

CREATING A CLEAR 20/20 ERM VISION TO TAKE ON TOMORROW'S RISKS



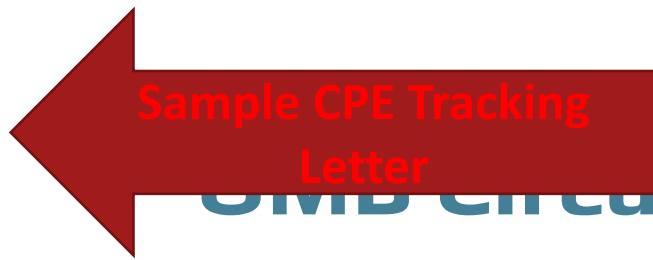
AFERM
Association for Federal
Enterprise Risk Management

**13TH ANNUAL
ERM SUMMIT**

Breakout Session A-3 — Innovating the Delivery of ERM in a Virtual World

Sept. 10 | 1 – 2 PM ET





OMB Circular A-123 History

- 1981 – OMB First Issued Circular No. A-123, Internal Control Systems
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- 1982 – OMB Issued Internal Control Guidelines and the Federal Managers Financial Integrity Act was enacted
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- 1983 – OMB Issued an Updated Circular No. A-123, Internal Control Systems
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- 1986–OMB Updated A-123 to Require Management Control Plans to guide efforts
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- 1995–OMB updated A-123, Management Accountability and Control to reflect CERA, CFO Act, IG Act
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- 2004 – OMB updated A-123, Management’s Responsibility for Internal Control and added Appendix A, Internal Control Over Financial Reporting

SAMPLE SLIDE



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Library of Congress (LOC)

Adrian Evans-Burke - Management &
Program Analyst in the Office of Strategic
Planning and Performance Management
(SPPM)



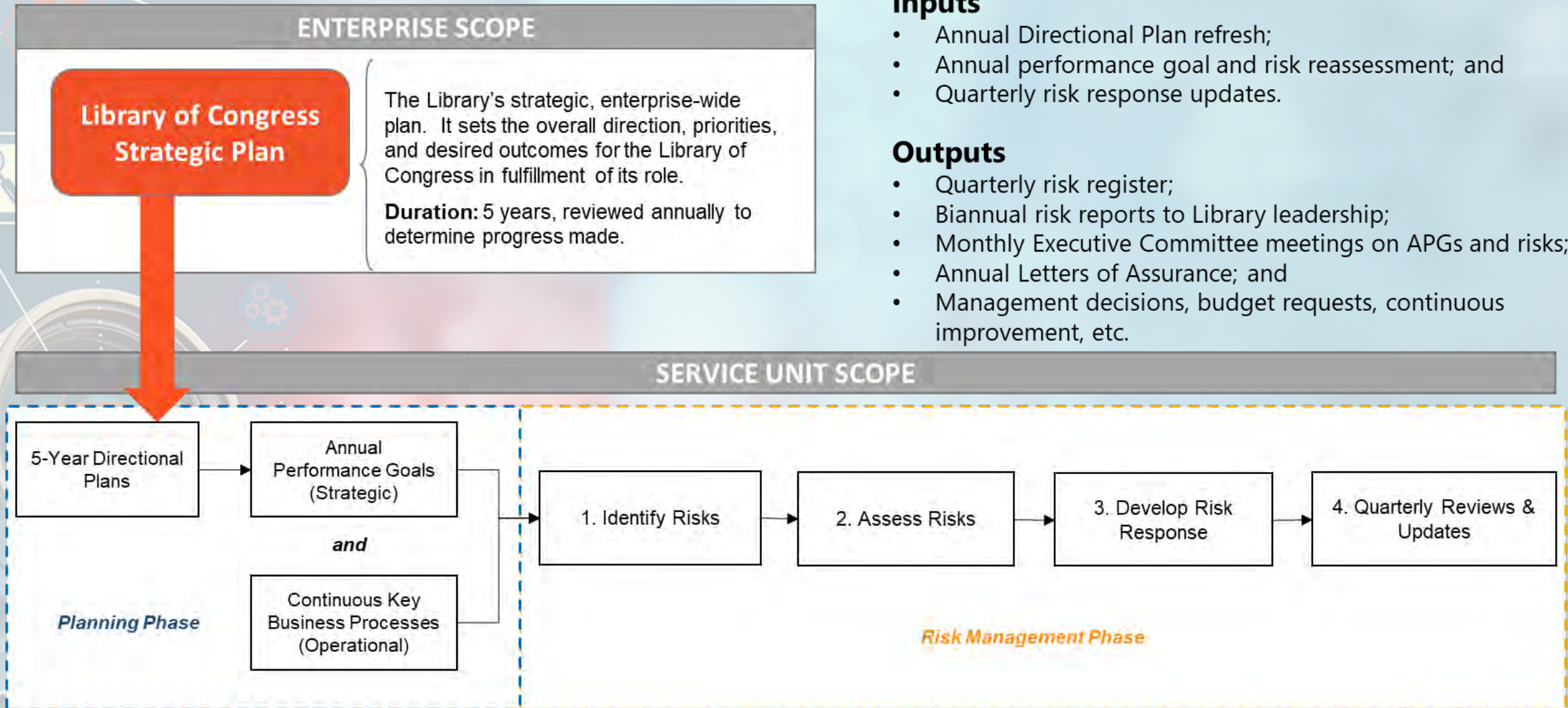
iRIC Framework, from Planning to Reporting

