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Policy Category:	Policy Title:	Policy #:
Governance	Risk Management (General)	POL-G-06
Regulation | Bylaw Reference:		**HPA Reference:**
Section 59		Section 18
Authorization:	**Date Approved:**	**Last Revised:**
CSHBC Board	February 5, 2010	June 29, 2020

PURPOSE

To establish the Board's responsibility for the oversight of risk management (general), including a risk register.

To outline the processes for identifying, assessing, monitoring, and managing risk.

SCOPE

Risk management[1]

POLICY

The Committee will maintain an effective strategy for identifying and managing organizational risks according to the following categories:

- **Compliance risk** – the risk of fines and/or other regulatory penalties for such offences as failure to remit payroll deductions, violating of privacy laws, etc. Also, restrictions on the use of funds received from registrants;
- **External risk** – the risk of becoming irrelevant, losing the support of the public, registrants, or government, and failing to respond to economic, demographic, and/or other trends;
- **Financial risk –** the risk of fraud, financial failure, and decisions based on inadequate or inaccurate information;
- **Governance risk** – the risk of ineffective oversight and poor decision-making;
- **Information technology risk** – the risk that the College's information technology infrastructure may not provide dependable service and accurate, secure information that is available when needed;
- **Operational or Program risk** – the risk of poor service delivery, day-to-day crises, and misuse or neglect of human capital and other resources;
- **Reputation risk** – the risk of losing goodwill, status in the community, and the ability to generate adequate revenue and appeal to prospective stakeholders;

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[1] In this document, "risk" means threats and potential barriers to opportunities, as well as anything that might affect the College's ability to meet its objectives and preserve its reputation.

- **Strategic risk** – the risk of inappropriate or unrealistic programs and initiatives, and failure to keep the College effective and relevant.

A strong and effective *Board & Committee Member Code of Ethics* (POL-G-02), approved, championed, and enforced by a well-balanced Board, communicated to staff, registrants, and other stakeholders, will be used as a tool to mitigate organizational risk.

All Board strategic planning sessions, or Board meetings to approve major programs, projects, or policy changes will include consideration of scenarios for major changes in costs and funding, catastrophic events, and other major risks, including, *inter alia*:

- Inadequate revenues or a reduction in the College's revenues;
- A reduction in the market value of investments and the income derived from them;
- An unsuccessful project or the failure of a strategic initiative;
- Criminal or civil fraud;
- An inadequate response to an emergency (e.g., fire, theft, earthquake, liability, etc);
- Irrelevance because programs or services are no longer in demand or distinctive;
- Excessive increases in the costs of human and other resources;
- Actual or alleged sexual misconduct or abuse by an employee;
- Loss or theft of information;
- Inability to perform critical functions that depend of technology.

Orientation for new Board members will include an overview of the College's risk management processes and major risks; periodic education sessions on risk issues and processes will be conducted.

The Board's nomination process will recognize the need to include members who are familiar with the fields in which the College is active, and the risks it faces.

The Board will take steps to raise awareness and understanding of risk among Board members.

The Board will review this policy annually.

The job description for the position of Registrar & CEO will establish the position's powers and limitations (i.e., requirement for Board approvals) in the context of the College's risk management strategy.

The Registrar & CEO will submit a risk management report (including a 'risk register' as an appendix) to the Board annually for approval.

The Board will adopt a methodological process for identifying risk that involves an appropriate variety of approaches, techniques, and participants. The Board will use the process of 'risk mapping', and apply effective criteria, for assessing risk.

The Board will manage risk in a way that is compatible with its values, objectives, risk tolerance, as well as the College's *Right-touch regulation* policy guideline.

The Board will make its insurance and investment policies integral parts of its overall risk management strategy.

The Registrar & CEO will assist the Board in coordinating risk management processes across the organization.

As part of its risk management strategy, the Registrar & CEO will submit a Business Continuity Plan to the Board for approval annually, in order to manage and respond to sudden, immediate crises.

CSHBC RELATED DOCUMENTS

College of Speech and Hearing Health Professionals of British Columbia Bylaws.

Government of British Columbia, *Health Professions Act*, R.S.B.C. 1996, c.183, Victoria, BC: Queens Printer.

Chartered Professional Accountants Canada, *20 Questions Directors of Not-For-Profit Organizations Should Ask About Risk*

Chartered Professional Accountants Canada, *20 Questions Directors of Not-For-Profit Organizations Should Ask About Crisis Management*

Board Duties & Responsibilities (POL-G-01)

Board & Committee Member Code of Ethics (POL-G-02)

Risk-Management (Insurance) (POL-FA-03)