

Risk Management Policy

Policy Category	Corporate		
Document Owner	President		
Responsible Officer	President and Principal Executive Officer		
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References and Legislation	<p>Education Services for Overseas Students Act 2000. National Code of Practice for Providers of Education and Training to Overseas Students 2018. Higher Education Standards Framework (Threshold Standards) 2021. ISO 31000 2018. Risk Management – Principles and Guidelines. Geneva: International Standards Organisation. Work Health and Safety Act 2011 (NSW). TEQSA Risk Assessment Framework. Version 2.3. Melbourne: Tertiary Education Quality and Standards Agency Act, TEQSA. 2011. TEQSA Guidance Note: Corporate Governance. Melbourne: Version 2.4. Occupational Health and Safety Act 2004 (VIC)</p>		
Related Documents	<p>APIC Risk Management Framework APIC Risk Appetite Statement APIC Risk Register ECA Risk Management Policy ECA Risk Appetite Statement</p>		
Version	Change Description	Approved	Effective Date
1.0	New policy development	16 Dec 2016 Board of Directors	16 Dec 2016
1.1	Minor typos corrected	28 Oct 2017 Board of Directors	28 Oct 2017
2.0	Revised policy – aligned with Risk Management Framework	06 August 2021 Board of Directors	06 August 2021

1. Purpose

This policy articulates the commitment of Asia Pacific International College (APIC) to risk management as an integral part of its business practice at the corporate and strategic level and describes the principles, practices and responsibilities on which the College's risk management processes, strategies and plans are based.

2. Scope

The scope of this policy applies to all APIC staff, whether employees or contractors, and spans all APIC activities.

3. Objectives

APIC's objectives for adopting and implementing rigorous risk management policies, practices and processes are intended to:

- Assure academic primacy and integrity, whilst factoring in risk management in its operations;
- Assure best legislative and regulatory compliance practice and performance;
- Take a structured approach to identify opportunities, threats and their associated risks, including consultation with relevant stakeholders;
- Assure best practice in strategic and operational decision-making and the pursuit of optimised business performance;
- Monitor and review corporate governance and academic governance performance;
- Improve stakeholders' confidence and trust;
- Optimise the costs of managing risks; and
- Minimise the loss where risks eventuate through well-planned incident management, including consultation with relevant stakeholders.

4. Principles

This policy is underpinned by the following principles and is based on *Risk Management Standard ISO 31000 2018*.

- Risk Management is an integral part of all processes – by operating effectively throughout the College and incorporating the risk processes into management processes.
- Risk Management is comprehensive, systematic, structured and timely – the management of risk is undertaken in a planned, consistent manner contributing to efficiency and comparability.
- Risk Management is based on the best available information – from a variety of sources.
- Risk Management is customised – with the risk profile and risk appetite set for APIC's experiences and strategy.
- Risk Management takes human and cultural factors into account – taking into consideration the College's culture and communities.
- Risk Management is transparent and inclusive – the risk management processes include the timely involvement of stakeholders and decision-makers across APIC and with controlled and associated entities.
- Risk Management is dynamic, iterative and responsive to change – the risk profile and framework is reviewed regularly.

5. Policy

- APIC is committed to conducting risk management activities in accordance with the principles and processes set out in the *Risk Management Standard* (ISO 31000:2009) and all other relevant legislative and regulatory instruments. In so doing APIC aims to diminish the possibility of adverse or negative events impacting on educational outcomes and strategic objectives, whilst simultaneously exploiting positive opportunities that further promote APIC's success.
- In order to ensure that this commitment is met and to operationalise this policy, APIC has adopted the *APIC Risk Management Framework*, which describes the application of the risk management process at varying levels and within specific contexts of APIC and ensures that information about risk derived from the risk management process is adequately reported.
- The information so reported provides the basis for the Board of Directors' decision making and accountability (advised by the Academic Board and Audit and Risk Committee), through enabling the periodic review of the major business, strategic, legal, operational and financial risks, which have been identified, and whether or not APIC is adequately protected against them.
- All normal management strategies and activities in APIC will adopt proper risk management practices.