Inputs

- Annual Directional Plan refresh;
- Annual performance goal and risk reassessment; and
- Quarterly risk response updates.

Outputs

- Quarterly risk register;
- Biannual risk reports to Library leadership;
- Monthly Executive Committee meetings on APGs and risks;
- Annual Letters of Assurance; and
- Management decisions, budget requests, continuous improvement, etc.



Adapting to a Virtual World

Challenges	Responses
<p>1. Group trainings are difficult to execute due to connectivity and use challenges.</p>	<p>1. Shift towards small group (1-3 person) diagnostic sessions focusing on analysis and improvement of service unit-specific performance goals, targets, and risks.</p>
<p>2. Stress levels are high, and staff have limited bandwidth to absorb new concepts and “extra” work.</p>	<p>2. Change FY20 focus from advancing staff risk management skills to internal iRIC framework review, maturity assessment, and improvement plan for FY21.</p>
<p>3. Miscommunication and loss of face-to-face interactions.</p>	<p>3. Follow-ups and one-on-one phone calls have been critical for ensuring understanding and agreement. SPPM also keeps a log of our interactions with service unit staff to make sure everyone is getting a comparable level of service.</p>
<p>4. Meetings losing the “conversational” tone as attendees stay on mute unless they are presenting.</p>	<p>4. Piloted performance and risk dashboards for Library Directors’ meetings to prompt conversations around progress, and continuing challenges, and next steps.</p>

Lessons Learned to Date

- **Pandemic Response as Opportunity:** The Library as a whole is learning that people can work effectively remotely and are finding innovative ways to keep staff busy.
- **Teaching Risk in Real Time:** The covid-19 situation provides a real-life lesson in the impact of risk on initiatives, operations, and people.
- **Personal Touch is Critical:** A lot of information gets lost in translation during virtual meetings, especially with the loss of visual cues.
- **Keep Changes SLOW:** Everyone is doing the best they can under very usual circumstances. It is better to get it right later than rush it now.

Federal Deposit Insurance Corporation (FDIC)

Jill Lennox – ERM Team Lead



FDIC's ERM Program

- **FDIC**
 - 5,500 Employees
 - 6 Regional Offices
 - Approximately 80 Field Offices
- **ERM Program**
 - Five Member Team
 - CRO reports to CFO
 - ERM Program established in 2019
- **ERM Program Elements**
 - Risk Appetite Statement
 - Risk Inventory
 - Risk Profile
 - ERM Directive, Standard Operating Procedures, and Job Aids

