

# Risk Management Policy

<b>Supporting plans, policies and procedures</b>	<ul style="list-style-type: none"> <li>• Risk Management Plan</li> <li>• Critical Incidents and Business Continuity Plan</li> <li>• Risk Register</li> <li>• Health and Safety Policy and Procedure</li> <li>• Resource Access and Usage Policy</li> <li>• Code of Conduct</li> <li>• Facilities, ICT Infrastructure and Resources Policy</li> <li>• Records, Data and Information Management and Security Policy</li> <li>• Student Welfare, Wellbeing and Support Policy and Procedure</li> </ul>
<b>Related legislation and references</b>	<ul style="list-style-type: none"> <li>• Higher Education Standards Framework (Threshold Standards) 2021</li> <li>• Tertiary Education Quality and Standards Agency (TEQSA) Act 2011</li> </ul>
<b>Version</b>	2.0
<b>Approved by</b>	Board of Directors
<b>Date approved</b>	23 July 2021
<b>Document Review</b>	This document is to be reviewed every two-years at a minimum from the date of final approval

Version	Review Date and Person/Body	Notes
0.1	Draft prepared by CEO 20 November 2019 and provided to Board of Directors for review	
0.2	7 January 2020 Board of Directors review	
0.3	24 January 2020 Audit and Risk Committee (ARC) review	
0.4	4 February 2020 Board of Directors review	Includes ARC recommended updates
1.0	4 February 2020 approved by the Board of Directors	
1.1	Approved at the 28 October 2020 Board of Directors meeting	Updated after internal and external review
3.0	Reviewed and approved by the Board of Directors via email circulation on 23 July 2021	Updates made following the response to the TEQSA Request for Information 23 July 2021

## Background and Scope

MIHE is committed to apply and ensure a consistent and timely approach to risk management to facilitate continuous improvement across all areas at MIHE. This policy provides guidance on MIHE's position and commitment in relation to risk management. This policy defines how MIHE will identify, analyse, evaluate, manage/treat/mitigate and commit to reducing risk. It also defines responsibilities to ensure that risk management practices are regularly incorporated into all aspects of MIHE's strategic and business planning as well as academic and corporate governance. This policy applies to all directors, board members, committee members, staff, students and contractors.

### Policy

Risk is inherent in all academic, administrative and business activities and MIHE is committed to managing risk as an integral part of all its activities. Integration of risk management into everyday decision-making, planning, budgeting and reporting will strengthen MIHE's ability to deal with change and uncertainty more effectively.

MIHE is committed to ensuring that all staff, particularly those with decision-making responsibilities, obtain a sound understanding of the principles of risk management. Responsibility for the identification of risk, implementation of control strategies and follow up is a delegated line management responsibility.

The following Boards/Committees and staff have different responsibilities for MIHE's risk management, outlined below:

#### Board of Directors:

- Review and approve risk management policy, risk management plan and critical incidents and business continuity plan
- Provide input to the identification, analysis and evaluation of risks
- Review and approve risk treatment/mitigation strategies and actions
- Monitor the effectiveness of risk treatment/mitigation of major risks by reviewing regular reporting from the CEO

#### Academic Board:

- Provide input to the identification, analysis and evaluation of Academic risks, including quality assurance of Academic quality
- Recommend risk treatment/mitigation strategies and actions
- Review and monitor the effectiveness of risk treatment/mitigation of major Academic risks by reviewing regular reporting from the Dean

#### Audit and Risk Committee:

Review, monitor and provide advice and recommendations to the Board of Directors on the following:

- Financial reporting and management frameworks, policies, procedures and practices (including ensuring there is transparency and integrity in the reporting of financial information)
  - Review and monitor financial reports (internal and external)

- Monitor the effectiveness of management's approach and actions related to financial reporting and management
- Risk management frameworks, policies, procedures and practices
  - Review and monitor the risk register (and relevant mitigation actions for their appropriateness and effectiveness)
  - Monitor the effectiveness of management's approach and actions related to risk reporting and management
  - Review and monitor the appropriateness, effectiveness and compliance of MIHE's policies and procedures for identifying, assessing and managing risks
- Audit and compliance frameworks, policies, procedures and practices (including monitoring MIHE's approach to compliance with laws and regulations)
  - Review and monitor internal audit plans and audit reports (internal and external)
  - Recommend the initiation of audits (internal and/or external)
  - Monitor the effectiveness of management's approach and actions related to audits
  - Monitor MIHE's compliance with laws and regulations
  - Review and monitor management reports on all suspected and actual frauds, thefts and breaches of laws, and any other significant breaches of policy and/or compliance
  - Review and monitor management reporting, systems, processes, policies, procedures and practices for their effectiveness in maintaining compliance with legislative requirements and the reporting and handling of breaches of policy and/or compliance

### **Chief Executive Officer (CEO):**

- Lead and champion the implementation and operationalisation of the Risk Management Plan, Critical Incidents and Business Continuity plan and adherence to the Risk Management policy
- Reporting to the Audit and Risk Committee, Academic Board and Board of Directors on Risk Management, including reporting and updating the Risk Register regularly

MIHE's approach to risk management includes (refer to Risk Management Plan for details):

1. Deciding what matters most
2. Consulting with stakeholders
3. Identifying risks
4. Analysing risks
5. Evaluating risks
6. Treating or mitigating risks

### 7. Committing to reducing risk

MIHE will also take into consideration TEQSA's risk assessment framework as input to its approach to risk management (<https://www.teqsa.gov.au/sites/default/files/teqsa-risk-assessment-framework-v2-3-4-horizontal-layout-web.pdf?v=1564542617>).

After identifying risks to MIHE, risks will be analysed and rated in terms of their urgency by analysing the risk of an event in terms of:

- damage that the risk would cause
- likelihood of the risk happening

MIHE will use the following risk rating system for evaluating damage and likelihood:

- 1 to 4 for damage (1 for slight damage, and 4 for severe damage)
- 1 to 4 for likelihood (1 for not likely, and 4 for extremely likely)

For example, the lowest risk level is 1 (1 x 1), and the highest risk level is 16 (4 x 4). This rating system will allow risks to be ranked from least urgent to most urgent. All risks in the risk register will be reviewed by the CEO, Dean (for academic risks) and Audit Risk Committee regularly. Risks with a rating of 6 or higher will be reported to the Board of Directors.

The analysis and rating system references the Australian Business Government website on risk management (source: <https://www.business.gov.au/Risk-management/Risk-assessment-and-planning/How-to-manage-risk>).

MIHE will regularly monitor and review progress in developing an appropriate culture of risk management and the effective implementation of risk management strategies throughout the organisation. The processes and practices will be continually improved as MIHE moves towards achieving best practice in its management of risk. MIHE's systems and processes that support risk management activities and response will be documented in the Risk Management Plan.