

Enterprise Risk Management Process at AgriLife Research

Texas AgriLife Research has an Enterprise Risk Management process in which it encourages all employees to play an active role. The process is briefly described below:

Definition: Enterprise Risk Management may be defined as “A framework or process for management to effectively manage uncertainty and the associated risks and opportunities; thereby enhancing management’s ability to build value for its stakeholders.”

ERM Policy: located at: <http://agfiscal.tamu.edu/Mgmt-review/default.htm>. The policy covers the following items:

- Underlying approach
- Role of TAMUS Board of Regents
- Role of Senior Management Team
- Risk Management as a part of the System of Internal Control
- Annual Review of Effectiveness

Components of ERM Plan: Is also located at: <http://agfiscal.tamu.edu/Mgmt-review/default.htm>

- History of ERM at AgriLife Research
- ERM Policy Summary
- Risk Tolerance Level
- ERM Objectives (Matrix)
 - Risk Identification
 - Strategic Risk
 - Financial Risk
 - Compliance Risk
 - Operational Risk
 - Reputational Risk
 - Risk Assessment
 - Risk Mitigation
 - Risk Monitoring
 - Risk Correction
- Annual Assessment of Plan

Responsibilities

For a risk management plan to be successful all levels of the agency must be considered and all employees must participate. Each employee is responsible for reporting new risks as they are identified and in assisting with the development and implementation of processes to mitigate the risk.

Discussion at Unit Heads’ Meeting

- Discussion of ERM should be documented in agenda and minutes of meeting where discussed.
- Discuss process at initial meeting
- Ask Unit heads to include all levels of employee and complete a summary of risks and turn into Director
- Discuss at next meeting
- Provide feedback to each unit