



Policy Name: Risk Management

Date Approved: October 21, 2024

Next Review Date: September 2027

Preamble

A Learning Culture:

Much as we expect athletes to learn from mistakes and apply these lessons to improve their performance, so too can organizational leaders adopt a learning orientation. Mistakes will happen. The key is to manage the uncertainty that our current environment brings by adopting a values-based risk management approach to our work. It is important to emphasize that only leaders can create and reinforce a culture that counteracts the 'blame game' and makes people feel more comfortable living with and learning from mistakes. This is how we improve as individuals and as an organization. The following principles have been adopted by our Board to guide our approach to managing risk and to create the kind of culture required to thrive in a complex and ever-changing environment.

Key Principles:

1. Decide what success and failure look like before launching an initiative
Encouraging staff and volunteers to map out what they hope to accomplish and what they want to avoid before embarking on a new project is a critical aspect of creating a learning culture. This will help avoid misunderstandings and create a shared understanding of what success looks like.
2. Convert assumptions into knowledge
People often take assumptions for granted and base decisions on these perspectives without acknowledging them or being open to having them challenged. When embarking on new tasks, understand that many initial assumptions may be wrong. Often, the only way to arrive at better ones is to try things out, make assumptions explicit, and share them with colleagues and friends. Encourage people to revisit them as new information emerges. This approach helps

avoid the risk of gravitating towards information that confirms what is already believed ... a concept called 'confirmation bias'.

3. Apply what is learned fast

Acknowledge that mistakes will happen and embrace the learning opportunity that this presents. Quick, decisive mistakes have some upsides to them. They save us time, money, and energy when we control the environment and are not engrained into one way of doing something.

4. Limit the uncertainty in our environment

Do this by implementing risk management processes at all levels of the organization. Examine what we can, make informed decisions, course correct when possible, and share our experiences with others. This helps us learn, grow, and reduce the risk presented by the unknown.

5. We educate and train our people

We are committed to provide our people with knowledge they need to make the best possible decisions. In our case, we believe that the risk management process increases the effectiveness of our collective decision-making by embedding a consistent approach throughout our organization. We also believe in using our values to guide our decisions and influence our actions. The two combine into a powerful asset that we believe helps us create a strong, vibrant culture.

6. Communicate what we learn

Share what we learn and seek out the insights of others who can help make better decisions. Use multiple communications channels to strategically inform our partners, members, athletes, coaches, officials, and supporters so they too can benefit from our knowledge.

7. Walk the talk

As leaders know that avoiding mistakes in an uncertain world is not an option. Promote a philosophy of learning, creativity, intelligent failure, and sharing. Our leaders set the example by being open about their own mistakes, providing opportunities for others to learn. Make the ground rules for risk-taking explicit through our risk management approach.

8. Use our values to inform our decisions

Ultimately, NOCA values provide a solid foundation upon which to substantiate our decisions. Incorporate them into decisions at all levels of the organization, ensure that staff and volunteers are aware of our values and consider how future decisions reflect and are congruent with our values. In doing so, we believe that we will create

a rich learning environment that will help us more effectively achieve our desired outcomes.

Definitions

1. *"Northern Ontario Curling Association"* - shall also be referred to as NOCA.
2. *"Executive Committee"* - refers to a committee of the President, Vice-President, Secretary/Treasurer and Executive Director
3. *"Board of Directors"* - refers to the Board of Directors of the Northern Ontario Curling Association.
4. *"Risk"* - means the possibility of a negative or adverse outcome, and the magnitude or severity of the consequences of that outcome. Risk can also include positive outcomes or 'windfalls' that may impact organizational decisions or provide opportunities. Typically planning for positive risk is focused on planning for outcomes which have a limited opportunity window.
5. *"Risk Event"* - is the possibility of an unforeseen event or condition that may affect an organization.
6. *"Risk Management"* - an integrated, documented and system-wide process used to identify, assess, and treat risks so as to better achieve desired outcomes and reflect the organization's values.
7. *"Risk Registry"* - a document that outlines identified and assessed risks, current risk treatment measures, possible additional risk treatment measures, and communications efforts.
8. *"Categories of risk"* - types of risk within the Risk Registry are identified within categories as follows:
 - a) *"Budget risk"* - relates to financial monitoring and reporting, flexibility to control and direct funds, sponsorship attraction and retention, event planning, investment and management of reserve funds, protection of revenue streams, and long-term financial sustainability.
 - b) *"Operational risk"* - includes the risk related to staff, office amenities, venues, and other 'entities' or 'tools' that allow the organization to function.
 - c) *"Reputation risk"* - means the potential for negative publicity regarding the Northern Ontario Curling Association (NOCA), whether true or not, which could significantly harm the association's reputation.
 - d) *"Relationship risk"* - means the potential for compromising partnerships and securities formed with government, stakeholders, other organizations, member clubs, participants (as defined by the Membership policy), etc.

