

MEMBERS

Chairperson:
Kyle Knoll, Budget Officer
& Risk Manager
PERS

Vice-Chairperson:
Marc Williams, Director of
Administrative Services
Department of Justice

Vacant

Vacant

Vacant

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

Julie Davie, Safety and
Risk Manager
Oregon Department of
Transportation

Joyce Fred, Risk Officer
Oregon University
System
Oregon State University

Lee Hullinger, CFO
Department of Human
Services

Vena McCoy, Internal
Auditor & Risk Manager
Department of State
Lands

Sandy McDonnell,
Administrative Services
Manager
Oregon Housing &
Community Services

Leonard Williamson,
Attorney-In-Charge, Torts
and Employment
Litigation
Department of Justice

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

AGENDA
Risk Management Advisory Council (RMAC)



Meeting Date: May 31, 2011

Time: 9:00 am – 11:00 am

Location: General Services Building, Mt. Mazama Conference Room (basement)
1225 Ferry Street, SE
Salem OR 97301

Operating Principles:

Be guided by the Risk Management Advisory Council Charter and Operating Guidelines; open, honest, direct conversation.

ITEM	DESIRED OUTCOME	TIME	PRESENTER
1. Welcome/Introductions		9:00 am	Kyle Knoll
2. Approval of April 8, 2011 Meeting Recap	Approval	9:05 am	Marc Williams
3. GovSpace Presentation	Education	9:10 am	Wally Rogers Heather Burks
4. DAS Risk Management Update	Discussion/Shared Understanding	9:55 am	Jen Coney
5. RMAC: Retrospective Look and Strategic Planning Review ✓ Revised Charter & Operating Guidelines Approval ✓ Roles and Responsibilities Resource List	Approval Distribution Plan	10:10 am	Kyle Knoll Marc Williams
6. Enterprise Risk Management (ERM) ✓ Assessment Tool Pilot Update	Discussion/ Shared Understanding	10:20 am	Jen Coney/ Pam Stroebe Valencia
7. 2011 Legislative Session ✓ Bills of Interest	Update	10:30 am	Leonard Williamson
8. Round Table ✓ RIMS 2011 Conference	Update	10:45 am	All Kyle Knoll
9. Adjournment		11:00 am	Kyle Knoll

Next Meeting Dates:

August 10, 2011

September 21, 2011

November 2, 2011

Time:

9:00 am – 11:00 am

9:00 am – 11:00 am

9:00 am – 11:00 am

Location:

1225 Ferry St. SE, Mt. Mazama

1225 Ferry St. SE, Mt. Mazama

1225 Ferry St. SE, Mt. Mazama

ERM: Identifying, evaluating and effectively managing real or perceived barriers to achieving our mission and strategic goals.

**RISK MANAGEMENT ADVISORY COUNCIL
ACTION DASHBOARD**

Revised 05/09/2011

Charter Goals & Objectives				
1: Strengthen relationships between DAS Risk Management and its stakeholders. 2: Identify and support stakeholder's priorities and needs that DAS Risk Management should strive to meet. 3: Influence the development of DAS Risk Management's service models to ensure its customers are well-served. 4: Provide organization perspectives to DAS Risk Management on its policy decisions that impact some or all stakeholders. 5: Provide a forum for stakeholders, to exchange information, generate ideas and make recommendations to DAS Risk Management in accordance with the Advisory Council Operating Guidelines. 6: Reduce the Direct Total Cost of Risk for the State.				
Topic	Project/Task	Alignment with Charter, Goals & Objectives	Status	Notes/Comments
ERM	Post finalized brochure to the DAS ERM website.	1,2,4,6	Complete	Sue Praegitzer
	Draft standards document to include ERM definitions and language.	1,2,4,6	Action Needed	Jen Coney/Pam Stroebel-Valencia
	Revise ERM definition on agenda to be consistent with brochure.	1,2,4,6	Complete	Sue Praegitzer
Event Mgmt	Council members contact Jen Coney, Penny Evans or Teresa Boes if they are interested in being part of the customer group to provide feedback as Risk takes a closer look at the program as a whole in the coming months. There will be opportunities for customers to be involved with the Lean process and also to provide feedback/perspective on the services Risk Management provides.	1,2,4,6	Ongoing	Councilpersons interested are Leonard Williamson and Joyce Fred. There is stated interest from OSU and DHS-CAF. Guest Eunice Hunt has a representative in mind for Department of Corrections and Guest Angel Hale would like to be on the team. Status Update (12/1/2010): Will make a recommendation after the DAS-RM Claims Lean process regarding tools to provide to state agencies.
Legislative Update	SB734. Send bill analysis and testimony to council members and guests.		Complete	Jen Coney
	Council member Leonard Williamson will report bills of interest to the Council.		Ongoing	
	Council members should forward information/emails of interest related to potential legislation to Council member Leonard Williamson.		Ongoing	
Outreach	Workgroup documents posted to website	1,3	Ongoing	Need decision/direction from Council

