

December 2020

ERM Times Newsletter



The latest news and trends in enterprise risk management (ERM) from the Council of the Inspectors General on Integrity and Efficiency’s (CIGIE) Enterprise Risk Management Working Group (ERMWG).

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Closing out CY2020

The end of the year is here and as the Chairs of the CIGIE ERM Working Group, we want to express our gratitude for the opportunity and honor to serve the OIG community. This past year has been uncommon and often stressful as we learned to adapt to the well-being and economic challenges of the pandemic.

Everything that the working group has accomplished is the direct result of the time and energy that you so generously gave towards moving our community forward. Among many other amazing accomplishments, we have published two guides, [“Enterprise Risk Management Practitioners Guide for the Office of the Inspector General”](#) and [“Inspectors General Guide to Assessing Risk Management”](#) and are discussing next steps for the **Guide to Risk-Based Approach to OIG Work Planning**.

As we prepare for the future and the looming Presidential Transition, we should expect the turnover of political leadership will be almost 100% and an increase in uncertainties. We should lean on experiences and ERM program lessons learned from the pandemic to provide valuable perspective on how ERM can contribute to the success of these new political leaders and their priorities. Doing so will help ensure continued buy-in and support for ERM within our organizations. In closing, we want to congratulate all of you for pushing through 2020 and for your commitment to ERM and the CIGIE ERM community. Happy Holiday’s!

Jessica Southwell
Chair, ERMWG - DOL OIG

Temika Edwards
Co-Chair, ERMWG - DHS OIG

About ERMWG

CIGIE’s ERMWG contributes to the promotion and implementation of ERM principles in accordance with OMB Circular A-123 within the offices of the Inspectors General (OIG)

Upcoming ERMWG Meetings

Wednesday,
March 10, 2021 Virtual
Meeting

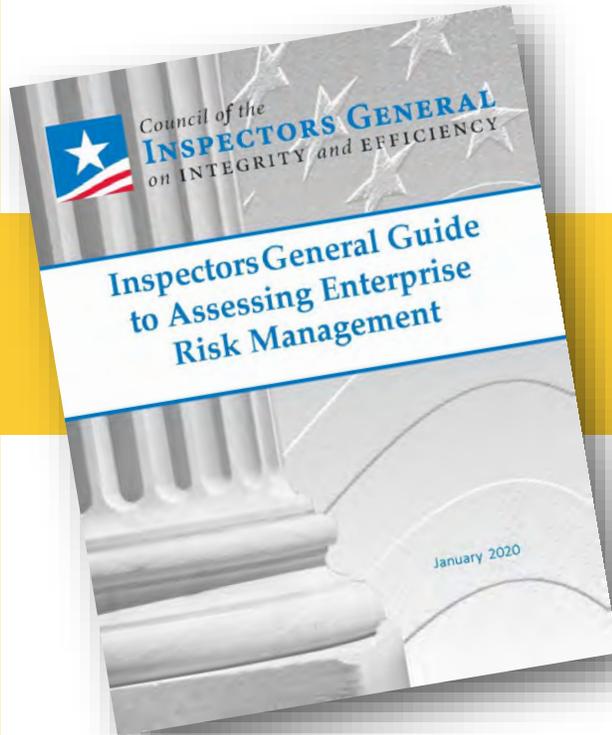
Wednesday, June 9, 2021
Virtual Meeting

Wednesday, September 8,
2021

Wednesday, December
8, 2021

Contact

oig.erm@oig.dol.gov to be
added to ERMWG meeting
invitations **or you may
contact Jessica Southwell
or Temika Edwards
directly.**



**Now
Available!**

On behalf of the Audit Committee and the Enterprise Risk Management Working Group, I am pleased to announce the publication of the [Inspectors General Guide to Assessing Risk Management](#).

Those individuals who have worked on this guide truly deserve praise for their efforts, so please commend your colleagues for their hard work. This guide provides information to assist each OIG in creating a program to assess their respective agency's ERM process.

Mike Ware

**Inspector General, Small Business Administration
Chair, CIGIE Audit Committee**

Available now on the [CIGIE ERM Working Group webpage](#),
under ERM Resources.

