Enterprise Risk Management Procedure

1 Purpose

To implement the Enterprise Risk Management Policy and related frameworks.

2 Scope

This procedure applies to all University Members.

3 Procedure Overview

This procedure outlines the processes to be followed for an integrated approach to the identification, assessment, treatment, recording, reporting and monitoring and review of Risk.

This procedure aligns with:

- *Higher Education Standards Framework (Threshold Standards) 2021*: Standard 6.2 Corporate Monitoring and Accountability

4 Procedures

4.1 Risk management environment

Risk management applies at all levels of the university and comprises:

- Strategic Risks
- Operational Risks
- Tactical Risks.

4.1.1 Risk management - Strategic

Strategic Risks are identified by Vice-Chancellor's Executive and managed through their portfolios. They are recorded and managed within the University-endorsed Risk management systems and the Deputy Vice-Chancellor Enterprise Services provides bi-monthly reports to Council through the Audit and Risk Committee and Vice-Chancellor's Executive. As a minimum, reports include:

Failure to comply with this Policy or Policy Instrument may be considered as misconduct and the provisions of the relevant Policy or Procedure applied. A hard copy of this electronic document is uncontrolled and may not be current as UniSQ the University regularly reviews and updates its Policies and Policy Instruments. The latest controlled version can be found in the UniSQ's Policy and Procedure Library.

- Identification and assessment of all Strategic Risks;
- Flagging of high or extreme Residual Risk and recommendations to keep the Risk within the agreed Risk Tolerance;
- Identification of new Strategic Risks, assessment, recommended mitigation and Risk management plans; and
- Risk Appetite and Tolerances that reflect emerging threats and opportunities.

4.1.2 Risk management - Operational

Operational Risks are identified by business units and assessed and managed through regular planning operations, including those in Research projects. They are recorded and managed within the University-endorsed Risk management systems, following operational guidelines. As a minimum, records include:

- Identification and assessment of Operational Risks;
- Escalation of high or extreme Residual Risk and recommendations to keep the Risk within the agreed Risk Tolerance; and
- Identification of new Operational Risks, assessment, recommended mitigation and Risk management plans.

4.1.3 Risk management - Tactical

Tactical Risks include projects that are managed under the UniSQ Project Delivery Framework (UPDF) and operational initiatives that are materially significant to warrant Tactical Risk management. Recording, reporting escalation protocols are provided below.

Activity	**Initiative**	**Project (under UPDF)**
Identification and assessment	Initiative managers	Project/Program Managers
Recording	Initiative Risk register	Project-level Risk registers maintained within the UniSQ Project Delivery Framework SharePoint Hub
Reporting frequency	Bi-monthly	Monthly
Reporting and escalation	1. Very low/low Risk - Initiative manager 2. Medium Risk - divisional executive	1. Very low/low Risk - Project Control Group 2. Medium Risk - Program Board

	group 3. High/extreme Risk - Vice-Chancellor's Executive	3. High/extreme Risk - Portfolio Board

4.2 Roles and responsibilities

The following roles and responsibilities are held by University Members to ensure the appropriate management of Risk:

Role	Responsibility	Approval Authority	Minimum Activity Frequency	Reporting Frequency
Establish, monitor, and review an effective Enterprise Risk Management Framework, including Policy Instruments and report to Vice-Chancellor's Committee, Audit and Risk Committee and Council on its implementation	Chief Operating and Financial Officer	Council (policy) Vice-Chancellor (procedure)	Every 3 years	Every meeting (refer University meeting schedule)
Facilitate, support, and monitor application of the Enterprise Risk Management Framework through the Risk Working Group and report progress to the Chief Operating and Financial Officer	Head (University Strategy and Government Relations) and Director (Governance and Compliance)	Chief Operating and Financial Officer	Quarterly	Bi-monthly
Provide independent assessment of the effectiveness of the Enterprise Risk Management Framework	Governance and Compliance (Internal Audit)	Council	As required	As required
Develop, implement, review and approve Risk Appetite and Tolerances	Vice-Chancellor	Council	Annually	Annually
Implement Risk management within portfolio	Vice-Chancellor's	Vice-Chancellor	Constantly	Bi-monthly

areas	Executive Members			
Manage Operational Risks and report to Vice-Chancellor's Executive Committee Members	Line managers	Vice-Chancellor's Executive Members	Constantly	Bi-monthly
Participate in the Risk management process, as provided in Position Descriptions	All Employees	Line managers	As requested by line managers and identified through the annual performance review processes	As required by Line managers