**RISK MANAGMENT ADVISORY COUNCIL
ACTION DASHBOARD**

Revised 05/09/2011

	Develop and communicate training opportunitis to Risk Coordinators	5	Ongoing	Last activity 8/19/10: Claims 101 training. 8/18/10: sent out training opportunity list on two listserves. Status update (12/1/2010): Three trainings have been provided. Next training will most likely be in March 2011.
	Edit and develop Risk Coordinator/Safety Manager list.	1,2,3,4,5,6	Ongoing	Last activity 8/24/10
Planning	Strategic Planning: Next Steps		Complete	Invite Wally Rogers to present overview of GovSpace at the next meeting (5/31/11).
	Charter Revision		Action Needed	Add Quorum language to Charter and make final document available for signature at the May 31 meeting.
	Operating Guidelines Revision		Complete	Make following revisions to Operating Guidelines: 1) Page 1, Change 'Desirable attributes' to 'Required attributes', 2) Page 2, under 'Council Member Participation' edit 1.a. to read 'Regularly attends meetings of the Council and actively participates, or sends a delegate.' 3) Page 2, under 'Council Member Participation', delete 'd.' Make available for signature at the May 31 meeting.
	Individual Contributions	1,2,4,5	Complete	Recap of risk management experience and expertise (from attendees of 2/1/11 RMAC meeting). Kyle Knoll will compile lists and send out to members. List will be reviewed at 4/8/11 RMAC meeting and next steps determined.
	Council self-assessment.	1,2,5	Ongoing	Occurs every Council meeting - regular agenda item
Workgroups	Employee injury data collection	1,2,3	On Hold	Last activity 11/16/09
	Claim Cost Reduction workgroup: address statutory or rule change requirements.	1,6	On Hold	Last activity 6/3/09

**RISK MANAGMENT ADVISORY COUNCIL
ACTION DASHBOARD**

Revised 05/09/2011

	Develop an ERM talking point document/memorandum for review and input by DAS and then submittal to Ken Rocco (BAM/LFO) for consideration as a decision making tool during the Legislative Session review and approval of the 11-13 Agency Budget Requests. The document will be sent to Council members by December 7 for comments.	1,2,4,6	On Hold	Council Chairperson Kyle Knoll
--	---	---------	---------	--------------------------------



Risk Management Advisory Council

Charter
Rev 05/31/2011

CONTEXT

Oregon State agencies are committed to a strong partnership with Department of Administrative Services (DAS) Risk Management and more involvement in the determination of how their budget contributions are spent. DAS Risk Management desires a multi-faceted forum for garnering understanding, acceptance and support of DAS Risk Management strategies, policies and practices. The purpose of the Risk Management Advisory Council (Council) is outreach to all Oregon State agencies, to provide a forum for stakeholders to exchange information, generate ideas, and make recommendations to DAS Risk Management in accordance with the Advisory Council Operating Guidelines.

PURPOSE AND AUTHORITY

The Risk Management Advisory Council is formed by authority and approval of the DAS State Services Division Administrator. The purpose of the Council is outreach to all Oregon State agencies, and to provide a forum for stakeholders to exchange information, generate ideas, and make recommendations to DAS Risk Management in accordance with the Advisory Council Operating Guidelines.

