**RISK Management Plan**

 **2017- 2020**

**Ratified by the Etobicoke Medical Centre Family Health Team**

**Board of Directors**

( April 13, 2017)

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EMC FHT Board Chair

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ECM FHT Executive Director

**Defining Risk:**

**Risk** takes many forms but, essentially, is any-thing that affects an organization’s ability to meet its objectives and preserve its reputation. Organizations are more likely to consistently meet their objectives when they have effective processes for identifying and managing risks. They may do so by considering and addressing risk under a number of categories which include:

**Compliance risk**—the risk of fines and other regulatory penalties for such offences as:

Failure to remit payroll deductions, violation of privacy laws, restrictions on the use of funds from, funding agencies.

**External risk**—the risk of losing the support of the public funding sources.

**Financial risk**—the risk of fraud.

**Governance risk**—the risk of ineffectiveness, oversight and poor decision-making.

**Information technology risk**—the risk that the information technologies used in the organization may not be secure.

**Operational risk** —the risk of misuse or neglect of human capital.

**Strategic risk**—the risk of inappropriate or unrealistic programs and initiatives.

**Statement:**

Etobicoke Medical Centre Board of Directors is responsible for the oversight of the organizational risk management plan. The Board has determined the types of risk, probability of an occurrence,

Impact of an occurrence on the organization and a plan to manage identified risk. The risk management matrix below outlines that plan.

**RISK ASSESSMENT MATRIX**

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| --- | --- | --- | --- | --- |
| **RISK Category** | **RISK Identified**  | **Probability of Loss with Occurrence*** Low- 0%-35%
* Medium 36%-70%
* High 70%-100%
 |  **Severity of Loss with Occurrence*** Low
* Moderate
* Severe
 | **RISK Management strategy** |
| **Compliance risk** | * Failure to remit payroll deductions
* violation of privacy laws
* restrictions on the use of funds from, funding agencies
 | * (Low)
* (Medium)
* (Medium)
 | * (Severe) penalties impact budget
* (Moderate) errors occur but, intent to cause harm and harm caused must be proven. Budget impact
* (High) possible loss of funding
 | * Compliance check list created.
* Privacy policy in place, insurance purchased to transfer risk.
* Board directive, ED to secure written consent from funder for all/any irregular uses of funding.
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| **External risk** | * losing the support of the public funding sources
 | * (Medium)
 | * (Severe) – Loss of funding results in transition to closure.
 | * Board directive (minutes), ED to secure written consent from funder for all/any irregular uses of funding.
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| **Financial risk** | * the risk of fraud
 | * (Low)
 | * (Severe) - Possible loss of funding, transition to closure.
 | * Bylaw provision – duel signatures to bind the corporation and sign cheques.
* Signatories have ZERO access to cheques
* ED signs off on ALL expenditure including: Board submissions after expenditures are reviewed by the Finance Manager.
* By law provision requiring all irregular purchases exceeding $ 10,000 is approved by the Board.
* Corporate credit cards are limited.
* MOHLTC requires quarterly and annual budget use submission
* MOHLTC requires annual independent audit.
* Member review and approve annual audit at AGM.
* FHT finance manager has no signing authority.
* Treasurer reviews all financial spending and report to the board monthly with any irregularities.
* Insurance for loss in place as applicable.
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| **Governance risk** | * the risk of ineffectiveness
* oversight and poor decision-making
 | * (Medium)
 | * (Severe) -Possible loss of funding, transition to closure
 | * Board directive (minutes) creation of Director Orientation manual, continuing director education, annual board self review.
* Director and Officer Liability Insurance in place.
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| **Information technology risk** | * secure information
 | * (High)
 | * (Low) -Proof of loss must be established by patients engaging in legal action against the FHT.
 | * Information stored: No SIN number-no financial fraud risk.
* Patient information protected by secure firewall.
* Access to patient file server is limited and program has built in tracker-identifying who and for what access was gained.
* Cyber Insurance has been purchased to guard against hacking and accidental security breech.
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| **Operational risk** | * misuse or neglect of human capital
 | * (Low)
 | * (Moderate) – Retention rate may be poor, underutilized funding loss?
 | * HR, Health and safety policies in place to ensure worker safety, protection and employer expectation and workers protection from exploitation.
* All legislative requirements, policies etc., are in place and updated/reviewed as needed.
* Use of Human resources funding, personnel as outlined within the MOHLTC/FHT funding agreement are strictly observed.
* All FHT staff are contracted.
* Vendor contracts in place for all services completed in accordance with the MOHLTC 3.8 exemption.
* Insurance in place.
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| **Strategic risk** | * the risk of inappropriate or unrealistic programs and initiatives
* Alignment of strategic planning with the funder’s strategic goals for the Provincial health care system.
 | * (Low)
* (Low)
 | * (Severe) – Misuse of human and other resources, not in alignment with MOHLTC strategies and patient population EMR identified needs.
* (Severe) – Loss of funding, transition to closure.
 | * All programs and services needs are indentified via EMR search and verification of substantial patient numbers.
* All programs and services are in alignment with provincial strategy implemented by MOHLTC.
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