

POLICY

The Rainy River District School Board will maintain a Strategic Enterprise Risk Management framework (SERM) as an integral part of the school board's decision-making and strategic and operational planning.

RATIONALE

A Strategic Enterprise Risk Management Framework (SERM) is intended to enhance the Board's strategic planning and operational processes by minimizing risk exposure, reducing uncertainty and maximizing opportunity. It enables the Board to address risks and challenges while improving overall governance and decision making, to achieve strategic objectives, ensure business continuity and reduce business interruptions.

IMPLEMENTATION

As per Procedure 1.75 Risk Appetite

GUIDELINES**1.0 Risk Appetite Levels**

- 1.1 The Board faces a range of potential risks that may affect:
- Safety and well-being students.
 - Workplace safety, security, and health of employees.
 - Relationships and/or contracts with stakeholders, which may create additional financial or obligatory risks.
 - Organizational reputation.
 - Organizational performance, as measured against strategic priorities.
 - Integrity of decisions and processes.
 - Business continuity.
- 1.2 The Board accepts a very low appetite for risks in areas that may have an adverse impact on the delivery of high quality education. These include:
- Staff and student safety.
 - Financial/asset stewardship.
 - Compliance with legislative, regulatory requirement, and ethical matters.
- 1.3 The Board accepts a low appetite for risks in areas that may have an adverse impact on the delivery of high quality education. These include:
- Data
 - Human resource management

- Business continuity management.
- 1.4 To foster a culture of innovation and continuous improvement, the Board accepts a moderate to balanced level of risk within its tolerance levels for the pursuit of opportunities that create additional benefits in areas such as:
- Community partnerships
 - Student experience (e.g., extra-curricular activities)
 - Resource management for new programming and initiatives
 - Learning opportunities for staff and students,
 - Instruction and assessment
- 1.5 The Board will neither compromise its reputation for student success, nor its public image. To that end, the Board will adopt sound and ethical governance and business practices and strive to remain financially and fiscally responsible.

2.0 Responsibilities

- 2.1 The Board is responsible for overseeing the SERM activities, which includes:
- Setting risk appetite levels.
 - Understanding the nature and magnitude of significant risks to which the Board is exposed.
 - Reviewing reports on assessment of risk levels compared to established strategic risk targets.
 - Annually reviewing risk management policies, including risk appetite, and strategies to ensure that risk exposures remain appropriate and prudent.
- 2.2 The Audit Committee is responsible for overseeing the application of SERM practices and the ongoing identification of emerging risks by:
- Reviewing management's identification of the Board's significant risks, in accordance with the SERM policy.
 - Ensuring there are SERM processes in place to measure, monitor, manage, and mitigate significant risk exposures, including appropriate policies, procedures and controls.
 - Reporting to the Board on risk exposure levels and risk management activities, including the status of any significant current and emerging exposures and trends.
- 2.3 The Director of Education, and/or designates, is responsible for:
- Recommending risk tolerance levels to the Board.
 - Developing risk tolerances for each identified significant risk, to reflect the level of risk appetite selected by the Board.
 - Identifying, measuring, and evaluating significant strategic, business, and process risk exposures.
 - Ensuring an appropriate level of resources are allocated in alignment with established risk appetite levels for assessing and managing risk.
 - Mitigating risk exposures through appropriate risk responses.
 - Monitoring the application of risk responses and mitigation strategies.
 - Reporting on SERM processes and findings, including the level and direction of risk

exposures and extent of risk management activities.

3.0 Reporting and Review

- 3.1 Management will submit a report on the implementation of this policy to the Audit Committee annually.
- 3.2 The effectiveness of the SERM framework should be assessed from time to time. This would include a review of all significant risks and the risk environment of the Board.

Definitions:

Risk appetite is referred as the level of uncertainty the school board is willing to accept in pursuit of its objectives. It also serves to determine which risks will not be tolerated.

Risk tolerance is the level of risk that an organization can accept for each individual risk.

<p style="text-align: center;"><u>CROSS REFERENCE</u></p> <p>Procedure 1.75 Risk Appetite</p>	<p style="text-align: center;"><u>Date Approved</u> June 2, 2020</p> <p style="text-align: center;"><u>Board Motion</u> 109</p> <p style="text-align: center;"><u>Review Prior to</u> 2025</p>	<p style="text-align: center;"><u>LEGAL/MINISTRY OF EDUCATION REFERENCE</u></p> <p style="text-align: center;">SERM Framework</p>
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