ALIGNMENT AND GUIDELINES

The recommendations of the Risk Management Advisory Council must be in alignment with:

1. The statutory authority granted to the Department of Administrative Services and delegated to DAS Risk Management in the areas of providing property and tort liability insurance coverage, workers' compensation insurance coverage, claims management and risk management consultation;
2. Other applicable statutes; and
3. The DAS Risk Management strategic plan.

GOALS AND OBJECTIVES

The goals and objectives of the Risk Management Advisory Council are to:

1. Strengthen relationships between DAS Risk Management and its stakeholders.
2. Identify and support stakeholder's priorities and needs that DAS Risk Management should strive to meet.
3. Influence the development of DAS Risk Management's service models to ensure its customers are well-served.
4. Provide organization perspectives to DAS Risk Management on its policy decisions that impact some or all stakeholders.
5. Provide a forum for stakeholders, to exchange information, generate ideas and make recommendations to DAS Risk Management in accordance with the Advisory Council Operating Guidelines.
6. Reduce the Direct Total Cost of Risk for the State.

COUNCIL COMPOSITION

The composition of the Council will be no less than seven and no more than fourteen members including one or more of the following:

1. Persons with responsibility for oversight of the Risk/Safety Management function, or
2. Persons with responsibility for budget development and implementation, or
3. Persons who perform Risk/Safety Management duties.

The minimum number of members required for the group to officially conduct business and/or to cast binding votes is a simple majority of active members, which is defined as a quorum for RMAC.

Council member terms will be two years. Council members may be considered for contiguous terms by the DAS State Services Division Administrator.

RESPONSIBILITIES OF THE COUNCIL

1. Consider the perspectives of all state agencies, boards and commissions.
2. Have delegated authority to represent their state agencies, boards or commissions.
3. Participate in Council discussions and provide the perspective of the organization they represent.
4. Engage in consensus decision-making.
5. Make recommendations that are considerate of global impacts.
6. Develop an Action Plan that addresses issues of strategic importance and utilizes the SMART principles:
 - a. Specific
 - b. Measurable
 - c. Achievable
 - d. Reliable
 - e. Timely
7. Determine resources needed to meet Action Plan objectives.
8. Adopt Operating Guidelines.

COUNCIL MEMBER REVIEW/APPROVAL

DATE

Kyle Knoll, PERS

Marc Williams, DOJ

Gayla Andresen, DHS

Todd Brown, DEQ

Nancy Cody, DCBS

Julie Davie, ODOT

Joyce Fred, OUS/OSU

Lee Hullinger, DHS

Vena McCoy, Dept. of State Lands

Sandy McDonnell, OR Housing &
Community Services

Leonard Williamson, DOJ



Risk Management Advisory Council

Operating Guidelines
Rev 05/31/2011

MEMBERSHIP COMPOSITION

The composition of the Council will be no less than seven and no more than fourteen members including one or more of the following:

1. Persons with responsibility for oversight of the Risk/Safety Management function, or
2. Persons with responsibility for budget development and implementation, or
3. Persons who perform Risk/Safety Management duties.

Council members will be selected by the State Services Division (SSD) Administrator based on diversity in representation of:

1. Type of agency
2. Mission
3. Business and services provided
4. Size
5. Types of exposure
6. Loss history
7. Geographic location

The Council Chairperson and Vice-Chairperson will be elected by Council members. Nominations will be:

1. Solicited by the State Risk Manager through the state's electronic mail system prior to the last Council meeting of the calendar year.
2. Provided to the State Risk Manager with the consent of the nominee.
3. Supported by a statement to the State Risk Manager from the nominee about why they wish to serve in the nominated role.
4. Announced and voted on as an agenda item at the last calendar meeting of the year in accordance with the Robert's Rule of Order.

The Council Chairperson and the Vice-Chairperson will serve one-year terms in these positions. The terms will begin with the first meeting of the year. The Vice-Chairperson will be the successor to the Council Chairperson. In the event of a mid-term chair or vice-chair vacancy, elections will be held as soon as possible following the vacancy in general accordance with the above nomination procedures.