FDIC's Response to COVID-19

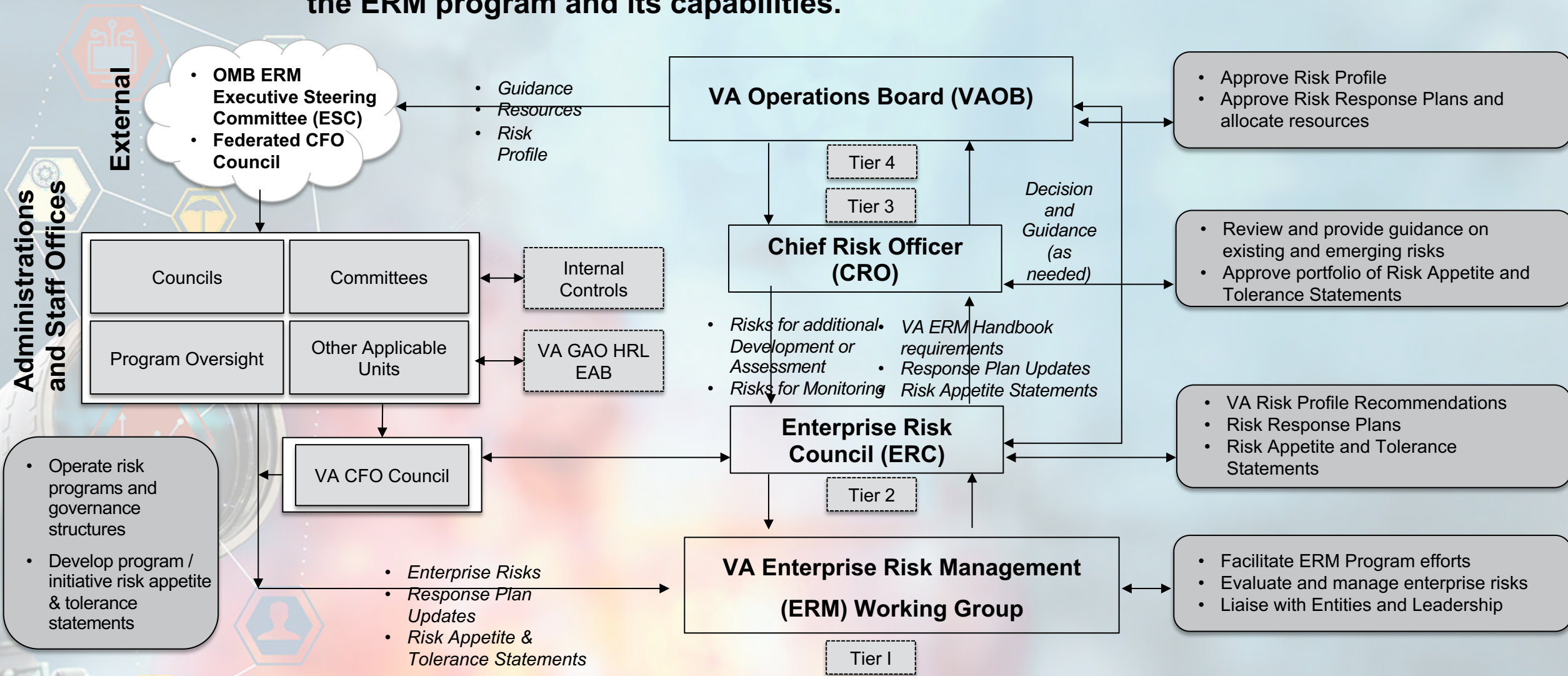
- **FDIC Response**
 - Mandatory telework since March 2020
 - FDIC hired a contractor to assist in developing a back-to-work plan
- **Key Successes**
 - Business as usual in many respects
 - Technology is working
 - FDIC continues to accomplish its mission
- **Key Challenges**
 - Performing certain tasks remotely
 - Interpersonal relationships

Department of Veteran's Affairs (VA) ERM Program

Preston Finley - Director of Foresight, Strategic
Planning and Risk Management in the Office of
Enterprise Integration



VA's ERM Governance structure reflects a process to escalate, review and approve risks contributing to the development of the organizational Risk Profile. It enables the ERM program to incorporate leadership feedback and recommendations and mature the ERM program and its capabilities.



VA's Response to COVID-19

- **OEI Tasked to Track COVID Related Delays and Mitigations**
 - Veteran Benefits Related Medical Examinations
 - Veteran Benefits Appeals Hearing
 - Onboarding New Employees and PIV Renewals
 - Routine Medical Procedures and Wellness Checks
- **Key Successes**
 - Expansion of TeleHealth and TeleMedicine
 - New Procedures and Processes to Expedite Onboarding
 - AI and Automation
 - Community Care and 4th Mission
- **Key Challenges**
 - Performing certain tasks remotely
 - Interpersonal relationships



**Thank You for
Attending!**
Questions?