ERMWG Chair/Co-Chair

Jessica Southwell, DOL OIG
Temika Edwards, DHS OIG

ERMWG Staff

Jerry Aubin, DHS OIG
Michelle Weaver, DHS OIG

Submissions to ERM Times

Submit articles or other content to ERM
Times at oig.erm@oig.dol.gov.

Contact ERMWG

For further information on the CIGIE
ERM Working Group, contact
oig.erm@oig.dol.gov or Jennifer Leung
at leung.jennifer@oig.dol.gov

ERMWG Sub-Groups

***Implementing an ERM Risk Assessment
Approach for Audit Planning Purposes***

Co-Chairs: Shellie Purnell-Brown
Jonelle Pianta

***Auditing ERM Implementation at
Component Agencies***

Chair: Rebecca Sharek

ERM at Small OIGs

Chair: Nick Novak

Training & Development Opportunities



ERM Workshop 2020

June 12, 2020



ERM Workshop 2020

Temika Edwards, Jessica Southwell, and Theresa Perolini presented at the ERM Workshop that was held virtually on June 12, 2020 and was moderated by Bert Nuehring. The panel discussed the importance of understanding the agency's risk prior to implementing ERM and how to leverage existing activities to assist with integrating and embedding ERM into the organizational culture.

The discussion also included ways to identify how ERM integrates or supports organizational performance management through the organization's vision, mission, and core values. Agencies can sustain ERM by continuously seeking to improve the ERM process by soliciting feedback, evaluating the process and making adjustments when needed.

Overall, the sharing of risk information is extremely important to ensure that organizations reach the shared goal of improving agency programs and operations.

For additional information, visit the website at the Association from Federal Enterprise Risk Management.



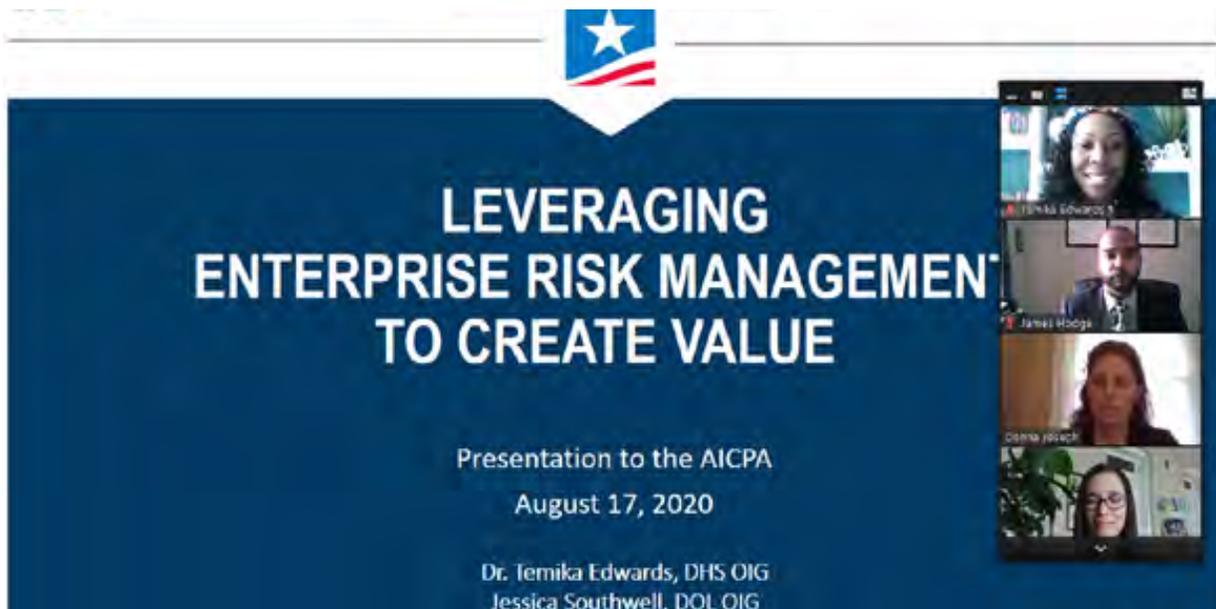
Training & Development Opportunities



AICPA ERM Workshop 2020

Temika Edwards and Jessica Southwell presented at the ERM Workshop that was held virtually on August 17, 2020 moderated by Donna Joseph from Treasury OIG. The panel discussed the importance of leveraging Enterprise Risk Management to Create Value.