Required attributes that will be considered during the nomination process are that the individual is:

1. Ethical
2. Strategic
3. Effective Communicators
4. Responsive
5. Inclusive
6. Respectful
7. Cost conscious

MEMBERSHIP TERM

Council member terms will be two years. Optimally for continuity purposes, terms should be staggered so that nearly half the members have at least one year of experience on the Council. Council members and represented agencies may be considered for contiguous terms by the State Services Division Administrator. When filling Council membership vacancies, the State Services Division Administrator will solicit nominees from agency heads. In some cases the process may consist of asking the agency for a new representative. In other situations the process may consist of a statewide solicitation from all agency heads for nominations.

COUNCIL MEMBER ORIENTATION

Orientation for new Council members will be provided by the State Risk Manager. New members will assume the outgoing member's assignments. Outgoing members are responsible for orienting their replacement to Council activities regarding their assigned Action Plan items.

ESTIMATED NUMBER AND FREQUENCY OF MEETINGS

Council meetings will be convened at least four times per year. Any Council member may request additional meetings by contacting the Chairperson or State Risk Manager. Council meetings will be open to the public unless a determination is made that the meeting should be closed. The minimum number of members required for the group to officially conduct business and/or to cast binding votes is a simple majority of active members, which is defined as a quorum for RMAC.

LEADERSHIP

The Chairperson will lead Council meetings. The agenda of each Council meeting will be developed with input from Council.

DAS Risk Management will serve as a resource and provide support for Council activities, including preparation and distribution of the final agenda and meeting materials before the meeting, maintaining and distributing meeting minutes, issue papers, action plans, position papers, records, reports and other Council documents.

COUNCIL MEMBER PARTICIPATION

1. Council Participation
 - a. Regularly attends and actively participates in Council meetings, or sends a delegate.
 - b. Fosters a positive working relationship with Council members and support staff.
 - c. Assists with succession planning.

2. Independent Judgment
 - a. Each member shares equally in the responsibility of the Council to act in the best interests of the State.
 - b. Each member is expected to exercise his or her independent and informed judgment on all risk management recommendations.

- c. Members may reasonably rely on information and reports received from regular sources (i.e., support staff and service providers) that the member reasonably regards as trustworthy, reliable and competent.
- d. Members should seek and obtain additional information as needed regarding all matters for review and recommendation.

3. Additional Responsibilities

Members may volunteer or be asked to participate in relevant teams, committees or initiatives.

COUNCIL CHAIRPERSON AND VICE-CHAIRPERSON PARTICIPATION

1. Council Membership

The Chairperson and Vice-Chairperson must be actively participating Council members.

2. Leadership

- a. The Chairperson leads meetings of the Council.
- b. The Vice-Chairperson leads meetings of the Council in the absence of the Chairperson.
- c. The other leadership roles of the Chairperson and Vice-Chairperson are to:
 - i. Support and encourage the Council's role.
 - ii. Focus the Council's attention on governance.
 - iii. Assist the State Risk Manager in the development of the Council's meeting agenda.
 - iv. Review meeting recaps.
 - v. Track Council action items.
 - vi. Troubleshoot issues that occasionally arise.

ISSUE SUBMISSION

Council members, agencies and other stakeholders may submit issues. These issues may be submitted in the form of an issue paper that addresses background, assessment and recommendation of issues to be addressed by the Advisory Council. An issue may also be submitted for review when substantial losses occur as a result of agency policies, litigation, defense practices, or other management practices.

DAS Risk Management is responsible for distributing and maintaining issue papers, action plans and position papers.

ACTIONS

The Council is responsible for determining an Action Plan that represents the list of issues it chooses to address. The Council may utilize speakers, technical experts, working groups and sub-committees to inform, collect information and draft recommendations in the form of a position paper. The Council is responsible for forwarding recommendations for action to DAS Risk Management when consensus has been reached on an issue being reviewed. Risk Management is responsible for carrying forward all position papers to DAS executive management for consideration. The State Risk Manager is responsible for communicating back to the Council the decisions of DAS executive management in regard to the recommendations the Council submits.

