

El Sistema Grey Bruce – The Big Sound

Risk Management Policy

Intent

El Sistema Grey Bruce – The Big Sound (also referred to as The Big Sound and/or TBS) will endeavor to minimize the risk any particular operation (i.e. activity/procedure/decision) poses to the organization, staff, volunteers, clients (i.e. Program Participants), or the general public.

Purpose

The purpose of this Policy is to identify applicable risks and to enable risk management procedures to be satisfactorily identified, organized and maintained.

Definitions

“**Risk**” is the probability that an occasion will arise that presents a danger to the organization, its staff, volunteers, clients, or the general public. It includes, but is not limited to,

- Physical hazards;
- Financial hazards;
- Reputational hazards; and
- Legal hazards.

Policy

The Big Sound has a duty to provide a safe workplace for its staff and volunteers, a safe environment for its clients (refer to the organization’s Health and Safety Policy), and a reliable development path for the organization. TBS **will** put procedures in place that will, as far as possible, ensure that risks are minimized and their consequences averted.

Responsibilities

Board of Directors

It is the responsibility of the Board of Directors to carry out risk management analyses of the organization, and to take appropriate measures to avoid or minimize any risks.

It is the responsibility of the Board of Directors to ensure that:

- Effective risk management procedures are in place, applicable to all relevant areas (refer to all organization’s Policies and Procedures);
- Any real or potential organizational risks are reviewed regularly (at least once a year);
- Recommendations arising out of the risk management process are evaluated and, if necessary, implemented; and

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- All TBS Program Personnel (staff and volunteers) are aware of all potential/applicable risks and familiar with the organization's risk management procedures.

Specifically, Risk management assessment duties for Board members include:

The Duty of Diligence (also referred to as fiduciary duty) — to act in good faith and in the best interest of the organization through such actions as:

- Staying informed by reading minutes, agendas and support material;
- Attending meetings regularly and voting on issues brought before the Board; and
- Being knowledgeable about the Policies, Procedures, Best Practices and operations of the organization.

The Duty of Loyalty—to place the interest of the organization first through such actions as:

- Avoiding and/or declaring conflicts of interest;
- Representing the organization in a positive manner; and
- Respecting confidentiality.

The Duty of Management—to act and make decisions in line with the by-laws and governing policies of the organization through such actions as:

- Understanding the scope of authority for Directors, other organization volunteers and staff;
- Regularly reviewing by-laws and policies;
- Ensuring legal requirements related to governance, incorporation, etc. are met;
- Ensuring meetings are held and documented with Minutes; and
- Understanding the requirements of laws and standards related to the clients the organization serves.

Board of Directors' Risk Assessment Checklist

This Risk Assessment Checklist is neither exhaustive nor can it ultimately shield the organization from liability. It is; however, a simple yet effective good step towards reducing risk.

This Checklist (below) should be completed by the Board of Directors annually as an exercise to assess their position in terms of risk management within the organization:

Do you know your organization's mandate, Mission, Vision, goals and objectives, operation policies and by-laws?

Do you always act objectively and in the best interest of the organization?

Do you prepare for all Board meetings and all Committee meetings by reviewing all Agenda material and reports?

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Do you attend and participate in all Board meetings and Committee meetings for which you are a member?

Do you keep careful notes at meetings and review the Minutes of all meetings?

Do you insist upon the establishment and regular review of operating policies and monitor staff adherence to them?

Do you obtain outside expert advice whenever necessary?

Do you disclose all personal dealings and/or conflict of interest as early as practical?

Do you ensure that official Minutes record all disclosures by Directors of conflict of interest as well as any dissent to motions and abstention from voting?

Do you ensure that there are effective internal systems and policies in place in all areas of organizational activity, particularly Finance and Human Resources?

Do you avoid possible conflict of interest situations?

Do you ensure that the organization maintains a proper financial record-keeping system?

Does the organization undergo an annual financial audit?

Program Personnel

It is the responsibility of all Program Personnel to ensure that they:

- Are familiar with the organization's risk management procedures applicable to their role in the organization;
- Observe those risk management procedures; and
- Inform the Board of Directors if they become aware of any risk/hazard not covered by existing policies and/or procedures.

Procedures

Managing Risk

The Board of Directors will carry out risk assessment exercises to:

- Identify the risks attached to every element of their operation and the likelihood of that risk eventuating;
- Identify practices to avert those risks;
- Identify practices to mitigate the effects of those risks; and

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- Document those risks (See Appendix A – Risk Management Assessment Tool) and ensure there are sufficient precautions/safeguards and/or remedies in place to address/mitigate these risks.