

Members

Chairperson:
Elizabeth Dickenson
Director, Risk Management
Oregon University System

Vice-Chairperson:
Angie Patterson
Business Operations
Manager
Department of Fish &
Wildlife

Nathan Allen,
Administrator
Planning & Budget
Department of Corrections

Gayla Andresen, Manager
Safety & Health Unit
Department of Human
Services

Todd Brown, Manager
Health & Safety
Department of
Environmental Quality

Nancy Cody
Safety & Facilities Manager
Department of Consumer &
Business Services

Loren Collins
Chief Trial Counsel
Department of Justice

Julie Davie
Safety & Risk Manager
Department of
Transportation

Lee Hullinger
CFO
Department of Human
Services

Kyle Knoll
Budget Officer & Risk
Manager
PERS

Vena McCoy
Internal Auditor & Risk
Manager
Department of State Lands

Sandy McDonnell,
Manager
Administrative Services
Oregon Housing &
Community Services

Marc Williams
CIO/Deputy Director
Department of Justice

Ex-Officio:
Pamela Stroebel Valencia
Chief Audit Executive
Department of
Administrative Services

AGENDA Risk Management Advisory Council

Meeting Date: August 26, 2009

Time: 8:00 a.m. – 10:30 a.m.

Location: Department of Forestry / Tillamook Room
2600 State Street
Salem, OR 97301

Facilitators: Elizabeth Dickenson & Angie Patterson

ITEM	PRESENTER	TIME	ACTION, NOTES
Education			
Introduction to COSO	Pamela Valencia	8:00 a.m.	
Call to Order			
1. Welcome	Elizabeth Dickenson	8:30 a.m.	
2. Review of Participation Ground Rules			
3. Approval of Recap			
Information			
4. Introduction and report on Advisory Council Planning Group	Angie Patterson	8:35 a.m.	
5. Action Plan Status Reports			
a. Issue 1 – Reduce Claim Cost	Loren Collins	8:45 a.m.	
b. Issue 2 – Employee Injury Data Collection	Julie Davie	8:50 a.m.	
c. Issue 3 – Risk Charge Methodology	Angie Patterson	8:55 a.m.	
Action			
6. Enterprise Risk Management			
a. Shared Definition of ERM	Deborah Fifield	9:00 a.m.	
b. Assessment Exercise at Agency and State-Wide Level	Kyle Knoll		
c. Shared Vision of Next Steps at Agency and State-Wide Level	Pamela Valencia		
Adjournment			
7. Summary and Adjournment	Elizabeth Dickenson	10:25 a.m.	

Teleconference: (877) 214-5010

Participant Code: 433283

Future Meeting Dates:

October 7, 2009

November 18, 2009

December 30, 2009

February 10, 2010

March 24, 2010

May 5, 2010

Time:

8:30 am-10:30 am

8:30 am-10:30 am

8:30 am-10:30 am

8:30 am-10:30 am

8:30 am-10:30 am

8:30 am-10:30 am

Location:

DOF, 2600 State St., Till.Rm.

DOF, 2600 State St., Till.Rm.

DOF, 2600 State St., Till.Rm.

DOF, 2600 State St., Till.Rm.

DOF, 2600 State St., Till.Rm.

DOF, 2600 State St., Till.Rm.

**RECAP
RISK MANAGEMENT ADVISORY COUNCIL MEETING**



Meeting Date: August 26, 2009

Time: 8:00 a.m. to 10:30 a.m.

Location: Oregon Department of Forestry
Tillamook Conference Room
2600 State Street
Salem, OR 97301

Present:

Council Members	Gayla Andresen, Nathan Allen, Elizabeth Dickenson, Kyle Knoll, Vena McCoy, Angie Patterson, Pam Stroebel Valencia, Loren Collins, Marc Williams, Sandy McDonnell, Penny Repine (Julie Davie delegate)
State Services Division	Jan Dean, Jeanette Fish, Pat Carrothers
DAS Risk Management	Deborah Fifield, Teresa Boes, Sue Praegitzer, Deb Bogart, Andrea Peters
Guests	Joyce Fred (OSU), Linda Barnett (PERS), Bonnie Krieger (PERS), Dan Jones (DOF)

Recap:

ITEM	ACTION, DISCUSSION
Education	
Enterprise Risk Management – Introduction to COSO	Councilperson Valencia provided an overview of the COSO Model for Enterprise Risk Management (ERM).
Call to Order	
Welcome and approval of 7/15/09 Recap	The meeting was called to order at 8:55 a.m. The July 15, 2009 meeting minutes were approved as written.
Information	
Report on Advisory Council Planning Group	Vice Chair Patterson announced that dates of the Advisory Council Planning meetings will be shared and those interested were invited to attend. There was a request for the Council's wishes on whether they wanted workgroup documents and if so, how did they want to receive them. Action: Consensus of the Council was that they wished to have them available for review. Documents will be posted on the Council's website, sent by e-mail, distributed at meetings or a combination of these means.
Reduce Claim Cost Workgroup Issue Paper Status as of July 21, 2009	Councilperson Collins reported the workgroup meetings have focused on educating themselves about claim costs, policies and Dept. of Justice billing practices. Recommendations that have been considered included electronic discovery best practices, early identification of litigation claims, agency/DAS Risk Management/Dept. of Justice reviews. It was announced that there is an upcoming Dept. of Justice Training on