COUNCIL MEMBER REVIEW/APPROVAL

DATE

Kyle Knoll, PERS

Marc Williams, DOJ

Gayla Andresen, DHS

Todd Brown, DEQ

Nancy Cody, DCBS

Julie Davie, ODOT

Joyce Fred, OUS/OSU

Lee Hullinger, DHS

Vena McCoy, Dept. of State Lands

Sandy McDonnell, OR Housing &
Community Services

Leonard Williamson, DOJ

RMAC - Agency Roles Responsibilities

<u>NAME</u>	<u>AGENCY</u>	<u>RISK TYPE</u>	<u>POSITION/FUNCTION</u>
Pam Strobel Valencia	DAS/IA	Audit	Assess risk for audit planning purposes; audit high-risk areas
Andrea Peters	DAS/RM	Audit	General consulting
Ellen Hewitt	DAS/RM	Audit	Communicate issues for agencies; risk with loss control; training needs; investigate fraudulent claims
Teresa Boes	DAS/RM	Audit	Risk Control Mgr
Nancy Cody	DCBS	Audit	Safety & Facilities; Process Risk
Eunice Hunt	DOC	Audit	Inspections, Wellness survey
Marc Williams	DOJ	Audit	Primary Responsibility
Vera McCoy	DSL	Audit	Includes: legal, financial, operational
Sandy McDonnell	OHCS	Audit	Fraud; Employee Dishonesty
<u>NAME</u>	<u>AGENCY</u>	<u>RISK TYPE</u>	<u>POSITION/FUNCTION</u>
Pam Strobel Valencia	DAS/IA	Business/Strategic	Champion ERM best practices; assist mgt in ERM definition of strategic direction
Andrea Peters	DAS/RM	Business/Strategic	General consulting
Deb Bogart	DAS/RM	Business/Strategic	Data development & analysis
Ellen Hewitt	DAS/RM	Business/Strategic	Claims 101; training for agencies, mentor-assist others in unit
Jen Coney	DAS/RM	Business/Strategic	Address Risk: Partnership w/RMAC & agencies to identify & mitigate exposure
Teresa Boes	DAS/RM	Business/Strategic	Risk Control Mgr
Nancy Cody	DCBS	Business/Strategic	Safety & Facilities; Reputation; Service; Partnerships
Eunice Hunt	DOC	Business/Strategic	SHARP process for all facilities
Marc Williams	DOJ	Business/Strategic	Limited Influence
Vera McCoy	DSL	Business/Strategic	Exec Team
Sandy McDonnell	OHCS	Business/Strategic	Conference planning; strategic plan
Joyce Fred	OSU	Business/Strategic	Risk Officer; develop & implement risk programs via providing risk services to the campus community to control risk exposures to control (prevent & reduce) losses
Kyle Knoll	PERS	Business/Strategic	Budget Officer - strategic planning; Risk Officer - ERM development & implementation

RMAC - Agency Roles Responsibilities

<u>NAME</u>	<u>AGENCY</u>	<u>RISK TYPE</u>	<u>POSITION/FUNCTION</u>
Andrea Peters	DAS/RM	Financial	Purchase insurance
Deb Bogart	DAS/RM	Financial	Risk Mitigation
Ellen Hewitt	DAS/RM	Financial	Manage claims Payments for agency & 3rd party claims
Jen Coney	DAS/RM	Financial	Address Risk; protect/serve in the interest of slef insurance risk fund
Teresa Boes	DAS/RM	Financial	Risk Control Mgr
Nancy Cody	DCBS	Financial	Safety & Facilities; insurance
Todd Brown	DEQ	Financial	Environmental Quality, management of worker's comp claims
Eunice Hunt	DOC	Financial	Worker's comp data, safety budget
Marc Williams	DOJ	Financial	Educating Sr Mgt. Performing Brand Mgt & Education, Agency Budget
Pat Bouchie	Lottery	Financial	HR; Manage Worker's Comp Claims, EAIP
Julie Davie	ODOT	Financial	S&R Mgr; worker's comp, property damage
Joyce Fred	OSU	Financial	Risk Officer; research & implement risk transfer via contracts/waivers/insurance, legal defense
Kyle Knoll	PERS	Financial	Budget Officer - Budget Development & Administration
<u>NAME</u>	<u>AGENCY</u>	<u>RISK TYPE</u>	<u>POSITION/FUNCTION</u>
Andrea Peters	DAS/RM	Legal	Contract Reviews
Deb Bogart	DAS/RM	Legal	Bill Analysis
Ellen Hewitt	DAS/RM	Legal	Claims: Investigate, evaluate, negotiate, resolution of claims submitted against a State agency
Jen Coney	DAS/RM	Legal	Address Risk; work with DOJ to defend agencies w/legal exposures
Teresa Boes	DAS/RM	Legal	Risk Control Mgr
Nancy Cody	DCBS	Legal	Safety & Facilities, Tort Manager, Regulatory, Contractual
Todd Brown	DEQ	Legal	Contract Risk Analysis
Eunice Hunt	DOC	Legal	Tell Executive Management standards, rules, policies, procedures
Leonard Williamson	DOJ	Legal	Advise agencies on their litigation risk exposure - daily
Marc Williams	DOJ	Legal	Limited Influence, Primary Contract Responsibility
Jan Lemke	Energy	Legal	Procurements - DPO
Julie Davie	ODOT	Legal	S&R Mgr; tort/ lawsuits; Mitigation/Consultation
Bonnie Krieger	PERS	Legal	Claims review / processing
Kyle Knoll	PERS	Legal	Risk Officer - procurement & claims management

