

Panel Discussion – Different Perspectives on ERM

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Treasury Institute
for Higher Education



ERM from the *Lawyer's Perspective*



- ◆ Role of lawyers in the process
- ◆ Overlap with existing lawsuits or investigations
- ◆ Generalized concern about future ramifications

Legal Perspective

Role of the lawyers in the process

- ◆ Few, if any, risks are exclusively “legal”
- ◆ Most risks have a legal component
- ◆ Lawyers are exposed to broad range of issues
- ◆ Privilege concerns

Legal Perspective

Overlap with existing lawsuits or investigations

- ◆ Avoid crossing wires
- ◆ Preserve work product protection
- ◆ Be conscious of creating discoverable material

Legal Perspective

Generalized concerns about future disputes

- ◆ Advise clients on extent of privilege
- ◆ Understand that the process itself creates a risk
- ◆ ERM is evidence of reasonable efforts to protect

Legal Perspective

ERM from the *Finance and Accounting* Perspective



- ◆ Identification of risks
- ◆ Mitigation of risks
- ◆ Financial/Reputational impact of risks

Finance Perspective

Identification of risks

- ◆ Are subcommittees comprehensive?
- ◆ Who is missing?
- ◆ Have they identified everything?

Finance Perspective

Mitigation of risks

- ◆ Internal controls
- ◆ Internal audit and financial attestation process
- ◆ Written policies & procedures
- ◆ Training

Finance Perspective

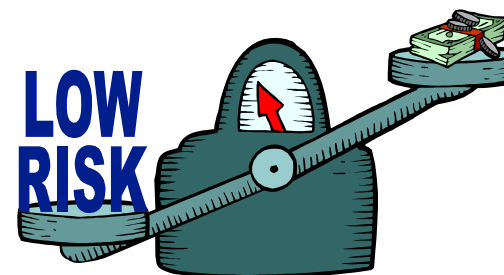
Financial/Reputation impact

- ◆ Most risks have financial impact
- ◆ External audit findings
- ◆ Maintain business continuity
- ◆ Determining cost and effective deployment of capital

Finance Perspective

ERM from the *Risk Manager's* Perspective

- ◆ Role of risk manager in the process
- ◆ Risk identification
- ◆ Risk management ownership
- ◆ Risk appetite



Risk Management Perspective

Questions for The Panel

- ◆ ***What should be written down and what should not? How much is enough?***
- ◆ ***How do you gain acceptance of the ERM process and convince business units of its relevance?***

Questions for The Panel

- ◆ ***How do you go about embedding ERM into regular business processes?***
- ◆ ***What are the biggest consequences of not implementing a robust ERM process from your perspective?***

Questions for The Panel

- ◆ ***How do you handle hard-to-quantify risks that lack the metrics to understand their potential impact?***
- ◆ ***What is the most important topic to address when designing or assessing ERM?***

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