<p>Employee Injury Data Workgroup Issue Paper</p> <p>Risk Charge Methodology Workgroup Issue Paper</p>	<p>Discovery.</p> <p>Action: Debbie Fifield will provide this training information to the council.</p> <p>Councilperson Andresen distributed a draft list of survey questions regarding data collection and use.</p> <p>Action: Council is to review the questions and send suggestions/comments to Councilperson Andresen.</p> <p>Vice Chair Patterson highlighted the workgroup's recommendations.</p>
--	--

Action

<p>Enterprise Risk Management</p> <p>a. Shared Definition of ERM</p> <p>b. Assessment Exercise at Agency and Statewide Level PowerPoint Presentation</p>	<p>Debbie Fifield explained that the shared definition should address:</p> <ul style="list-style-type: none"> • Where we think we are? • What steps are reasonable and appropriate? • How do we establish strategic objectives? • How do we roll this up to the statewide level? • How do we garner ownership by the agencies? <p>Councilperson Knoll discussed the assessment tool for Enterprise Risk Management (ERM) provided to the Council. It contained a question related to each of the 11 International Organization for Standardization (ISO) principles. The Council was directed to measure their agency's maturity for each question on a scale of 1 to 5 with 1 being the least mature and 5 being the most mature. Councilperson Knoll provided a brief explanation for each question and directed the Council to share their comments/challenges for each question. The following are the highlights of the exercise:</p> <ul style="list-style-type: none"> • Does the risk management program add/create value? <ul style="list-style-type: none"> ○ Is it aligned with the mission? ○ Does it drive process improvement? ○ Risk management is not necessarily the driver. ○ Is the right expertise brought to the discussion? ○ Having a model of who to involve is helpful. • Is the risk management program an integral part of the organizational process? <ul style="list-style-type: none"> ○ Risk management needs to become a mindset to be a driver. ○ Identification of and communication with stakeholders is needed. ○ Players can slip into silos. ○ Avoid blame finding. ○ Similar to Total Quality Management systems. ○ Educate to diffuse disbelief in the system/process. ○ Get everyone at the table. ○ Elevate the director's maturity for the tone at the top. • Is risk management a standard part of the decision-making process? <ul style="list-style-type: none"> ○ Enlist the support of those who are believers in risk management.
--	---

- Focus on action and prioritization.
- Does the risk management program explicitly address uncertainty?
 - How do you identify uncertainty without getting bogged down?
 - Focus on moving forward.
- Is the risk management program systematic and structured?
 - Are consistent, reliable outcomes a product?
 - Does everyone see the same systems and structures?
 - Commit to everyone knowing what the systems and structures are and what their roles in using them are.
- Is risk management based on the best information available?
 - Test this based on feedback and observation.
 - Where does information come from?
 - Update with new information as available.
 - How is the information valued?
 - Compare to outside organizations.
- Is the risk management program tailored to meet the organization's needs?
 - Risk management looks different according to agency business.
- Does the risk management program take into account the human elements/factors?
 - Look at stakeholder perspectives, but don't get bogged down.
 - How do you know when you are ready to move?
 - Consider continuous improvement vs. perfection.
 - Understand the tools and resources.
 - Use due diligence.
 - Test plans to keep improvement moving.
 - Balance human factors
 - Hear and move on.
 - Know where people are on the issue.
 - Move, but identify agreements.
- Is the risk management program transparent and inclusive?
 - Identify what transparent means.
 - Is it clear, doesn't hide, understood?
 - Common disconnects are shared expectations, goals, framework.
 - Keep it in front.
- Is risk management dynamic, iterative and responsive to change?
 - Is there a reliance on the way it has always been done?
 - Do things get stifled?
 - Is risk management changing as needed?
 - Is responsiveness being considered?
- Is the risk management program capable of continual improvement and enhancement?
 - Mitigate through risk management maturity principles.

Action: Councilperson Knoll suggested the Council use their scores to determine where they are and then determine where they want to be in two years. Debbie Fifield asked for agencies to share their priorities with her. Councilperson Knoll shared PERS' priorities are uncertainty, tailoring program to PERS and managing change. Other comments:

- Transparency

<p>c. Shared Vision of Next Steps at Agency and Statewide Level</p>	<ul style="list-style-type: none"> ○ Can relate to a lack of understanding. Are you documenting, capturing discussions and decisions? Could someone come in and be informed based on documentation available? ○ Cultural tone at the top will drive transparency. ○ Can be time-consuming. ○ How do you decide what level of documentation is the right level? ○ Change is a poise to react as needed to unknown risks. ○ Putting a face to bureaucracy diffuses uncertainty. ○ Triage pre- and post-loss. <p>Action: This agenda item is deferred to the next meeting.</p>
Adjournment	
<p>Summary and Adjournment</p>	<p>There being no further business, the meeting was adjourned at 10:28 a.m.</p>

Next meeting:
October 7, 2009