RMAC - Agency Roles Responsibilities

<u>NAME</u>	<u>AGENCY</u>	<u>RISK TYPE</u>	<u>POSITION/FUNCTION</u>
Andrea Peters	DAS/RM	Operational	White paper/SBAR; general consulting, policy writing/editing; risk assessments
Deb Bogart	DAS/RM	Operational	Risk consultation
Ellen Hewitt	DAS/RM	Operational	Storing & securing claim info
Jen Coney	DAS/RM	Operational	Address Risk: Operational risks relating to procurement of commercial liability insurance
Teresa Boes	DAS/RM	Operational	Risk Control Mgr
Nancy Cody	DCBS	Operational	Safety & Facilities; Infuse, BCP
Todd Brown	DEQ	Operational	Facility Risk; landlord/tenant relationship,; construction, leases; BCP team member
Eunice Hunt	DOC	Operational	Policies, Procedures, Processes
Marc Williams	DOJ	Operational	Primary Responsibility
Pat Bouchie	Lottery	Operational	HR; Data classification, internet audits, BCP member, material mgt
Sandy McDonnell	OHCS	Operational	InfoSec; Continuity; Technology
Joyce Fred	OSU	Operational	Risk Officer; OUS Facilitates the exchange of info on risk-related topics from 7 universities to DAS RM (Liaison), restore the university to its operations post claims (BCP)
Bonnie Krieger	PERS	Operational	BCP; InfoSec
Kyle Knoll	PERS	Operational	Risk Officer - BCP
<u>NAME</u>	<u>AGENCY</u>	<u>RISK TYPE</u>	<u>POSITION/FUNCTION</u>
Andrea Peters	DAS/RM	Safety/Security	General consulting; environmental risks
Deb Bogart	DAS/RM	Safety/Security	Emergency coordination center rep; bcp; Worker's comp claim mgt; hazard identification
Jen Coney	DAS/RM	Safety/Security	Address Risk: Security of confidential information - OEM
Teresa Boes	DAS/RM	Safety/Security	Risk Control Mgr
Nancy Cody	DCBS	Safety/Security	Safety & Facilities; Safety; Environmental; Security
Todd Brown	DEQ	Safety/Security	Development & implementation of safety programs; citizen's complaints; physical security considerations suspicious mail, intruders, etc.
Eunice Hunt	DOC	Safety/Security	Keep staff & inmates safe. Safety Committee, Wellness Committee
Marc Williams	DOJ	Safety/Security	Primary Responsibility
Jan Lemke	Energy	Safety/Security	Environment - Facilities Mgr; Safety Officer
Pat Bouchie	Lottery	Safety/Security	HR; Safety Committee planning; prevention; Accident investigations & training
Julie Davie	ODOT	Safety/Security	Safety & Risk Mgr; employee safety - in-house consulting, training; strategic planning
Sandy McDonnell	OHCS	Safety/Security	Safety Program; Security
Kyle Knoll	PERS	Safety/Security	Risk Officer - Safety Committee (environmental risks)