4.3 Risk Appetite and Tolerances

Risk Appetite and Tolerances are expressed in statements, reviewed annually by the Vice-Chancellor in collaboration with Vice-Chancellor's Executive and approved by Council. They are accessible to all University Employees within the intranet and as a minimum take the following form:

Appetite	Action	Definition	Choice~	Trade-off
Minimal	Prevent	All reasonably practical and affordable measures to minimise and, in certain cases, eliminate the Risk where possible must be taken. Management must act in the short-term to return business activities within target.	Will select the lowest Risk option	With extreme reluctance/ never
Conservative	Remediate	Safe approaches should be taken, the cost of controls/mitigation should be evaluated to ensure they achieve a reasonable outcome. A strong preference for strategies and plans that present minimal Risk.	Will accept if limited and heavily outweighed by benefits	Prefer to avoid
Open	Enhance	Management can take measured Risks to operate	Will choose to put at Risk, but	Will under certain

		and enhance the business within appetite; providing adequate controls and contingency plans have been established.	will manage the impact	circumstances
Willing	Pursue	Management must explore opportunities to grow the business within appetite.	Will choose option with highest return, accept possibility of failure	Eager to prioritise above others

~How willing are you to select an option that puts this objective at Risk?
#How willing are you to trade-off against achievement of other objectives

Source: PricewaterhouseCoopers, 2022.

4.4 Risk management

Risk management comprises the following components, as outlined in the Risk Management Framework, and supporting processes:

1. Communication and consultation
2. Scope, context, and criteria
3. Assessment - overall process of Risk
    a. Identification;
    b. Analysis; and
    c. Evaluation
4. Treatment - process to modify Risk in alignment with Risk Appetite and Tolerance Schedule
5. Monitoring and review
6. Recording and reporting (Sections 4.5 and 4.6).

4.5 Risk recording

All Risk-related records are maintained within the University-endorsed enterprise Risk

management systems. As a minimum, this includes:

- Agreed Risk Categories for Strategic, Tactical and Operational Risks;
- Risk registers;
- Risk assessment and treatment;
- Risk management plans;
- Risk responsibility (owners/managers/advisors); and
- Risk escalation methodology and alerts.

4.6 Risk reporting

Reporting is undertaken on all Material Risks and draws upon data retained in the University-endorsed enterprise Risk management systems. Reporting is undertaken at intervals as provided in Section 4.1.

4.7 Education and training

The Chief Operating and Financial Officer ensures that appropriate mandatory and non-mandatory induction, education and training is available for University Members, as appropriate to their position and role within the University. During each annual performance appraisal line managers will ensure that appropriate Risk management training plans are put in place.

5 References

Institute of Internal Auditors, 2018, Factsheet - Risk Management, viewed 12 May 2022, https://iia.org.au/sf_docs/default-source/technical-resources/2018-fact-sheets/factsheet---risk-management.pdf?sfvrsn=2

6 Schedules

This procedure must be read in conjunction with its subordinate schedules as provided in the table below.

7 Procedure Information

Accountable Officer	Vice-Chancellor
Responsible Officer	Director (Governance and Compliance)

Failure to comply with this Policy or Policy Instrument may be considered as misconduct and the provisions of the relevant Policy or Procedure applied. A hard copy of this electronic document is uncontrolled and may not be current as UniSQ the University regularly reviews and updates its Policies and Policy Instruments. The latest controlled version can be found in the UniSQ's Policy and Procedure Library.

