Overview

- Enterprise Risk Management (ERM) Introduction
- ERM Objectives
- Requested Action
Risk Management

• Financial
• Legal/Regulatory and Compliance
• Operational
• Reputational
• Strategic
Evolution of Risk Management

- 1970s: Insurance
- 1980s: Insurance, Credit
- Today: Organizational, Reputational, Strategic, Business, Operations, Market, Credit, Insurance

Financial Risk Management
Enterprise Risk Management (ERM) is a

- Strategic approach to risk management that
- Supports the achievement of organizational objectives
- Through the management of integrated impacts of risks
- As an interrelated risk portfolio.
ERM Process

Assess
- Risk identification, assessment, and prioritization

Manage
- Risk mitigation strategy
- Status of mitigation efforts
- Executive Director acts as risk manager

Monitor
- ERM Office
- Enterprise Risk Oversight Committee (EROC)
- VCE Board of Directors

PREVENT DETECT RESPOND
• Provide VCE Board with transparency and insight into risks that could impact the ability to execute VCE’s mission
• Build credibility and sustain confidence in VCE’s governance by stakeholders
• Enhance the understanding of significant risks
• Implement a well-defined risk management process
• Develop the capacity for continuous monitoring and periodic reporting of risks
Requested Action

• Provide feedback on the draft ERM Policy