Enterprise Risk Management Self Assessment: Information Security

Agency Risk Self Assessment

- An opportunity to have an internal conversation about Enterprise Risk Management
- Provides a baseline for Cyber Liability insurance needs
- Meet statewide policy requirements for an Information Security risk assessment

Enterprise Risk Management

Pamela J. Stroebebel Valencia
Chief Audit Executive



Enterprise Risk Management Definition

ERM is a systematic approach throughout all functional levels of an organization to continually identify, evaluate and effectively manage real or perceived barriers to the achievement of the organization's mission (purpose) and strategic goals (objectives).

ERM Roles & Responsibilities

- Governing or Advisory Board/Commission
- Management
- Internal Audit/Audit Committee
- Employees

ERM Benefits

- Provide a simple, uniform methodology that is applicable in all environments
- Enhance accountability and communication
- Continuously eliminate unnecessary controls and add needed controls
- Reduce response time for emerging risks
- Focus efforts on important issues and concerns

Risk Management- Insurance

Jen Coney

Risk Management Manager

Risk Management

- In the US – Average \$6.75M per data loss incident
- \$204 per compromised record

Organization	Data Breach	Records
Nevada Department of Motor Vehicles	Stolen computer	8,900
Georgia DMV	Dishonest insider	465,000
Oklahoma State University	Stolen laptop	37,000
University of Utah	Hacking	100,000
Metropolitan State College, Denver CO	Stolen laptop	93,000
University of Kentucky	Theft of flash drive	6,500
Nebraska Treasurer's Office	Hacker broke into child support system	309,000

Risk Management

- Significant information breach would have a major impact on the state
- Require feedback from agencies on the state's information security posture
- State will assess cost to purchase supplemental insurance using aggregate results of survey from all agencies

Self Assessment Survey Tool

Theresa A. Masse

**State Chief Information Security
Officer**

Self Assessment Objectives

- Business driven
- Identifying general areas of concern
- Provide a tool for standard, consistent responses that can be aggregated
- Inform agency leadership of greatest risk to make strategic business decisions
- Enhance communication across the organization
- Provide baseline for DAS Managing Risk Core Process Outcome Measure

Self Assessment Process

- Appoint a leader
- Engage all business areas
- Involve cross-functional staff
- Answers may vary by business functional area

Self Assessment Categories

- Organization Characteristics
- Risk Management
- People
- Processes (biggest portion)
- Technology

Results

■ Agency Heads

- Individual Results
- Aggregate Results

■ ESO

- Identify Common Gaps
- Statewide Security Plan
- Evaluate Guidance
- Training Opportunities

Results

■ Risk Management

- Assess the potential purchase of supplemental cyber liability insurance

■ Managing Risk Value Stream

- Process measure outcome –aggregate results
- Agencies determine appropriate maturity level (goal) based on their risk
- ERM plan – analysis of gaps of current state and “to-be” state and prioritization of objectives

Communication

- Presentations (May):
 - Agency Heads
 - Administrative Business Services Directors
 - Enterprise Information Security Advisory Board
 - Risk Management Advisory Council
 - Statewide Audit Advisory Committee
 - CIO Council
 - Information Security Council

Communication

- Forum - 6/23/11
 - Speaker: Drew Zavatsky, State of Washington
 - Agency Panel
- Workgroups:
 - Tuesday, June 28
Revenue Building, Fishbowl
1:30-3:30
 - Wednesday, June 29
Revenue Building, Fishbowl
8:30-10:30

Communication

- June 24 – Survey distributed to all agencies
- July 29 – survey completed and returned

Value and Benefits

- Focus on risk to drive business decisions
- Dialogue results in foundation for creating an agency ERM plan
- State/Agencies are vulnerable without sufficient insurance coverage

Questions/Discussion

Contact Information

Pamela J. Stroebel Valencia, Chief Audit Executive

Pamela.Valencia@state.or.us

(503) 378-4037

Jen Coney, Risk Management Manager

Jen.Coney@state.or.us

503-373-1585

Theresa A. Masse, State Chief Information Security Officer

Theresa.A.Masse@state.or.us

503-378-4896