Policy Type	University Procedure
Policy Suite	Enterprise Risk Management Policy
Subordinate Schedules	Risk Appetite and Tolerance Schedule (under development)
Approved Date	2/1/2026
Effective Date	2/1/2026
Review Date	6/12/2027
Relevant Legislation	
Policy Exceptions	Policy Exceptions Register
Related Policies	Fraud and Corruption Risk Management Policy National Security Policy Work Health and Safety Policy
Related Procedures	Fraud and Corruption Risk Management Procedure National Security Procedure Sanctions and Export Controls Procedure
Related forms, publications and websites	Crisis Management Framework Enterprise Risk Management Framework (under development) Fraud and Corruption Control Plan UniSQ Project Delivery Framework University Meeting Schedule
Definitions	**Terms defined in the Definitions Dictionary**
	Council Council means the governing body, the University of Southern Queensland Council. Employee A person employed by the University and whose conditions of employment are covered by the Enterprise Agreement and includes persons employed on a continuing, fixed term or casual basis. Employees also include senior Employees whose conditions of

employment are covered by a written agreement or contract with the University.

Policy Instrument

A Policy Instrument refers to an instrument that is governed by the Policy framework. These include Policies, Procedures and Schedules.

Research

Research is the creation of new knowledge and/or the use of existing knowledge in a new and creative way to generate new concepts, methodologies, inventions and understandings. This could include the synthesis and analysis of previous research to the extent that it is new and creative.

Risk

The effect of uncertainty on objectives.

Risk Appetite

The level of Risk the University is willing to accept or take in pursuit of its objectives.

Risk Tolerances

Boundaries for Risk taking expressed in upper and lower limits.

University

The term 'University' or 'UniSQ' means the University of Southern Queensland.

University Members

Persons who include: Employees of the University whose conditions of employment are covered by the UniSQ Enterprise Agreement whether full time or fractional, continuing, fixed-term or casual, including senior Employees whose conditions of employment are covered by a written agreement or contract with the University; members of the University Council and University Committees; visiting, honorary and adjunct appointees; volunteers who contribute to University activities or who act on behalf of the University; and individuals who are granted access to University facilities or who are engaged in providing services to the University, such as contractors or consultants, where applicable.

Failure to comply with this Policy or Policy Instrument may be considered as misconduct and the provisions of the relevant Policy or Procedure applied. A hard copy of this electronic document is uncontrolled and may not be current as UniSQ the University regularly reviews and updates its Policies and Policy Instruments. The latest controlled version can be found in the UniSQ's Policy and Procedure Library.

	Vice-Chancellor The person bearing the title of Vice-Chancellor and President, or as otherwise defined in the University of Southern Queensland Act 1998 , including a person acting in that position.
	Definitions that relate to this procedure only
	Material Risk Risks that arise from both strategic and operational risks and are those that present the most significant potential detriment to the University. **Operational Risk** Risks that arise from standard business as usual operations. **Risk Advisor** Provides expert advice on a risk and compliance category **Risk Category** Categories of Strategic, Tactical and Operational Risk identified by Risk Owners and Risk Managers and used to categorise risk in the University-endorsed risk management systems. **Risk Manager** Responsible for Operational Risk identification, management, monitoring and advice. **Risk Owner** Responsible for Strategic Risk identification, management, monitoring and advice. **Strategic Risk** Risks that might impact the Strategic Plan aims and require coordinated effort across the Vice-Chancellor's Executive to mitigate. **Tactical Risk** Risks that arise from projects or initiatives managed under the UPDF or large and/or complex operational initiatives. **Residual Risk**

Failure to comply with this Policy or Policy Instrument may be considered as misconduct and the provisions of the relevant Policy or Procedure applied. A hard copy of this electronic document is uncontrolled and may not be current as UniSQ the University regularly reviews and updates its Policies and Policy Instruments. The latest controlled version can be found in the UniSQ's Policy and Procedure Library.

	Risk remaining after risk treatment. Source: Institute of Internal Auditors Australia
Keywords	
Record No	22/222PL

Failure to comply with this Policy or Policy Instrument may be considered as misconduct and the provisions of the relevant Policy or Procedure applied. A hard copy of this electronic document is uncontrolled and may not be current as UniSQ the University regularly reviews and updates its Policies and Policy Instruments. The latest controlled version can be found in the UniSQ's Policy and Procedure Library.