This panel session provided participants with unique insights of ERM efforts within OIG organizations. It also explore OIG's efforts to pursue mission accomplishment in the federal sector and maximize public value through ERM implementation. Finally, the panel discussed current techniques to integrate strategic planning, performance management and risk within oversight organizations.



Training & Development Opportunities

RIMS-CRMP + FED Prep Virtual Workshop

Presented by RIMS and University of Hartford's Barney School of Business

January 26—28, 2021

Gain an edge and Stay Current on Risk Management Trends and Practices

Prepare for the exam and connect with your peers in this interactive virtual workshop. Share examples from your experience, discuss case studies, answer sample exam questions, and leave confident that you are ready.

Are you a federal government employee? Earn your RIMS-CRMP-FED credential. Prepare for the FED part of the exam on January 28

For more information, visit www.RIMS.org.

AGA offers a myriad of methods for you to receive training and to grow your specific skill set virtually!



- AGA's [webinars](#), generally offered twice monthly on Wednesdays, focus on timely and relevant topics in government financial management, such as shared services, fraud prevention, budgeting, internal controls and the DATA Act.
- Individuals can earn valuable CPE through [quizzes](#) that can be taken after reading our quarterly Journal of Government Financial Management
- Access [recordings](#) from previous AGA events and earn CPEs at your pace, on your schedule!
- AGA also offers opportunities to attend via virtually from home/office at our

ERM Training Resources

For additional ERM training resources, check out Exhibit B of the [Inspectors General Guide to Assessing Enterprise Risk Management](#) or the [ERM Training Catalogue](#), which includes classroom and web-based training options.

ERM in the News

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NC State Podcast on ERM and Coronavirus

The rapidly evolving coronavirus is triggering all kinds of risks impacting multiple aspects of an organization. While strong risk management practices can't stop the spread of the coronavirus or prevent other pandemic risk events, enterprise risk management processes can help organizations anticipate the impact of these kinds of unforeseen, extraordinary events. Mark Beasley, Director of the Enterprise Risk Management Initiative at NC State, was recently interviewed by Financial Management magazine about lessons from the global outbreak of the coronavirus. [Listen to the podcast.](#)

A Worst Practices Guide to Implementing Risk Management by Beth Windisch

Business continuity consultancies have been issuing guidance concerning actions that organizations take in response to the 2019-nCoV outbreak. Practices organizations may want to consider include:

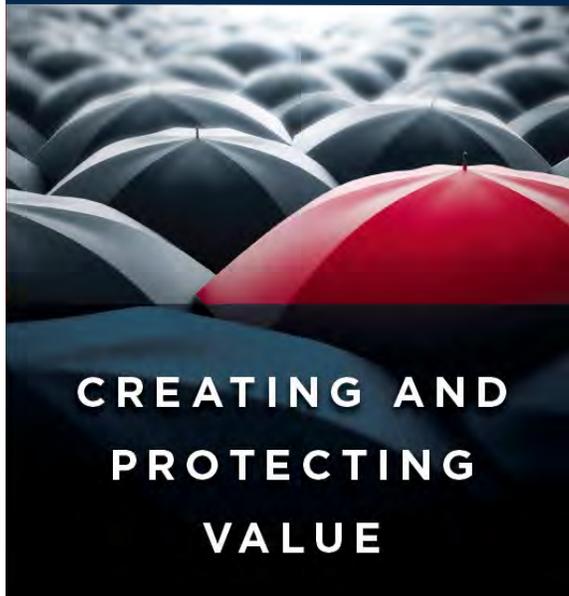
- Confirm and review your critical and non-critical processes and time sensitivities at each location, particularly those that are in high risk areas;
- Look at minimum staffing requirements to support these activities paying attention to not only those that need to be protected, but those that can be shut down or serviced at a minimum operating level;
- Identify internal dependencies on other parts of the business in high risk areas, with particular focus on shared service operations and offshored teams that often provide support across the organization;
- Review the strategies and locations that can be employed for continuity. Using strategies on remote working, moving between offices, and business transfer capabilities (in and out of affected regions), develop opportunities for flexible pandemic strategies to isolate and protect what's important and deal with concentration of risk in vulnerable locations;
- Identify your critical suppliers and engage with them on supply chain risk giving consideration to the ever-increasing globalization of downstream supply, particularly in effected areas. Look at single source, sole source, alternate options that you may have collected;
- Identify any key skills, knowledge and succession questions that you may have asked through risk and strategy in the context of how these may be impacted by staff unavailability.



