

DAU 8-8 Risk Management Framework Policy

Policy Code	Policy Name		
DAU 8-8	Risk Management Framework Policy		
Responsible Executive	Current Revision Date	Next Revision Date	
- Risk Management Committee (RMC)	10/ 2023	10/2027	

1. Purpose of Policy

The purpose of this Risk Management Policy is to establish guidelines and procedures for identifying, assessing, mitigating, and managing risks faced by the DAU. This policy aims to ensure that the university proactively identifies and manages risks that may impact its operations, reputation, and financial stability, to protect the university's interests and stakeholders.

2. Policy Scope

This policy applies to all departments, employees, and stakeholders of DAU. This includes all aspects of the university's operations, such as academics, administration, finance, human resources, facilities, information technology, and other areas where risks may arise.

3. Policy Statement

DAU is committed to implementing effective risk management practices that facilitate proactive identification, assessment, mitigation, and management of risks to protect the interests of the university and its stakeholders. The university acknowledges that risks are inherent in its operations and aims to minimize the adverse impact of risks through a systematic and proactive approach to risk management. The financial viability of the institution mainly relies on student enrolment. The student enrolment projections, attrition, study progression and their impacts on the institutional budget shall be routinely researched and analyzed. So that DAU sets up the RMC.

4. Policy Procedures

The University President sets a target for new enrolment in October for the following academic year, and accordingly marketing and student recruitment activities plan is developed and followed through the entire academic year. The preliminary budget is developed in April based on the projected enrolment, and continually adjusted in line with the dynamics of the enrolment. A final decision on the operational budget is deferred until the beginning of the next academic year when the exact number of enrolments and the resulting revenue become clear. This cautious and calculated approach has minimized the risks of overspending and engaging in risky projects.

The approach is further complemented by the college budget tracking system that is monitored on a weekly basis by the Financial Manager and the University council. The tracking system involves study of the weekly cash flow, comparison of expenditures against the budgeted amount, and the effect of the budget adjustments on the operations of the institution. To ensure further integrity and minimize risks, periodic reports are submitted to the board of trustees. To minimize risks and strengthen financial viability, it is recommended to find ways to expand the institution's funding base via a fundraising strategy that involves alumni in the activities.

The RMC will monitor and follow up the risk management processes in DAU.

The risk assessment process is as follows:

- *Risk Identification:*
 - All departments and employees of the university shall be responsible for identifying and reporting potential risks related to their respective areas of responsibility.

- Risk identification shall be an ongoing process that includes regular assessments of internal and external factors that may pose risks to the university's operations, reputation, and financial stability.
- Risk identification shall be documented and reported to the designated risk management personnel for further assessment and action.
- **Risk Assessment:**
 - Identified risks shall be assessed for their likelihood, potential impact, and severity using a standardized risk assessment framework or methodology.
 - Risk assessments shall be conducted by designated risk management personnel, who shall analyze the identified risks and determine their significance to the university.
 - Risk assessments shall consider the potential consequences of risks, as well as the effectiveness of existing controls and mitigation measures.
 - Risk assessments shall be documented and reported to the appropriate university officials for further action.
- **Risk Mitigation:**
 - Based on the results of risk assessments, appropriate mitigation measures shall be developed and implemented to reduce the likelihood and potential impact of identified risks.
 - Risk mitigation measures may include implementing or enhancing internal controls, developing contingency plans, transferring risks through insurance or other contractual arrangements, or taking other actions to mitigate risks.
 - Risk mitigation measures shall be documented and implemented in a timely manner, and their effectiveness shall be monitored and reviewed regularly.
- **Risk Management Monitoring and Reporting:**
 - The effectiveness of the risk management process shall be monitored and reviewed regularly by designated risk management personnel or committees.
 - Risk management reports shall be provided to the appropriate university officials and stakeholders on a regular basis, highlighting the identified risks, their assessment, mitigation measures, and progress towards risk mitigation.
 - Any significant changes in the risk management process, such as new risks emerging or changes in the severity of identified risks, shall be promptly reported, and addressed through the risk management process.
- **Compliance:**
 - All departments and employees of the university shall comply with this Risk Management Policy and associated procedures and any concerns or incidents related to risks shall be promptly reported to designated risk management personnel for appropriate action.
- **Review and Update:**
 - This Risk Management Policy shall be reviewed and updated periodically to ensure its continued effectiveness and alignment with the university's goals and objectives.
 - Any changes to the risk management policy or procedures shall be communicated to all relevant departments and employees, and appropriate training or guidance shall be provided as needed.

5. Related Policies/ Documents/ Forms

[Risk Management Policies and Procedures](#)
[DAU Risk Management Plan.pdf](#)

6. Document History

Version	Issue/ Rev. Date	Updated Information/ Summary of Changes
1	10/2023	1 st issue of the policy