- e) *"Quality risk"* - is the potential for losses due to quality that fails to meet quality goals. Quality defines the value of products and services and can include a wide range of factors.
 - f) *"Communication risk"* - related to internal and external communications, information management systems (records, website, etc.), crisis and issues management, media relations, image, and reputation management, missed opportunities to promote and exploit successful outcomes, management of intellectual property (the protection of all NOCA's intellectual property assets), social media opportunities and pitfalls, and confidentiality.
9. *"Significance of a risk"* - combined ranking of the possibility of a risk occurring and the probable impact should it occur.
10. *"Probability of Occurrence (O)"* - is an evaluation of the anticipated frequency of identified risks. There are three categories that are provided a ranking score of 1 to 3 and are as follows:
- a) *"Improbable"* - less likely to happen than not; occurs every 5 years at most. The probability of occurrence is 19% or less. Score = 1
 - b) *"Possible"* - just as likely to happen as not; occurs in every one to five events or once per season. The probability of occurrence is 20% to 49%. Score = 2
 - c) *"Probable"* - more likely to happen than not; occurs in every one to three events or once per month. More than likely to happen. The probability of occurrence is 50% or higher. Score = 3
11. *"Probable Impact (I)"* - is an evaluation of the anticipated consequences or advantages of the identified risks. There are three categories that are provided a ranking score of 1 to 3 and are as follows:
- a) *"Low"* - consequences pose a slight risk to some aspects of our objective but can be mitigated internally. Normal effort to resolve. The likely cost impact is less than \$5,000. Score = 1
 - b) *"Medium"* - The consequences do not pose a risk to achieve our objectives, but a change is necessary to achieve them. The likely cost impact is between \$5,000 and \$20,000. Score = 2
 - c) *"High"* - consequences jeopardize our objectives and the impact is considered significant. The likely cost impact is greater than \$20,000. Score = 3
12. *"Severity (IxO)"* - is a calculation that multiplies the score value of occurrence and probable impact to provide an overall risk ranking of Low, Medium or High. The chart below summarizes this metric:

SEVERITY = I X O		PROBABLE IMPACT «I»		
		1	2	3
OCCURRENCE «O»	3	3-Medium	6-High	9-High
	2	2-Low	4-Medium	6-High
	1	1-Low	2-Low	3-Medium

13. *"Status"* - term applied to each risk event and identified as the risk is open (still may occur/impact the organization) or closed (resolved or no longer will occur/impact the organization)
14. *"Mitigation"* - identification of the means of addressing a risk event.
15. *"Recover Plan"* - is a type of mitigation measure and is a plan of action outlined for the possibility of a specific type of risk event. Typically, this is put in place for high severity events, but can be applied to any level of risk.
16. *"Risk mitigation plan"* - an approach to limit or take advantage of an identified risk.
17. *"Potential Risk Impact Value"* - financial cost/value to the organization if the risk occurs.
18. *"Assigned Risk Value"* - budgetary value determined by factoring the potential risk impact value by the probability of occurrence percentage.
19. *"Property coverage"* - means insurance coverage for loss or damage to property. Property includes both real property (land and buildings) and moveable property (equipment, files, etc.)
20. *"Umbrella coverage"* - means additional liability insurance over and above liability coverage otherwise included in automobile or fleet coverage, property coverage, and any other liability coverage.

Purpose

The aim of this policy is to provide a guiding statement on how risk management is to be performed within NOCA. In general, we view risk management as a comprehensive approach to improving organizational performance.

This policy has other purposes as well, namely:

- Reinforcing an understanding of risk management as having a broad focus, beyond merely preventing lawsuits and financial losses.
- Performing an educational function for staff, Board of Directors, and partners; Over the longer term, contributing to enhancing a 'risk management culture' within NOCA.

Ultimately, successful risk management has the following benefits for NOCA:

- Prevents or limits injury or losses to NOCA and affiliates.
- Helps to protect the NOCA and affiliates against litigation.
- Ensures that NOCA is compliant with all applicable laws, regulations, and standards.
- Improves the quality and relevance of the programs and services that NOCA provides to its members, participants, partners, and sponsors.
- Promotes improved business management and human resource management practices.
- Protects and enhances NOCA's brand, reputation, and image.
- Overall, enhances NOCA's ability to achieve its strategic objectives

Policy

NOCA shall engage in formal risk assessment and mitigation planning in a document referred to as Risk Registry (Appendix A) to be included as part of the Strategic Plan and Operational Plan. The Board of Directors will annually review the risk registry and update the document contents as required. NOCA will maintain a current manual of policies and procedures subject to scheduled reviews. This policy applies to the Executive Director, all staff, and the organization's Board of Directors.

