

Mapping the Canadian Institute of Chartered Accountants Guide on “20 Questions Directors Should Ask About Risk” to City’s IRM Framework

The previous (2015 July) IRM Model Update utilized the Canadian Institute of Chartered Accountants (CICA) guide on “20 Questions Directors Should Ask About Risk” to focus the report. The 2015 report noted four key, prevailing, themes within The City’s IRM program which have become the foundational pillars for the IRM Framework (Attachment 2). Each of the CICA’s 20 questions has been mapped to one of the four pillars which it most clearly applies, this will serve as the basis of our 2016 Model Update report.

Governance and Oversight

- How do we ensure that the Board’s expectations for risk management are communicated to and followed by the employees of the company?
- What information about the risks facing the organization does the Board get to help it fulfill its stewardship and governance responsibilities?
- How do we know that the information the Board gets on risk management is accurate and reliable?
- What are our priorities as a Board in the oversight of Risk Management?
- How does the Board handle its responsibility for the oversight of opportunities and risks?
- How does the Board ensure that at least some of its members have the requisite knowledge and experience in risk?
- How do we, as a Board, help establish the “tone at the top” that reinforces the organization’s values and promotes a “risk aware culture?”
- How satisfied are we that the Board is doing what it should in overseeing risk?

Established Practices and Processes

- Do people in this organization have a common understanding of the term “risk”?
- How effective is our process for identifying, assessing and managing business risks?
- How do we ensure that risk management is an integral part of the planning and day-to-day operations of individual business units?
- How is risk management coordinated across the organization?
- How do we monitor and evaluate changes in the external environment and their impact on the organization’s strategy and risk management practices?
- How do we decide what information on risks we should publish?
- How do we ensure that our executives and employees act in the best interest of the organization?

Integration of IRM with The City’s Strategic Direction

- How do we integrate risk management with the corporation’s strategic direction and plan?
- What are our principal business risks?
- Are we taking the right amount of risk?
- How do we ensure that the organization is performing according to the business plan and within the appropriate risk tolerance limits?

Review and Continuous Improvement

- How do we take advantage of the organizational learning that results from the risk management program and activities?