Policies and Procedures

Policy Title	Risk Management Policy	Policy Number	150
Section	Governance, Organization, General Information	Approval Date	15 January 2024
Subsection	Risk Management, Health and Safety (Campus-wide)	Authorizing Entity	BoD
Responsible Office	Finance Department	Effective Date	1 November 2026
Distributed To	All AUBH admin staff and faculty	Next Review Date	1 November 2028

1.0 PURPOSE

1.1 This document is to be used as a policy to provide guidance for systematically identifying, categorizing, evaluating, and mitigating/resolving actual and potential risks.

2.0 DEFINITIONS

AUBH	American University of Bahrain
BoD	Board of Directors
BoT	Board of Trustees
ARC	Audit and Risk Committee
ToR	Terms of Reference
RRO	Risk Register Officer
Risk	Any actual or potential event or circumstance that may adversely affect AUBH's ability to achieve its mission and strategic objectives, or its operations, financial position, reputation, or compliance with applicable laws, regulations, and accreditation standards, as further categorized in 3.4.2.

3.0 POLICY

3.1 Scope

This policy/procedure applies to risks identified by any AUBH staff member.

3.2 Policy Statement

AUBH is committed, through its BoD, BoT, ARC, and President's Council, to managing, mitigating and resolving, as reasonably as possible, risks that may jeopardize the continuity and sustainability of AUBH, whether strategic, operational, financial, reputational, or compliance-related.

3.3 The President's Council shall appoint a designated officer at the beginning of each academic year for a term of one year to manage the Risk Register (See Appendix) – the RRO.

3.4 Identification, Categorization, Evaluation, and Mitigation of Risk

3.4.1 All AUBH employees are expected to report any identified risk to their line manager.

- Academic Risks are discussed at the College level and Faculty Council. These are then raised to the President's Council through the Provost.
- Risks identified by non-academic units are raised to the President's Council through the unit's representative in the Council.
- Risks related to health, safety, and security are identified by the Health, Safety, Security, and Environment Committee and dealt with as per the committee's ToR.

3.4.2 Risks are categorized into the following main categories:

- Strategic Risks
  These risks have impact on the ability of AUBH to achieve its mission and strategic objectives.

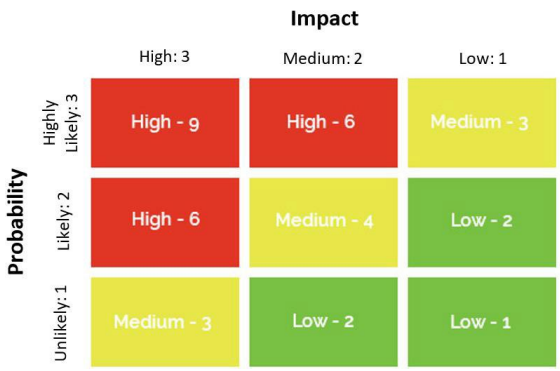
- Operational Risks
  These risks have impact on the ability of AUBH to execute its daily processes in an effective manner.

- Financial Risks
  These risks involve or may lead to AUBH incurring financial loss and include liquidity risk, credit risk, and market risk. These risks may lead to financial deterioration affecting assets, technology, financial reporting, and auditing, and may render information needed to make financial decisions accurately unavailable in a timely manner.

- Reputational Risks
  These risks are related to AUBH being negatively exposed in media due to mismanagement. This could stem from news of unfriendly work/study environment for staff and students, leak of examination papers, unfair students and/or staff dismissal, etc.

- Compliance Risk
  These are risks of AUBH failing to follow the Higher Education Council rules and regulations and not being able to meet the requirements of the BQA standards and the standards of the other bodies AUBH chooses to be accredited/recognized by.

3.4.3 Risks are evaluated (or rated) based on the likelihood of their occurrence (unlikely, likely, highly likely) and their impact on AUBH (low, medium, high), considering all applicable risk categories in 3.4.2. A risk score is derived by multiplying the likelihood rating by the impact rating. The following Risk Matrix shall be referred to as a guide:



3.4.4 A Mitigation Plan (or risk controls) must be agreed upon by the relevant body impacted for each identified risk. The residual risk, which is the level of risk that remains after the risk mitigation measures are implemented, must be calculated, being: (risk score - impact of mitigation plan/risk controls).

3.5 The RRO is responsible for updating the Risk Register on a quarterly basis and reporting it to the University's Council. Risks, their analysis, and mitigation plans and actions are logged into the Risk Register.

3.6 The University's Council is responsible for following and reporting on the approved mitigation plans.

3.7 Where relevant, the University's Council, through the President, raises the risks identified and the mitigation plan to the ARC, BoD, and/or BoT, as per the respective ToRs.

5.0 RELATED DOCUMENTS AND REFERENCES

4.1 Risk Register

No.	Identified Risk	Type	Occurrence Likelihood	Impact	Risk Level	Mitigation Actions	Residual Risk	Financial Exposure	Date	
									Open	Resolved

POLICY HISTORY			
Date of Last Action	Action Taken/Changes	Authorizing Entity	Effective Date
28 January 2021	The policy initially developed using the previous AUBH document management system (Ref. No. PL.21.014.v1)	University President	28 January 2021
15 January 2024	Policy revised to reflect the current university structure better and to be approved in line with the Policy Governing University Policies	BoD	4 February 2024
23 September 2026	Policy revised to reflect the following: - Title change of VP Finance & Administration. - Typo in 3.4.2 bullet point 4, Reputational Risks - 3.5, 3.6, 3.7 President Council role swapped with University Council. - Adding Financial Exposure to the Risk Register	University Council	
28th of October 2026	The Board reviewed and approved the proposed changes to the policy.	BoD	1 November 2026