

2016-17

Enterprise Risk Management Plan

Risk and Audit
Committee

June 13, 2016

Criteria and Approach

The work plan for Enterprise Risk Management Division was created based upon:

- Establishment of a collaborative, integrated assurance model (Risk, Compliance, and Audit)
- Interviews of leadership conducted by the integrated assurance team that resulted in updates to refine the Enterprise Risk Dashboard and create work plans for 2016-17. The team included representatives from:
 - Enterprise Risk Management
 - Enterprise Compliance
 - Office of Audit Services
- Proposed focus areas for the Risk Management program
- Desire to further integrate risk management into the strategic planning process
- Expected bandwidth and availability of ERMD staff

2016-17 Objectives

Education and Communication	Engage and educate the Board, Executives, and staff on enterprise risk management in order to evolve a risk aware culture	Expected completion: June 2017
<p>Risk Appetite –</p> <ul style="list-style-type: none"> Develop a framework for establishing risk appetite and tolerances for identified risk areas. <p>Risk Awareness –</p> <ul style="list-style-type: none"> Create a comprehensive risk management education and training plan to include modules for new employee orientation and on-going training for all staff. 		
Asset-Liability Management (ALM)	Fund the System through an integrated view of pension assets and liabilities	Expected completion: September 2016
<p>Policy Development –</p> <ul style="list-style-type: none"> Financial Office, Investment Office, and Actuarial Office established an advisory committee to ensure an integrated review of assets and liabilities. Milestones monitored in the 2016-17 Business Plan will include an Asset Liability Management Policy. 		

2016-17 Objectives

Enterprise Risk Framework	Identify and refine enterprise risk	Expected completion: June 2017
<p>Risk Assessments –</p> <ul style="list-style-type: none"> Refine enterprise risk management framework to include the identification, assessment, mitigation and dashboard reporting of enterprise risks. Continue to mature risk management at the program-level by developing and implementing processes and tools for targeted risk assessments, the reporting of operating events, and documenting internal controls. 		
Leadership and Governance	Establish an integrated enterprise-wide risk management program	Expected completion: April 2017
<p>Strategic Planning –</p> <ul style="list-style-type: none"> Align the processes for conducting enterprise risk assessments with the strategic planning efforts to ensure that strategic and operational risks and mitigation strategies are incorporated into the Strategic and Business Plans. Develop a risk assessment process that maps enterprise risks to the strategic objectives and identifies barriers to success. <p>Integrated Assurance –</p> <ul style="list-style-type: none"> Strengthen Integrated Assurance partnerships to continue to embed the three lines of defense model throughout the enterprise. 		