6. Risk Management Framework

The *APIC Risk Management Framework* outlines the operational practices and processes of risk management at the College and is based upon the *Risk Management Standard* ISO 31000:2009. The Framework describes:

- The regulatory and institutional contexts on which the APIC Risk Management Policy and Risk Management Framework are based;
- The components of APIC's risk management processes;
- The *APIC Risk Register* that records risks faced by APIC to service delivery, statutory compliance, reputation, business continuity, financial viability and sustainability, treatments (mediating actions) to those risks, risk management activities, and progress in the execution of treatments and risk management activities;
- The *APIC Risk Appetite Statement* which records the amount of risk APIC is prepared to accept in order to meet strategic objectives;
- Roles and responsibilities of the Board of Directors, Academic Board, Audit and Risk Committee and APIC Executive officers in relation to effective risk management;
- Monitoring and Reporting provisions and schedules for risk management processes and activities.

7. Responsibilities

The governance of risk management is seen as a collective responsibility, although the ultimate responsibility rests with the Board of Directors. An overview of responsibilities at the governance and management levels is detailed below.

a. *Board of Directors*

The APIC Board of Directors has the ultimate responsibility for effective oversight of all risks and shall regularly monitor potential risks to the College operations

ensuring the Executive Team applies prudent strategies to mitigate risks that may eventuate. The Board receives regular updates on the status of risks from the PEO or nominee through the Audit and Risk Committee as well as the Academic Board. In certain circumstances, the Board may commission independent audits of the operations via its Audit and Risk Committee or by engaging an external consultant. The APIC Governance Charter provides specific details of Board of Director responsibilities with respect to risk management.

b. Audit and Risk Committee

The Board of Directors delegates to the Audit and Risk Committee the authority to review, monitor, and investigate four key areas: financial reporting and performance, internal control structure, risk management systems, and internal and external audit functions. The Committee will also examine any other matters referred to it by the Board. The APIC Governance Charter provides specific details of ARC responsibilities with respect to risk management.

c. Academic Board Role

The primary focus of the Academic Board is to exercise vigilance and to monitor academic activities to ensure all risks to students, including academic programs and outcomes are properly identified and mitigated by the Executive Team and that academic primacy is reflected in all APIC plans and decisions, including maintenance of academic standards, academic integrity and assurance of quality in all operations. The Academic Board has adopted an academic governance framework and a number of standing committees through which it monitors all risks and quality of operations.

d. Principal Executive Officer

Among the key responsibilities of the PEO the following may be noted (not exhaustive):

- Encouraging all personnel to support risk management activities
- Determining acceptable levels of risk for APIC in consultation with the Board and the senior executive team
- Reviewing the risk management plan
- Facilitating open and honest communication about risks within the College
- Facilitating systemic analysis and mitigation of risks
- Approving risk responses and associated actions prior to implementation
- Facilitating risk management by all key personnel
- Regularly reporting risk status to the ARC, with recommendations for appropriate strategic decisions and actions to maintain acceptable risk exposure
- Escalating identified risks to the College Board where appropriate
- Monitoring the efficiency and effectiveness of the risk management practices
- Commissioning reviews of risk management practices for their effectiveness

e. Dean

Among the key responsibilities of the Dean the following may be noted (not exhaustive):

- Exercise leadership with respect to the management of academic risks
- Ensure all policies and guidelines and operations are aligned with RM strategies
- Ensure senior academics have defined roles in managing academic risks
- Gather evidence of effective risk management outcomes

- Regularly report academic risks to AB and operational risks to Principal or nominee.

f. Registrar

Among the key responsibilities of the Registrar the following may be noted (not exhaustive):

- Exercise leadership with respect to the management of admin services & student support risks
- Ensure all relevant policies & guidelines and operations are aligned with RM strategies
- Ensure staff have defined roles in managing admin risks
- Gather evidence of effective risk management outcomes
- Regularly report admin risks to Principal or nominee.

8. Monitoring and Review of Risk

APIC's approach to risk is reviewed annually by the Board of Directors advised by the Audit and Risk Committee and Academic Board, with particular attention paid to the currency of APIC's risk appetite statement.

The review and presentation of risk reports is details in the APIC Governance Reporting Matrix. Additional details concerning reporting are detailed in the *APIC Risk Management Framework*.