Responsibility

The NOCA Board of Directors and Executive Director are responsible to ensure that risks have been appropriately identified, planned for, and managed.

The Executive Committee is responsible to the Board for implementation of risk management plans and processes and is ultimately responsible to ensure that risks are assessed and managed appropriately.

All persons identified in the Policy Statement are responsible for ensuring that all appropriate and cost effective steps are taken to minimize or control identifiable risks.

The Executive Director and the President will act as Risk Management Recovery Coordinators to implement the recovery plan when required.

Procedure

Our approach to risk management includes a program of predestined activities and controls that are to be embedded into the governance and operations of our organization. Risk management is a broad activity that touches all aspects of NOCA operations. NOCA is dedicated to the following:

- NOCA will use a structured risk management program so that if an adverse event occurs, disruption to operations, cost, damage to the environment, and harm to people or property will be minimized.
- Annually, the Executive Committee will review and adapt the risk management program to:
 - Reflect the direction of the association.
 - Ensure that identified operational and compliance risks are minimized in a cost-effective manner.
 - The risk management plan will be implemented and communicated across the association.
 - On an ongoing basis, staff will notify the Executive Director of circumstances and developments involving known major risks.
 - The annual operational plan will include Risk Management activities inclusive of a budget.
- Any Board of Director or staff can submit a risk for consideration using the Risk Assessment Worksheet (Appendix A)
- The Executive Director will collect all risk forms and provide them to the Board of Directors with regular meeting documentation.
- During regular Board meetings, a standing agenda item will be the Risk Registry - activities for this meeting topic will be - discussion of any newly submitted risk registry forms (including a decision of whether or not the risk will be added to the ongoing registry), a report from the Executive Committee on any status change to existing items on the Risk Registry, a report from the Executive Director on any mitigation advancement.
- The "Master" Risk Registry form will be kept in a shared "cloud" based drive accessible to all Board of Directors.

Detailed Process

Managing Risk Process

Managing risks involves four steps:

1. Identify potential risks using an informed, environmental scan approach. This occurs on an ongoing basis by staff, at each meeting by the Board of Directors and each year by the Executive Committee.
2. Assess the significance of a risk by considering its likelihood and consequences.
3. Control levels of risk by developing and implementing measures to address those risks deemed significant by reducing likelihood, consequences, or both.
4. Review the Risk Registry and the Risk Management Policy on a regular basis to identify new risks, update risk assessments, and ensure control measures are adequate and being executed.



Identifying & Assessing Risk

As an organization, we have agreed to use a consistent methodology to identify and assess risks. This methodology is to be used by the Board of Directors, management, and staff. In doing so, we have committed to ongoing learning in this area to ensure that our Board of Directors and staff have the knowledge they need to consistently apply the risk assessment process when making decisions on behalf of NOCA.

The follow actions are taken when identifying risk and are recorded in the Risk Registry:

- Risk events are identified through evaluation processes by staff and/or Board of Directors and logged into the Risk Registry.
- Risk events will be identified using one of the following six categories: budget risk, operational risk, reputational risk, relationship risk, quality risk, or communication risk.
- When a risk is logged or updated, the date of the entry or change is identified.
- A risk owner is identified, and this is a person or group that is responsible for addressing the risk and/or its potential outcomes.

The follow actions are taken when assessing risk and are recorded in the Risk Registry:

- Risk status is identified as open or closed to show if a risk has the potential of occurring and is being mitigated or if the risk is no longer present. A risk that is closed remains in the registry as a record of the potential risk and can be changed to open if the potential of the risk becomes once again a possibility.
- A risk assessment is determined by accessing the likelihood of Probability of Occurrence (O) as improbable, possible, or probable and Probable Impact (I) as low, medium, or high. Each category receives a rating of 1 to 3 with 3 being that of the greatest potential. These assigned numerical values are multiplied to identify a Severity ranking of which 1-2 are considered "Low Risk", 3-4 "Medium Risk" and 6-9 "High Risk".
- A potential risk impact value is identified, and this dollar value is to be equivalent to the total financial impact to the organization if the risk event were to occur.
- A probability of occurrence is identified, and this is a percent value of the likelihood of the risk event occurring. Under the definitions of Occurrence, there is a sample range of percent probability for each category.
- An assigned risk value is determined by multiplying the potential risk impact value by the probability of occurrence and this provides a more realistic dollar value of risk that should be considered. The total value of all assigned risk values in the registry is a value of risk that an organization should be prepared to manage.

