

VIRGINIA COMMONWEALTH UNIVERSITY ENTERPRISE RISK MANAGEMENT STEERING COMMITTEE CHARTER

PURPOSE

This charter establishes the on-going Enterprise Risk Management (ERM) process and structure for Virginia Commonwealth University (VCU). The goal of ERM is to create a holistic organization-wide approach to risk management that increases communication and integrates risk management with strategic planning. The ERM Steering Committee (Committee) will be the university's representative body to identify, monitor, evaluate, and communicate to those in governance significant risks the university faces, along with actions management is taking to ensure effective enterprise risk management.

SCOPE

The scope of VCU's ERM framework encompasses the university community, including its affiliates.

DEFINITIONS

Enterprise Risk Management: The Committee of Sponsoring Organizations of the Treadway Commission (COSO) developed an ERM integrated framework to assist in the effective identification, assessment, and management of risk to complement and expand on its internal control integrated framework (i.e. COSO Framework). VCU recognizes the COSO ERM Framework as a viable framework upon which to benchmark its risk management program. ERM, as defined by COSO, is "a process, effected by an entity's board of directors, management and other personnel, applied in strategy setting and across the enterprise, designed to identify potential events that may affect the entity, and manage risk to be within its risk appetite, to provide reasonable assurance regarding the achievement of entity objectives."

University community: The university community consists of faculty, staff, students, university officials, or any other person employed by VCU and, when applicable, by the VCU Health System.

Affiliates: These are individuals who are affiliated with the university but are not paid employees. Affiliates may include retirees, clinical faculty, staff of temporary-help agencies and contractors who provide services to the university.

COMMITTEE MEMBERSHIP

- Voting committee members: The following Cabinet member (or Associate Vice President or Vice Provost) areas shall be represented on the Committee: Administration, Finance, Research, University Relations, Provost, Health Affairs, University Counsel, Student Affairs, and Athletics. Other Committee members may be appointed by the President to serve in active or ex officio capacities.
- The Executive Director of Audit and Compliance Services or designee will be deemed an ex-officio member eligible to attend all meetings.
- Advice to the Committee: The Committee Chair or a majority of the Committee may invite individuals who have a special interest and/or expertise to attend all or portions of committee meetings.

AUTHORITY

- The Assistant Vice President of Safety and Risk Management Services will serve as Chair.
- The Committee has no executive powers. Rather, it will function in a review and recommendation role to the University President, the President's Cabinet, and the Board of Visitors. However, the Committee does have the authority to solicit advice and assistance from others, when necessary, to perform its duties and responsibilities.

DUTIES

- The Committee will receive periodic updates regarding identified risks and their controls, both implemented and those planned for implementation.
- Risk status will be communicated timely to the University President, the President's Cabinet, and the Board of Visitors.
- The Committee shall periodically review the ERM assessment process to investigate opportunities to identify and mitigate strategic, financial, compliance, reputational and operational risks. The Committee will incorporate risks identified during the university's fraud risk assessment as part of the ERM assessment process. Throughout the year, members will seek to identify risks in their areas of operation and bring them to the Committee for evaluation in light of higher education or industry trends and national regulatory indicators.
- The Committee will promote linkage between identified enterprise risks and VCU's strategic plan, Quest for Distinction.

- A quorum for meetings will be a majority of the voting membership.
- Actions or recommendations made by the Committee will require a majority vote of the voting members.
- The Committee will meet, at a minimum, four times a year or more frequently as circumstances dictate in the Chair's discretion.
- The Chair will schedule each meeting location, date, and time and approve the agenda for these meetings. Any Committee member may suggest agenda topics. Meeting materials will be made available to all members as far in advance as practicable.
- The Chair, or his/her designee, will take meeting minutes and distribute them to the Committee members and the Office of the President.
- The Committee will maintain an ongoing request to have ERM as an agenda topic for Board of Visitors and President's Cabinet meetings.
- The Committee will review this charter annually and update as needed, subject to approval from the President.

RECORDS

- Records and internal communications of the Committee are generally deemed confidential and privileged under Va. Code Section 2.2-3705.1.(2).

RELATED DOCUMENTS

Committee of Sponsoring Organizations of the Treadway Commission. (September 2004). [Enterprise Risk Management – Integrated Framework: Executive Summary](#).

Committee of Sponsoring Organizations of the Treadway Commission. (2004). *Enterprise Risk Management – Integrated Framework: Application Techniques*.

International Standards Organization. (2009). [ISO 31000:2009, Risk management – Principles and Guidelines](#).

INITIATING AUTHORITY

The President of Virginia Commonwealth University