

Monash University Procedure

Procedure Title	Enterprise Risk Management Procedures
Parent Policy	Enterprise Risk Management Policy
Date Effective	05-July-2015
Review Date	27-July-2018
Procedure Owner	Director, Risk and Compliance
Category	Operational
Version Number	3.2
Content Enquiries	Risk and Compliance Enquiries
Scope	Monash staff, students and visitors
Purpose	To facilitate good governance by providing a framework to allow Monash University to manage its key, operational, regulatory and projects risks. <i>(Note: Risks relating to health and safety are managed by the Occupational Health and Safety Unit and are covered within the OHS Policy; risks relating to information and communications technology are managed by the eSolutions Division and are covered by the ICT Security and Risk Policy.)</i>
PROCEDURE STATEMENT	

1. Governance and management

- 1.1. Oversee and monitor the assessment and management of risk across the University, including University commercial activities, in compliance with [section 8\(3\) \(f\)](#) of the Monash University Act 2009.
- 1.2. As the governing body of Monash University, Council has according to section 18(1)b of the Monash University Act 2009 delegated the responsibilities specified in para 1.1 above to the University's Audit and Risk Committee of Council - as minuted in Council Meeting 8/2011 on 14/12/2011, Agenda Item 10.2.2 Resolution CL8/2011/232.
- 1.3. Oversee the University's [Enterprise Risk Management \(ERM\) Framework](#) as part of the Audit and Risk Committee [terms of reference](#).
- 1.4. Receive and review the [University Risk Appetite Statement](#)
Responsibility
Audit and Risk Committee of Council
- 1.5. Approve the University's Enterprise Risk Management Framework.
- 1.6. Provide executive leadership for management of risks across the University.
- 1.7. Identify and approve the University Risk Appetite Statement.
Responsibility
Vice-Chancellor's Group (VCG)

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- 1.8. Maintain and co-ordinate the implementation of the ERM Framework in accordance with the Risk and Compliance [charter](#).
- 1.9. Report risk matters to the Audit and Risk Committee of Council.
- 1.10. Provide risk management services to controlled and associated entities, strategic partnerships under the direction of University management, VCG, VCEC, MIIO or on request by the management of these entities and partnerships
- 1.11. Provide advice on risk management, including the provision of risk management training and education to the University community. (Note: The Risk and Compliance Unit places reliance on the Occupational Health and Safety (OHS) Unit and the Information Communication Technology (ICT) Security and Risk Unit to provide specific OHS and ICT risk management training to the University community).

Responsibility

Risk and Compliance Unit

2. Enterprise Risk Management

The fundamentals of risk management - identification, assessment, managing and monitoring - are embedded into each of the four components of the ERM framework. The risk management process is iterative and should be applied at both the University (enterprise) level or at an individual academic and administrative unit level.

Senior management is guided by the [University Risk Appetite Statement](#) to assist in decision making. The statement identifies the types of risk the University is willing to take in order to achieve its strategic objectives. It is reviewed annually.

2.1. Management of Key Risks

2.1.1. Identify and approve the University's key risks.

2.1.2. Receive and assess emerging risks for inclusion into the Key Risk Profile.

Responsibility

Vice-Chancellor's Group (VCG)

2.1.3. Develop the Key Risk Profile and Dashboard Report

2.1.4. Identify the Key Risk Indicators (KRIs)

Responsibility

Vice-Chancellor's Group (VCG)

Vice-Chancellor's Executive Committee (VCEC)

2.1.5. Identify emerging risks for reporting to the VCG.

Responsibility

Risk and Compliance Unit

2.1.6. Monitor the Key Risk Profile and Dashboard Report.

Responsibility

Major Initiatives Implementation and Oversight (MIO) Committee

2.1.7. Co-ordinate the development and production of the Key Risk Profile and Dashboard Report

Responsibility

Risk and Compliance Unit

2.1.8. Receive and review the key risks.

Responsibility

Audit and Risk Committee

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2.2. Management of Operational risks

2.1.9. Work with relevant units to provide and maintain a 'riskmap' of operational risks and associated control mechanisms/mitigation strategies.

2.1.10. Work with relevant units to develop the operational risk register.

2.1.11. Provide operational risk register to VCG, VCEC and Audit and Risk Committee, for their review.

2.1.12. Provide the operational risk register to MIIO, for ongoing monitoring of operational risks.

Responsibility

Risk and Compliance Unit

2.3. Management of Regulatory risks

2.1.13. Identify and assess regulatory obligations that impact on the University's activities.

2.1.14. Provide reports of regulatory obligations that impact on the University's activities.

2.1.15. Work with Legal Compliance Officers and Policy Owners to develop and review policies and procedures that guide the University in complying with regulatory obligations.

Responsibility

Risk and Compliance Unit

2.4. Management of Project risks

2.1.16. Assist project teams to develop risk assessments in the project pre-approval stage.

2.1.17. At the request of a project team, facilitate risk management during the life of a project.

2.1.18. Report to the Audit and Risk Committee, any significant project risk that were discussed at MIIO.

Responsibility

Risk and Compliance Unit

Responsibility for implementation	Vice-Chancellor's Group (VCG) Vice-Chancellor's Executive Committee (VCEC) Major Initiatives Implementation and Oversight (MIIO) Committee Risk and Compliance Unit Heads of Units
Status	Revised
Approval Body	Name: Chief Operating Officer and Senior Vice-President (Administration) Meeting: n/a Date: 14-July-2015 Agenda item: n/a
Definitions	Regulatory risk: risks associated with the University's obligation to comply with applicable Federal and State legislation and regulations. This includes internal Monash legislation such as statutes and regulations and, in some cases, industry codes. Key risk: risks associated with the achievement of strategic objectives which are outlined in the University's vision as detailed in the University's Strategic

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	<p>Plan. Key risks management is integrated with the University's planning and budget processes.</p> <p>Legal Compliance Officers: are nominated University staff members with expertise and knowledge of University activities regulated by particular legislation through their responsibilities in an area of the University's operations. He/she works with the Risk and Compliance Unit to assess legislation for compliance obligations.</p> <p>Policy Owner: is an academic, administrator or body that has ownership of a Monash policy.</p> <p>Operational risk: risks (including financial risks) associated with everyday business practices at the University. These risks are those which are significant only within a particular process/function but nonetheless affect the University's ability to successfully implement its strategy overall.</p> <p>Project risk: risks that arise from projects/ventures undertaken by the University in the areas of research (e.g. grants and contract research), education (e.g. curriculum/program licensing and support) and infrastructure (e.g. IT, capital projects, and minor works projects).</p>
Legislation Mandating Compliance	<p>Monash University Act 2009</p> <p>Financial Management Act 1994 - Standing Directions of the Minister for Finance</p> <p>Tertiary Education Quality and Standards Agency (TEQSA) Act 2011 - Higher Education Standards Framework (Threshold Standards) 2015 – Part A Standards for Higher Education Chapter 6.2(e)</p>
Related Policies	<p>Occupational Health and Safety Policy</p> <p>ICT Security and Risk Policy</p>
Related Documents	<p>AS/NZS ISO 31000:2009: Risk management - Principles and guidelines</p> <p>*COSO - Committee of Sponsoring Organizations of the Treadway Commission - Enterprise Risk Management - Integrated Framework.</p> <p>Monash University Risk Management Manual</p> <p>Monash University Risk Management Assessment Guidance</p>