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YMCA Movement	
<ul> <li>In the U.S., the Y comprises YMCA of the USA, a national resource office, 2,600 YMCAs, 20,000 fulltime staff, 500,000</li> </ul>	
volunteers, in 10,000 communities across the country  • The Y engages 9 million youth and 12 million adults in	
<ul><li>10,000 communities across the U.S.</li><li>Worldwide, serves more than 45 million people in 124</li></ul>	
<ul><li>o Members, staff and volunteers of the Y include men,</li></ul>	
<ul> <li>women and children of all ages and from all walks of life.</li> <li>The Y is accessible to all people. Financial assistance is offered to individuals and families who cannot afford</li> </ul>	
membership.  • Guided by four core values: caring, honesty, respect,	
responsibility.	
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YMCA Movement	
Areas of Focus  • Youth Development. Nurturing the potential of every	
child and teen.	
<ul> <li>Healthy Living. Improving the nation's health and well- being.</li> </ul>	
<ul> <li>Social Responsibility. Giving back and providing support to our neighbors.</li> </ul>	
support to our neignbors.	

## **Initial ERM Efforts**

- Why ERM Why Now?
- Investigating our options
- Selecting the ERM framework for Y-USA
- The buy-in process
- Objectives based approach

## Y-USA ERM Process

#### Challenges

- Federated Structure
- Movement engages in operations that involve potentially high risk activities
- Uncontrolled risks at the location can threaten the reputation of the entire movement

## Qualitative Risk Assessment

- 1. Identified participants (e.g., CEO, board members, etc.)
- 2. Drafted scoring criteria using multiple key metrics from strategic plan
- 3. Advance communication to participants with ERM background and Risk Categorization and Definition tool
- Live individual interviews
  - Ensure consistent quality, e.g., dynamically correct risks not identified by source
  - Inputs unfettered through confidentiality
- 5. Consolidated list of risks and circulated for consensus voting
- 6. Identified key risks (to advance to risk quantification) by combining scores of multiple metrics into a single score


## **Risk Quantification**

- Failure Modes and Effects Analysis (FMEA) interviews
  - Identified subject matter experts for better estimates
  - Developed more realistic risk scenarios
  - Produced point estimate severity impacts on selected key metrics and likelihood of occurrence
- Quantitative prioritization replaced qualitative ranking from prior step
  - Confirmed with leadership team and Audit Committee

### Risks Identified: Next Steps to Risk Strategy

Monitor Review for trends and institute controls when necessary. Consider these for risk that Y-USA does not control or lower risk.

Reduce Implement controls (policy or process changes) to mitigate Consider these for risk that impact credibility or reputation of local Ys on a national level and risk limited to Y-USA.

Share Partner with local Ys or other 3rd parties to reduce risk Consider these for risk that impact credibility or reputation of local Ys on a national level and risk limited to Y-USA.

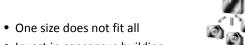
Control Implement internal controls (systems, policies, processes, insurance, <u>business objectives</u>) to manage the risk. Consider these for all risk

# Ownership



- Who shall serve as the internal business risk owner for each risk and develop the plan in accordance with the risk strategy?
- Does Y-USA have control over the risk or is it all outside factors?
- Is the risk limited to Y-USA?
- Is the risk limited to a specific Y or local Ys in a region?
- Does the risk impact the credibility or reputation of the Y Movement?

## **Lessons Learned**



- Invest in consensus building
- Don't assume that you already know your key risks
- Keep your board and stakeholders engaged

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