# CHANGE FOR CHILDREN ASSOCIATION (CFCA)
## Risk Management Policy

## Rationale/Purpose

Change for Children Association (CFCA) believes that risk management is essential for the continued success of our organization. Risk management is embedded within our organization's culture, processes, and structures so that they are directed towards effective risk identification, assessment, mitigation, and management. CFCA recognizes that making risk management an integral part of the organization improves strategic planning, decision making, and the successful and sustainable achievement of our objectives. We acknowledge that not all events or incidents that pose a risk to CFCA personnel or CFCA operations are within our control. The aim of this policy is not to eliminate all risks, rather it is to manage the risks involved in CFCA's activities to maximise opportunities and minimize adversity.

## Principles

Collective Commitment
- Successful risk management and mitigation is dependent on every CFCA volunteer, staff member, and related personnel. Each stakeholder has a role in ensuring the safety and security of themselves and others.

Organizational Culture
- Making risk management an integral part of CFCA's organizational culture is essential. This involves ensuring that risk management is embedded into all operations rather than seen as distinct from day to day activities.

Safe and Secure Environments
- CFCA is committed to taking the proper steps to maintain a safe and secure environment for all volunteers, staff, and related personnel. This includes measures to identify, prevent, mitigate, and respond to any incidents of events that may compromise the safety and security of CFCA personnel and the environments they work in.

## Objectives and Strategies

CFCA will support a deliberative approach to risk assessment and treatment to avoid, mitigate or manage risks in support of the organization's activities and strategic and operational

priorities. The CFCA Board of Directors and senior staff will determine the appropriate level of acceptable risk based on a balanced view of the risk, considering both the threat of adverse impacts, and the opportunities that arise from properly managed risk.

**Risk Management Objectives**

- Map to CFCA's Strategic Framework and planning, and integrate risk management into the culture of the organization;

- Assess risks and opportunities against CFCA level of risk tolerance;

- Anticipate and respond to social, environmental and legislative conditions;

- Manage risk according to best practice and demonstrated due diligence in decision making;

- Document the framework within which Risk is managed at the Organization;

- Foster a culture of identifying, assessing and mitigating risks.

CFCA strives for effective management of risks that fall into the following five categories:

1. Strategic
   - Risks that are aligned with and support the organization's mission, vision and strategic directions.
2. Operational
   - Risks that are associated with on-going management processes, including those related to projects and initiatives.
3. Financing/Reporting
   - Risks associated with sound financial practices, protection of CFCA's assets and reliability of reporting.
4. Compliance
   - Risks associated with institutional compliance with applicable legislation and regulations.
5. Reputational
   - Risks that may be triggered by a serious event in any category.

**Risk Management Process**

1. Risk Assessment
   Identification
   - Projects, programs, and processes are assessed to identify hazards and risk factors that have the potential to cause harm to CFCA personnel and CFCA operations.

Risk Analysis
- Identified risks will be assessed based on the combination of the probability of occurrence and severity of the impact. Information used in this process may include current and historical data, theoretical analysis, informed opinions, and the concerns of stakeholders.

Risk Evaluation/Prioritization
- Identified risks will be ranked to determine which risk is the most serious so that an action list can be created based on the highest priority risks. Risks will be examined using a risk matrix table which shows the relationship between probability and severity. This is done by considering exposure and potential for incident, injury, or illness.

Risk Mitigation/Control
- After risks are prioritized, the options for handling risks will be decided. A risk mitigation plan will be developed and monitored for effectiveness.

2. Documentation
- Risk assessments and control actions taken are recorded and stored based on the level of risk involved and legislated requirements. The records show that CFCA has conducted a proper hazard review, determined the risk of hazards, implemented suitable control measures, and reviewed and monitored all hazards involved.

3. Monitoring and Review
- Risk assessments are reviewed and monitored on a regular basis to ensure the risk assessment is complete and accurate, and to make sure control methods are effective. This is essential to be sure that any changes that impact projects and volunteers have not introduced any new hazards or changed hazards.

## Oversight, Compliance, and Control

### Board of Directors

In its governance role, the CFCA Board of Directors assumes ultimate responsibility to ensure that adequate risk management procedures are adopted to protect the assets and undertakings of the organization.

The Board shall review and make recommendations as to the organization's risk assessment practices and procedures and risk management systems in respect to all aspects of its operations, legal, operational, regulatory, ethical, environmental etc.

Underpinning this policy, the Board adopts an active approach to risk management on the basis that CFCA is a risk-aware organization, rather than a risk-averse one.

**Executive Director**

The Executive Director of CFCA is responsible to the Board of Directors to ensure that a Risk Management Plan is developed and implemented for risk management procedures to become part of the day-to-day operations at CFCA. The Executive Director shall report to the Board of Directors on the development and continuing implementation, monitoring and modification of the Risk Management Plan.

**Senior Staff**

The senior staff are responsible for establishing and implementing the risk management system to identify, control and manage strategic, technical, operational and other material risks.

*Approved by CFCA Board, April 2019*
*Date for Review: April, 2022*