

Office of Risk Management

Established in July 2013, and based on the principles of informed risk taking, the Office of Risk Management (ORM) is a new resource to help departments, labs, centers, and central administration make informed decisions on risk. Reporting to the Vice President and General Counsel, ORM is led by the Institute Risk Officer Deborah (“Debby”) Fisher.

ORM develops and implements the framework that guides members of the MIT community in taking informed risks. Leveraging existing risk management models and identifying areas where such processes can be enhanced, our office assists heads of academic, research, and central departments, labs and centers (DLCs), as well as administrators and other MIT members, in incorporating MIT-appropriate risk management into their Institute activities. The Office of Risk Management is an Institute resource with a strategic rather than operational role.

Kate Miller started in ORM as manager of institutional compliance in September 2014. Prior to joining MIT, Kate was the program director for the Madeleine K. Albright Institute for Global Affairs at Wellesley College, an interdisciplinary center preparing Wellesley students for global engagement. Kate’s responsibilities include creating an Institute-wide compliance network that builds upon the many varied compliance activities at MIT. Additionally, Kate is responsible for developing systems to improve MIT’s compliance, and educating members of the MIT community in key areas of compliance associated with their responsibilities.

The third member of ORM was hired in May 2015, when Meghan Devaney was named the manager of risk programs. Meghan came to ORM from the Department of Chemistry, where she had been senior financial officer since 2011. In that role, she was responsible for all financial management, forecasting and reporting for the department, as well as oversight of research administration compliance. Additionally, she worked in collaboration with other administrators across the Institute to develop a tool to enhance and simplify risk-based financial review and control. Meghan’s new role includes implementing and operating the Institute’s comprehensive risk management system and representing our office in existing and new committees and councils, facilitating discussions to identify and assess risks, and developing appropriate risk mitigation strategies.

The focus in our first year was to enhance the understanding within MIT of the risks inherent in MIT’s operations, and to sharpen the articulation of MIT’s perspective on risk. That inaugural year involved laying a strong foundation for the evolving system of managing risk at MIT, including broad socialization of principles for informed risk-taking, formation of the Risk Council, and configuring our office to drive the work forward. These steps promised a solid base for building momentum for the years ahead.

The Risk Council was formed in 2012, and now comprises 36 individuals with key roles in understanding or managing risk within their areas of responsibility. It meets quarterly with an agenda that encourages engagement, learning, and sharing information about

risks and risk management. The Risk Council advises our office and contributes to the assessment of top risks and identification of new risks. As a group, the members of the Risk Council are gaining a unique and valuable perspective on Institute risk.

We started year two with a comprehensive view of MIT's risks, captured by a Register of Top Risks in five broad categories: Safety, Behavior, Operational, Financial, and Compliance. With this view, detailed assessments were carried out by operating management and staff. Our office partnered in these assessments to consult on approaches and seek consistency. These efforts are foundational to establishing a system of managing and mitigating risks Institute-wide.

In addition, our work is operating at a more narrowly focused level, including assessment and mitigation of specific risks. In the compliance risk area, the Manager of Institutional Compliance completed a targeted assessment of the Institute's compliance with the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (the Clery Act) and the Campus Sexual Violence Elimination Act (Campus SaVE Act).

ORM reports its activities to the Risk and Audit Committee of the MIT Corporation. Throughout this past year, the reporting included presentations on risk topics. This reporting function is designed to ensure the Committee meets its responsibilities for oversight of the risk management system at MIT.

We look back on the past year with satisfaction gained from milestones such as a fully staffed office, established roles, and full cycles of reporting to the Risk and Audit Committee. The Office is well positioned to bring these components together to help inform decision-making at all levels, and continue to refine an Institute view of risk that complements its mission-driven initiatives and ambitions.

Deborah L. Fisher
Institute Risk Officer
Office of Risk Management