Controlling Risk

All risks faced by NOCA can be addressed by one or more of the following four general strategies:

- Accept the risk – no further action is taken because the possibility and consequence of the risk is low. It may also be that the risk is inherent in the activity itself and thus can be accepted in its present form.
- Limit the risk – steps are taken to reduce the possibility of the risk, and/or its potential consequences, through efforts such as improved planning, policies, delivery, supervision, monitoring or education.
- Transfer the risk – accept the level of risk but transfer some or all of it to others through the use of insurance, waiver of liability agreements or other business contracts.
- Avoid the risk – eliminate the risk by avoiding the activity giving rise to the risk – in other words, simply decide NOT to do something, or to eliminate some activity or initiative.

Risks that arise and are considered to be high to very high are treated as follows:

- If a high risk is identified, the Executive Director will communicate to the President of NOCA within 48 hrs of the risk being identified. The Executive Director will take all reasonable measures to manage the risk including, but not limited to, seeking the advice of other Board members, consulting external experts. Once the President and the Executive Director feel that the risk has been managed or is in the process of being resolved, the Board of Directors will be advised using the most appropriate communications, which depending on the nature of the risk, may include an issue document, sharing at the next meeting, or calling a special board meeting to keep the board informed.
- If a Very High risk has been identified, the Executive Director will make all reasonable efforts to immediately contact the President of NOCA. The President and Executive Director will determine the most appropriate action and if appropriate, may organize a Board meeting within 48 hours of the risk arising. It is understood that factors may arise that prevent this from happening including time zone, availability of Board members, the nature of the risk, etc. The Executive Director will make all reasonable efforts to manage the risk as it occurs, taking the necessary measures including, but not to limited to, seeking the advice from internal partners, other Board members and external experts.

Risk Mitigation Plan

For each risk event, a risk mitigation plan should be identified. In the registry, this is a brief outline or summary of the approach. More specific and detailed plans may be formulated

and documented through other means. A plan may be to do nothing, monitor or may include a series of actions.

Risk Recovery Plans for Event Specific Risks

- The Executive Committee will ensure that the risk management plans are kept up to date, that it is reviewed annually and that a statement of compliance is brought to the board.
- The Executive Director and the President will act as Risk Management Recovery Coordinators to implement the risk management recovery plan.
- When the risk management recovery plan is invoked, the Executive Director and the President will advise the Executive Committee and the Board of the scale and nature of the risk occurrence.
- While the occurrence recovery is in process, the Executive Director and the President, in consultation with the Executive Committee, have full authority to take any steps required to restore operations.
- No communication may be made with the media or the public unless expressly authorized by the Executive Director and/or the President. Normally, only the Executive Director and/or the President should communicate with the media.
- After normal operations are restored, the Executive Director will ensure that a report is prepared describing the situation, and with recommendations that address:
 - o The situation that resulted in the risk management recovery plan being invoked
 - o Improvements that should be made to the risk management recovery plan

Mitigating Reputational Risk

- It is the responsibility of all staff and Board members to notify the President and the Executive Director of known or suspected dishonest, illegal or improper conduct of a member.
- In cases involving the Executive Director, the current President should be notified.
- In cases involving the Chair, the Secretary/Treasurer should be notified.

Risk Tolerance

NOCA will need to take a holistic approach to determining the risk tolerance. High risk events and the total of assigned risk value carried on the Risk Registry must be evaluated

by the Executive Committee with considerations to in-place mitigation measures such as insurance. Risk tolerance and overall risk status is to be reviewed at each meeting of the board and significant changes that may result in a catastrophic impact to the organization are to be reported immediately.

Reporting and Ongoing Monitoring

To ensure that risk management remains a high priority within NOCA, and to promote an organizational culture that embraces a risk management perspective, risk management will regularly appear on the agenda so that the Executive Director and Board members can provide updates as required. NOCA recognizes that communication is an essential part of risk management.