Read more [here](#).

ERM in the News

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CREATING AND PROTECTING VALUE

New ERM guidance released by COSO

To further inform organizations on the benefits of enterprise risk management, the Committee of Sponsoring Organizations of the Treadway Commission (COSO) has published new guidance, 'Creating and Protecting Value: Understanding and Implementing Enterprise Risk Management' offering 'succinct, tangible steps to implement an effective ERM program'.

The guidance is based on successful practices used by organizations in taking an incremental, step-by-step approach to implementing ERM.

Read the full paper [here](#).

5 Actions to Take for Proactive Fraud Risk Management During a Crisis by Mustafa Yusuf-Adebola, CFE, CPA, CIA

With the news of a global pandemic and looming recession, there have been different responses from both government and private organizations across the world. Not a lot of people foresaw such an event occurring nor did they have this in their yearly forecasts and budgets — that work would be restricted, stay-at-home orders would be enforced and nonessential services would take a back seat.

Of course, along with all the bad news comes pressure — (mental) health, financial and otherwise. Pressure is one of the variables in the Fraud Triangle that motivates individuals to commit fraud.

Companies as well as individuals will face pressure, thus making this variable highly important in fraud management.

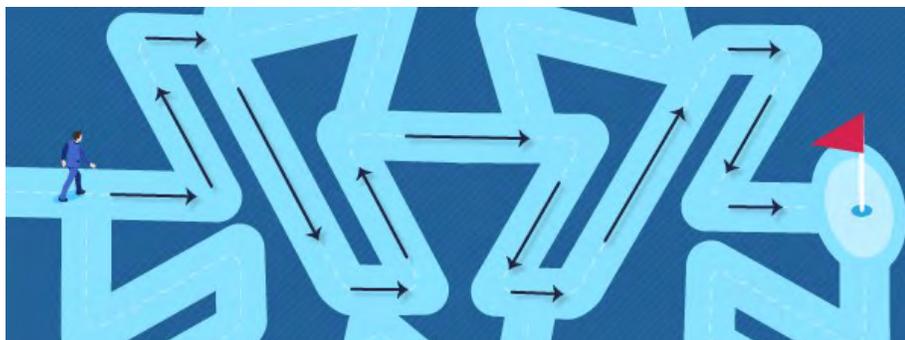
Here are five tangible actions your organization can take to continue proactive fraud risk management during a crisis: (1) Reassess the FRM Framework, (2) Keep and maintain a log of policy announcements, (3) Keep tabs with other departments, (4) Provide training and sensitization, and (5) Analyze trends with data analytics.

Read more at [ACFE Insights](#).



ERM in the News

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A Road Map for Establishing an Enterprise Risk Management Program

The Association of Certified Fraud Examiner's John Thackeray provides an overview of ERM and the steps to developing an ERM strategy in the latest post on ACFE's Fraud Examiner. Read more [here](#).

The Importance of Fraud Risk Management in Times of Coronavirus

by Debajan Chatterjee

Financial organizations in the U.K. have recently announced several measures to help customers affected by the ongoing pandemic. These include provision to defer mortgage and loan repayments for up to three months and the ability for savers to close fixed-term savings accounts without charge. There will also be the option of applying for temporarily increased credit card borrowing limit. Banks are expected to provide extra support for affected businesses. However, the open question is: how will banks establish that customers are truly affected by the pandemic?

Here's how fraud risk management can help to prevent fraudsters from using the current environment to their own malicious advantage:

- Manage the Online Risk ,
- Implement Controls for Preventing Friendly Fraud, and
- Mitigate the Opportunity for Gray Markets

Read more at [ACFE Insights](#).

