

# Not-for-Profit Perspectives



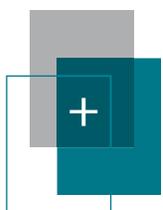
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## Take the Risk on Risk Assessment!

### Risk Assessment

- Risk assessment is a useful tool to create awareness of potential risks and hazards and help organizations mitigate risks. It is important to note that a risk assessment is a process, not a document, so it is important to have everyone on board before you begin.
- When embarking on a risk assessment process, you will need to create a risk task group team charter. This will clarify the team's direction and establish boundaries. Everyone in the task group team should be prepared to perform interviews, review risk surveys and attend brainstorming sessions. These sessions can be incredibly insightful but it is important to include people with different roles and perspectives throughout the organization.
- The risk assessment process and the strategic plan should be aligned. As part of your SWOT analysis, you consider your threats and weaknesses – so this would be great place to start identifying your organizational risk. Your consideration should include natural, human and technical threats to your organization's operations.
- There are several types of risk management frameworks to utilize, but regardless of which one you opt to use, once a listing of risks is identified it is important to rank them. This will help management prioritize its efforts on how best to mitigate the risks that were identified. It can also facilitate buy-in and provide a method to secure resources for the task. The team will assist management in developing an action plan to manage risks and ensure the plan is communicated to the appropriate individuals. It is then important to monitor the results of the plan.
- Organizations today are exposed to continuously changing threats and vulnerabilities that may affect its operations. An approach to a risk assessment process can be modified to fit the needs and resources of your organization. Maloney + Novotny can help you identify the process that will work best for you!

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*Information contained in this e-newsletter is general in nature and should not be relied upon by anyone without consulting with tax, accounting and legal experts who are knowledgeable in these matters and the specifics of your organization.*

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