This policy and our Risk Management Process will be communicated to staff, Board of Directors, and Member Clubs. Specifically, the following steps will be taken to ensure a risk-aware culture is being fostered:

- NOCA will ensure that risk assessment is an integral part of strategic and operational planning, budgeting and reporting.
- Annually, the Executive Committee will present a review of the principal risks to the Board members for discussion and direction.
- The Executive Director will review NOCA's risk registry on a regular basis or as a risk arises; provide updates on matters of risk to the Board at every Board meeting.
- At each meeting of the Board, the Board members will review the risk registry for updates, compliance, progress, etc. as a standing agenda item.
- If changes or additional updates to the Risk Management Policy are needed during the year, Board members and/or staff will bring forward to the Board for discussion and approval. NOCA will report to members on any significant risks identified during the previous year and report back on how the risk is being managed.
- Risk reporting will be completed by submitting a request or through discussion at a board meeting and updated by a designated person.
- Unless otherwise determined, Executive Director is responsible for Risk Registry updates.

Insurance

NOCA maintains a comprehensive insurance program that provides General Liability, Accident and Directors and Officers Errors and Omissions coverage to the Directors,

officers, staff, and partners of NOCA. Upon annual renewal of this policy, NOCA consults with the insurance provider to determine if there are any emerging gaps, issues or deficiencies to be addressed through insurance renewal. Not all risks are insurable. However, as part of its commitment to risk management, NOCA will take all reasonable steps to ensure that insurance coverage is available for those activities essential to the mission of NOCA. Insurance provisions shall include:

- NOCA shall have in place such insurance coverage as is reasonable, prudent and cost-effective, and responsive to the Assigned Risk Value (in coordination with other budgeting protections).
- Insurance coverage shall include deductibles which minimize the frequency of claims and the cost of the coverage.
- Annually the Executive Director will review NOCA's coverage, limits and service with its broker and report to the Executive Committee.

General Safety

Health and safety measures must be in place and maintained for areas occupied by staff, Board members, and partners under NOCA supervision as per the Health and Safety Policy.

Information Security

Documents containing sensitive or confidential information will be shredded before disposal or disposed of via a bonded shredding company as per the Records Retention Policy. All documents are backed up to Cloud. Updates to backed up documents are only required when there is an alteration.

Inventory Security

All NOCA computers, servers, major equipment and furniture and other valuable physical assets will be inventoried annually. This data will be checked for correspondence with insurance coverage, accounting records and management knowledge annually. Discrepancies will be investigated. All physical inventories will be subject to inventory controls and inventory reconciliation.

Risk Assessment Worksheet

Note: This form (Steps 1-3) is to be used to put forward new risk events

Author: _____

Date: _____

Step 1: IDENTIFY the potential Risk Event	
“Risk Event” is the possibility that an unforeseen event or condition that may affect an organization, impact organizational decisions, or provide opportunities.	
What Risk Category does this best fit into?	Select a Risk Category
Step 2: ASSESS the significance of a risk by considering its likelihood and consequences.	
“Status” term applied to each risk event and identified is the risk is open (still may occur/impact the organization) or closed (resolved or no longer will occur/impact the organization) “Risk Owner” is the person or organizational body that is responsible for potential outcomes and/or the management of the risk event action items.	Status: Select Status Risk Owner:
What is the Probability of Occurrence (O)? 1. Improbable – less than 19% 2. Possible – 20% to 49% 3. Probable – 50% and greater	O = () _____
What is the specific % probability for this Risk Event? (refer to ranges identified above)	_____ %
What is the Potential Impact (I)? 1. Low – costs less than \$5,000 2. Medium – costs between \$5,000 - \$20,000 3. High – cost impact is greater than \$20,000	I = () _____
What is the Potential Risk Impact Value? (this dollar value is to be equivalent to the total financial impact to the organization if the risk event were to occur)	\$ _____
Step 3: CONTROL levels of risk by developing and implementing measures to address those risks deemed significant by reducing likelihood, consequences, or both.	
Describe what current controls/measures are presentably in place for this risk?	
Are these controls adequate? Why?	

Can the risk be accepted as is, with the current controls in place? Yes ☐ No ☐ Rationale? <i>(If Yes, remaining questions do not need to be answered)</i>	
Can the risk be avoided altogether? If Yes, how? Yes ☐ No ☐	
Can the risk be transferred to others? If Yes, how? Yes ☐ No ☐	
What are other treatment measures that can be used to reduce the possibility or reduce the consequences of this risk?	
What type of Mitigation strategy will be assigned?	Mitigation: Select
“Recover Plan” is a type of mitigation measure and is a plan of action outlined for the possibility of a specific type of risk event. Typically, this is put in place for high severity events, but can be applied to any level of risk.	Rec. Plan Needed? <i>If Y, initiate development after Risk is formally documented.</i> Select

Report Accepted or Rejected (Date):

Reviewer(s):

Board/Council Review Date: