

RISK TO LSC RESOURCES – PEOPLE

Risks		Strategies	Who is responsible?	Date of next review	
	Probability	Severity			
Governance and Board Leadership -- Potential for problems	L	H	<ul style="list-style-type: none"> • Good information flow from management (including legal, financial, programmatic information) and from the OIG and outside auditors • Training of board • Orientation of new board • Evaluations/self-assessments • Sufficient staff support • Staying abreast of best board governance practices • Staying abreast of stakeholder and client concerns • Periodic review of governing documents to assure compliance and relevancy 	Board Chairman	
Leadership Transitions -- President	H	M	<ul style="list-style-type: none"> • Presidential transition plan 	President	
-- Board	H	M	<ul style="list-style-type: none"> • Board transition plan • Board orientation documents 	Chairman, Board Gov. & Performance Review Committee	
-- Other senior leadership changes	M	M	<ul style="list-style-type: none"> • Transition plan 	President	
Management/IG Relations -- Potential for problems	M	H	<ul style="list-style-type: none"> • Communicate, coordinate, cooperate • Regular meetings 	President	
LSC Management Leadership -- Preventing leadership problems (Continued on next page)	L	H	<ul style="list-style-type: none"> • Cohesive, effective management team • Emphasis on high standards • Regular communications with board, staff, grantees, public, OIG • Regular performance 	President	
LSC Management					

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Leadership <i>(Continued)</i>			evaluations		
Conflicts of Interest/Ethics Violations	L	M	<ul style="list-style-type: none"> • Training on ethics code • Reminders, emphasis on ethics 	Ethics Officer	

RISK TO LSC RESOURCES – FUNDING

Risks			Strategies	Who is responsible?	Date of next review
	Probability	Severity			
Adequacy of Basic Field Funding -- Insufficient funding to accomplish LSC's mission of providing equal access to justice	H	H	<ul style="list-style-type: none"> • Public education • Strengthen congressional relationships • Develop stronger data to support funding requests, including data on outcomes and economic benefits of legal aid 	Government Relations/ Public Affairs (GRPA) Director	
Adequacy of MGO Funding -- Insufficient Management and Grants Oversight funding	H	H	<ul style="list-style-type: none"> • Strengthen congressional relationships • Emphasize quantifying return on investment from oversight funding • Emphasize grants oversight function 	GRPA Director	
			<ul style="list-style-type: none"> • Continue to assess MGO expenses to reduce any unnecessary duplication and inefficiencies 	Vice President for Grants Management (VPGM)	

RISK TO LSC RESOURCES –ASSETS

Risks		Strategies		Who is responsible?	Date of next review
	Probability	Severity			
Internal Fraud	L	H	<ul style="list-style-type: none"> • Effective internal controls • IG oversight • Annual corporate audit 	Treasurer	
			<ul style="list-style-type: none"> • Staff training on ethics 	Ethics Officer	
Internal Financial Controls -- Failures at LSC	L	H	<ul style="list-style-type: none"> • Management accountability • Annual audit • Board oversight • Regular review/update of Accounting Manual 	Treasurer	
Litigation -- Employment	M	M	<ul style="list-style-type: none"> • Regular training of managers • Clear-cut policies and uniform application 	Human Resources Director	
			<ul style="list-style-type: none"> • Effective negotiation and use of releases 	Vice President of Legal Affairs (VPLA)	
Integrity of electronic data/information -- Potential for Problems	L	H	<ul style="list-style-type: none"> • Effective system back-ups • Effective disaster recovery • Regular staff training • Maintain qualified IT staff • Effective document and system security • Maintain up-to-date technology 	Chief Information Officer (CIO)	
Accuracy of grantee data -- Potential for Problems	L	H	<ul style="list-style-type: none"> • Reliability testing (electronic analysis) • Clear guidance/training on grantee reporting • Clarify and better report “Other Services” data provided by grantees • Self inspections 	Office of Information Management (OIM) Director	
			<ul style="list-style-type: none"> • CSR/CMS program visits 	OCE Director	
			<ul style="list-style-type: none"> • Technology assistance 	Office of Program Performance	
<i>(continued on next page)</i>					
Accuracy of grantee data <i>(continued from</i>					

RISK TO LSC RESOURCES –ASSETS

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<i>prior page</i>				(OPP) Director	
LSC Records Management -- Potential for Problems	L	M	<ul style="list-style-type: none"> • Update records management policy, including statement on the handling of confidential information • Train staff in new policy • Effective FOIA procedures • Stay abreast of best practices • Maintain effective computer back-ups • Maintain effective security on electronic information access • Improve internal access to key records • improve public access to records • Ensure compliance with legal requirements 	CIO VPLA	
Preservation of LSC interest in grantee property -- Potential for loss	L	L	<ul style="list-style-type: none"> • Maintain up to date Property Acquisition Manual • Remind grantees of LSC policy • Pursue remedies as necessary 	VPLA	
Natural Disasters or interruptions of normal operations	L	H	<ul style="list-style-type: none"> • Effective COOP plan 	Chief of Staff	
	L	H	<ul style="list-style-type: none"> • Computer network back-up 	CIO	

RISK TO LSC RESOURCES – GRANTEES

Risks		Strategies		Who is responsible?	Date of next review
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Grantee Oversight by LSC & IPAs -- Preventing lapses	M	H	<ul style="list-style-type: none"> • Rigorous Compliance oversight • Improved IPA oversight (provide recommendations to OIG) • Maintain comprehensive procedures manuals • Well-defined workplans for program visits • Careful review of grantee reports to LSC • Communications between offices • Internal training • Regular communications with programs • Monitoring media reports 	VPGM	
Interpretations of regulations by LSC Staff -- Preventing inconsistencies	L	H	<ul style="list-style-type: none"> • Joint meetings and trainings • Joint work groups by topic • Feedback from grantees 	VPGM	
Grantee Operations -- Major misuse of grant funds -- Failure of leadership -- Failure of internal controls -- Lack of board oversight -- Leadership transitions -- Restriction violations <i>(Continued on next page)</i> Grantee	L	H	<ul style="list-style-type: none"> • Rigorous selection process for grantees • Enforcement of regulations • Grant assurances • Grant conditions • Advisories • Program letters • Oversight visits • LSC Resource Information • Training of grantee staff • Performance Criteria • Outreach to local boards • Local board education • Outreach to Access to Justice community in region 	VPGM	
			<ul style="list-style-type: none"> • On-site assessment to 	VPGM	

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Operations <i>(continued)</i> -- Poor records management -- Poor quality legal services -- Need to replace program	M	M	encourage competition • Review/redefine services areas • Seek interim provider • Work with programs to improve compliance and make it less likely that they will violate restrictions or otherwise require the imposition of sanctions		
	L	M			
	L	H			
			• Periodic review of regulations • OLA opinions	VPLA	

Responsibilities for Risk Management

Board of Directors

- Sets strategic goals and objectives, adopts annual operating budget, and approves risk management plan.
- Reviews operational reports to monitor progress towards goals as defined in *Strategic Directions* and assure compliance with organizational requirements.
- Adopts and establishes policies and regulations.
- Reviews the organization's risk management plan.
- Maintains working relationship with members of Congress.
- Audit Committee to review implementation of RMP.

President

- Has overall responsibility for the effective implementation of the RMP.
- Assigns staff to design and carry out risk management activities.
- Assigns staff to perform annual review of the risk management activities.
- Approves all grants for the Corporation.
- Executes major contracts for the organization.
- Keeps the Board apprised of emerging threats and opportunities facing the organization.
- Leads the Executive Team in periodic review and update of the risk management plan.
- Gives final approval to the plan.
- Maintains effective relationship with members of Congress and staff.

Vice President for Legal Affairs

- Serves as advisor to the Board of Directors in legal matters, consulting outside counsel on an as needed basis.
- Advises senior staff on contracts; reviews contracts on an as needed basis.
- Monitors implementation of risk management program.
- Recommends any necessary modifications.

Vice President for Grants Management

- Supervises oversight of grantee operations and compliance.

Treasurer/Comptroller

- Establishes, conducts, and maintains internal controls for financial transactions.
- Purchases D&O insurance.

Executive Team

- Oversees organization-wide effort to protect the vital assets of LSC
- Convenes periodically to review the Corporation's priority risks and corresponding risk management strategies.

Office Directors

- Review and recommend modifications to corporate risk management program.
- Supervise implementation of risk management strategies within their area of responsibility.