

SPARWOOD PUBLIC LIBRARY ASSOCIATION STATEMENT of POLICIES		Page:	1 of 3
Chapter:	GOVERNANCE	SP No.	B.10
Subject:	Risk Management	Date Approved:	February 5, 2024
Issued by:	Board Trustees	Subject to Review:	2026
Replaces:	NEW	Dated:	

POLICY

1. **Compliance risk** includes statutory reporting, maintenance of adequate records, restrictions on the use of granted funds and the remittance of payroll deductions. To manage compliance risk:
2. **SPLA's** Executive Committee and/or Finance Committee shall report, no more often than quarterly and no less often than yearly to the Board with a compliance report that confirms:
 - a. GST returns have been filed
 - b. Employee wages and benefits are paid in full to current date (if applicable)
 - c. Payroll deductions have been remitted (if applicable)
 - d. Worksafe BC payments have been classified properly and remitted (if applicable)
 - e. Annual Provincial Public Library Grant has been filed
 - f. Annual Survey Report (Counting Opinions) has been completed
 - g. Statement of Financial Information (SOFI) has been completed
 - h. Insurance policies are in place
 - i. Banking and investment account signing authorities are current
 - j. The Board reviews a summary of all grants received and ensures that grant funds are spent consistent with the grant application and that all final reports are completed on time
3. **Reputational risk** includes risk of becoming irrelevant, losing support of the public and failure to respond to economic, demographic, and other trends. To manage reputational risk:
 - a. The Board participates in a strategic planning exercise every three years that culminates in their approval of a formal strategic plan and operational work plan
 - b. The Board reviews the strategic plan and work plan annually and makes adjustments, as necessary
 - c. The Board undertakes quarterly reviews of the work plan
 - d. The Board, volunteers and staff uphold the Code of Conduct
 - e. A Communications and Public Representation Policy is implemented
4. **Financial risk** because of investment activities exposes the **SPLA** to a variety of financial risks. Consequently, the organization shall adopt investment policies, standards and practices designed to avoid undue risk of loss and impairment of assets, and to provide a reasonable expectation of fair return given the nature of the investments, taking into account the following components of financial risk:
 - a. **Market Risk** – value will fluctuate because of changes in market prices
 - b. **Liquidity Risk** – unable to generate sufficient cash or its equivalent in a timely and cost-effective manner
5. **Governance Risk** - would occur when the Board exercises insufficient oversight or poor decision making. To mitigate governance risk:
 - a. The Board trustees have diverse skills and are qualified to offer appropriate oversight
 - b. The Board may appoint permanent committees to assist with oversight and decision making (see Policy B.5)

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6. **Business Continuity Risk** would occur in the event of a substantial risk actually happening or an emergency beyond the control of the business (fire, flood, etc.). To reduce the impact of a business continuity risk the Board will maintain a Records Management Policy.
7. **Health and Safety Risk** -includes the failure of the **SPLA** to implement policies to encourage safe practices by Board trustees, volunteers, library members and employees. To mitigate this risk, the **SPLA** ensures:
 - a. Training for employees and volunteers including:
 - i. Basic safe work practices
 - ii. Provision of first aid courses for employees and volunteers
 - b. Safety awareness education:
 - i. Procedure for employees and volunteers to report accidents and incidents
 - c. Safety equipment and emergency information:
 - i. Provide, inspect, and sign locations of first-aid kits and defibrillators on-site
 - ii. Post emergency numbers
 - d. Create and review annually the following plans:
 - i. Hazard assessment of each area
 - ii. Opening/closing security procedures
 - iii. Building evacuation plan
8. **Information and Communications Management Risk** includes the failure to safeguard personal information collected by the **SPLA**. There is also the risk of dispatching inaccurate information. To mitigate information and communications risk:
 - a. *Personal Information Protection Act* (BC) require organizations to take reasonable steps to safeguard the personal information in their custody or control from such risks as unauthorized access, collection, use, disclosure, copying, modification, disposal, or destruction
 - b. Electronic communications practices comply with Canada's Anti-Spam Legislation (CASL)
 - c. **SPLA** spokesperson(s) have received an orientation in media relations and social media tools
 - d. Annual General Meeting Policy has been implemented. (Policy manual E.4)
 - e. Communications & Public Representations Policy has been implemented
 - f. Privacy Policy has been implemented
 - g. Records Management policy has been implemented

PURPOSE

9. The **SPLA** recognizes that there are elements of risk inherent in all activities undertaken to meet the organization's mission statement, and shall apply a series of management policies, procedures and practices to the tasks of mitigating and preventing risks and resolving the risks when they occur.

RESPONSIBILITY

10. Risk management is one of the key responsibilities of the Board and while it can delegate the management of risk, it cannot delegate its responsibility for oversight.

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PROCEDURES

11. This policy will be reviewed every year by the Executive Committee.
12. This policy will be reviewed every two years by the Board.
13. The **SPLA** mitigates risk through ensuring that officer and director insurance is in place.