ERM framework to be consistent with industry best practice.

The end product of ERM includes a ranked risk register used to respond to specific risks and also as a tool in developing the strategic plan and budget.

The purpose of the ERM administrative procedure is to outline the ERM process, timelines, roles and responsibilities.

PROCESS

The ERM process at Saskatoon Public Schools has five components. The risk identification, risk assessment and risk strategy plan development components require a significant time investment and are generally completed every other year.

Generally, during the ensuing time period the risk register will not significantly change, but if adjustments are needed, they can be done through the risk monitoring and risk reporting components.

Component	Description	Participants	Frequency
Risk identification	Administrative Council and Board Trustees attend separate facilitated sessions where risks that are significant to the division are identified.	Administrative Council, Board of Trustees	Every 2 years
Risk assessment	Administrative Council and Board Trustees attend separate facilitated sessions where the identified risks are assessed based on the likelihood to occur and the impact to the division if they were to occur. This information is then summarized in a risk register.	Administrative Council, Board of Trustees	Same as risk identification
Risk strategy plan development	For each of the top 10 highest ranked risks, a risk owner is assigned to draft a risk strategy plan to respond to the risk by mitigating its likelihood and/or impact.	Risk owner, Audit & Risk Committee	Same as risk identification
Risk monitoring	The risk register is reviewed by the Audit & Risk Committee, and changes are made as required.	Audit & Risk Committee, Director of Education, Chief Financial Officer, General Manager of Financial Services	Annually in June; additional frequency as determined by the Committee
Risk reporting	For each of the top 10 highest ranked risks, the risk owner updates the status of the risk, reviews the risk strategy plan and makes a recommendation if further work is required.	Risk owner, Administrative Council, Board of Trustees	Annually in October or November in years when risk identification is not conducted



DEFINITIONS

Enterprise Risk Management (ERM): An integrated enterprise-wide process designed to identify, assess and respond to potential and existing events or risks that may significantly affect the division's ability to achieve its strategic plan.

Risk: Anything that has the potential to prevent or impede the division from achieving its goals and objectives. Risks can be categorized as Operations, Financial, Facilities, Governance, Human Resources, Information Technology, Reputation or Strategy & Vision.

Likelihood of occurrence: Probability that a particular risk will occur. These probabilities range from rare to almost certain.

Impact: The significance that a particular risk would have to the division if it occurred. The significance can range from insignificant to catastrophic.

Mitigate: To reduce the adverse impact of a risk or the likelihood of a risk occurring through management processes or internal control activities.

Risk owner: An individual that has been given the authority to manage a particular risk.

Risk register: A listing of all identified risks complete with a description of the risk, the risk score, the risk owner, the risk strategy plan and the status of the risk.

Risk score: The combined Board of Trustees and Administrative Council assessment of the likelihood and impact with the minimum being 1 and the maximum being 5.

Status of the risk: A brief update on what has changed with the risk since the last report.

Top 10 risks: The 10 risks with the highest score. A risk owner is assigned to each to develop a risk strategy plan and each are included on the risk register.

Reference:

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