

## **LBNL Chief Operating Officer**

### **RISK REGISTRY**

#### **Purpose**

The purpose of the Chief Operating Officer Risk Registry (RR) is to provide Laboratory Senior Management and the University of California Office of the President (UCOP) with an integrated view of the significant operations risks facing the Laboratory and to help ensure that these risks are addressed. In serving these purposes, the RR:

1. Compiles and tracks unmitigated risks that pose significant realized or potential threats (i.e. high risks) to Laboratory mission and reputation regarding:
  - effectiveness and efficiency of operations,
  - worker safety and health,
  - community and environmental stewardship,
  - financial and asset management,
  - physical and cyber security,
  - human resources management,
  - research integrity, and
  - regulatory and contractual compliance.
2. Documents risk mitigation and/or improvement measures, status and responsible manager.

#### **Risk Definition and Assessment**

*Risk* is the possibility of suffering a loss or an unfavorable event, or the failure of achieving a planned outcome. Risk is estimated as the product of the (i) probability (or frequency) of the event occurring and (ii) magnitude of its impact (or consequence) should the event occur.

Risks are assessed and categorized as high, medium, or low. Only high risks are tracked on the COO Risk Registry. Medium risks are tracked in LBNL Trimester Performance Reports, the Corrective Action Tracking System, and function-specific systems maintained by individual Operations divisions and departments. Operations Top Risk meetings and trimester performance review meetings are the primary mechanisms for monitoring risk levels and, as appropriate, elevating medium risks to high and tracking on the CO Risk Registry.

Impact is defined as the magnitude, significance, or severity of an adverse effect. Considerations for high risk include:

- Institution-wide impact

- Adverse safety incidents
- Significant cost impact
- Major project delay
- Severe reputational damage
- High risk audit or compliance findings
- Negative impact on contract performance
- Adverse impact on morale or productivity

Probability is defined as the chance that a given undesirable event will occur given the current state of internal control. Considerations for high risk include:

- Probable or more likely than not to occur
- Has occurred multiple times in the past
- Circumstances at the Laboratory are similar enough to other places where adverse event occurred

## **Inputs**

The RR will contain high risks identified from:

- Operations Top Risks meetings- significant risks identified by senior Operations managers,
- Tri-party, trimester Performance Review – risks discussed with senior Lab, UCOP and BSO managements,
- LBNL Contractor Assurance Council- significant risks,
- High risk CATS issues, and
- Other sources, as appropriate.

## **Corrective Actions and Corrective Action Tracking System**

Risks due to noncompliance with an internal or external requirement will be recorded in the Corrective Action Tracking System (CATS) by functional management and managed according to the LBNL Issues Management Program (LBNL/ PUB-5519(1)).

## **Required Information**

The RR contains sufficient information to for senior Laboratory and Operations management and UCOP to understand: (i) the risk, (ii) mitigation action(s), (iii) status of management's risk mitigation and/or improvement efforts, and (iv) the responsible manager(s). The RR requires the following information for each entry:

*Date Entered* – date risk first included in the RR.

*Last Update* – last date risk was updated with new information.

*Risk* – provide a title, brief description and context for the risk. As appropriate, express in terms of probability and impact.

*Mitigation Action* – brief description of the mitigation or corrective action that will be implemented to mitigate the risk or significantly lessen the probability and impact of the risk occurrence. If an analysis is required before a mitigation action can be developed, this should be the first mitigation action.

*Status* – status of improvement action(s). Each update should be dated as appropriate.

*Point-of-Contact* – LBNL OPS Division or Department Head responsible for ensuring completion of corrective action.

### **Maintenance of the Risk Registry**

- The official version of the Risk Registry is maintained on the Risk Registry Smartsheet.
- The Office of Institutional Assurance (OIA) is responsible for maintaining current, accurate, and complete information in the RR Smartsheet. The OIA Director will document risks identified by the Operations Top Risk Review Committee (see attachment 1 for committee membership). Other risks will be documented by the Office of Contractor Assurance in collaboration with senior Operations managers.
- A risk remains on the Risk Registry until the Operations Top Risk Review Committee determines that a risk is sufficiently mitigated, at which time it is removed from the Risk Registry Smartsheet and documented on Retired Risks Smartsheet.
- Access to the Risk Registry Smartsheet and Retired Risks Smartsheet is open to the Chief Operating Officer and all Office of Institutional Assurance staff. Senior Operations managers and designees have read only access to each Smartsheet.

### **Document Change History**

<b>Date</b>	<b>Revision</b>	<b>Owner</b>	<b>Change Description</b>
3/28/2012	1	H. Hatayama	Update
9/16/2010	0	H. Hatayama	Release

## **Attachment 1: Operations Top Risks Review Committee**

### **Membership**

- Chief Operating Officer- Chair
- Chief Financial Officer
- Chief Human Resources Officer
- Chief Information Officer
- Environment, Health & Safety Division Director
- Protective Services Department Head
- Facilities Division Director
- Internal Audit Manager
- Laboratory Counsel
- Office of Institutional Assurance Director
- Public Affairs Department Head
- UCOP Laboratory Management Officer representative