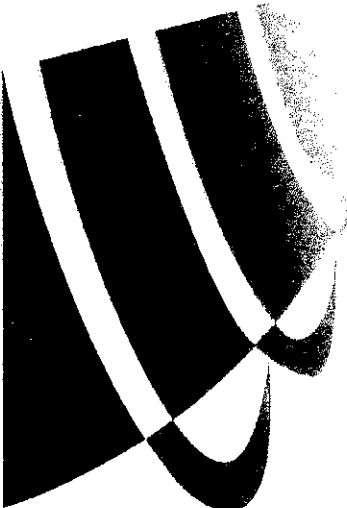


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The Usand Group

Risk Management Plan

2014

Date: April 10th, 2014

Distribution List

Copy Number	Name	Location
001	Erinn Mah	Firmex
002	Megan Ross	Head Office

References and related documents

Document Title
OptiPak Professional Services – Insurance Coverage

Section 1

Objectives

The objectives of this plan are to:

- *Undertake a risk management assessment*
- *define and prioritise critical business functions*
- *detail an immediate response to a critical incident*
- *detail strategies and actions to be taken to enable Usand to stay in business*
- *review and update this plan on a regular basis.*



Risk Management Planning

Risk Management Plan

Prepared by: Erinn Mah Date: May 2nd, 2014

Key:
VH = Very High
H = High
M = Medium
L = Low

ACCOUNTING & BANKING RISKS

Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
<p>The Usa</p> <p>ASSETS:</p> <p>Destroyed/Stolen</p> <p>Damage to rentable assets (Printer, phone system, cars)</p>	M	VH	H	<ul style="list-style-type: none"> In contracts: responsibility for all Usand equipment under care is given to signees – if lost/stolen, their responsibility to replace. Creates incentive to care for asset. Always ensure insurance coverage is purchased for rentable items. 	<ul style="list-style-type: none"> Insurance covers cost of asset. Insurance covers cost of asset. 	
<p>BUDGET:</p> <p>Inability to prioritize spending on clients (sponsorships, meals and entertainment)</p> <p>Inability to stay within budget in any/all departments</p>	VH	H	VH	<ul style="list-style-type: none"> Policy for spending 0.1 % of placement fee per client; Regional Representative Budgets - May be able to use Zoho to monitor their total expenditures in relation to allocation for period. Create a spreadsheet to track or use Quickbooks. Monthly budgetary meetings comparing budget to actual. Tracking through Quickbooks Majority approval of President/CEO/COO needed on all expenditures over and above each budget. 	<ul style="list-style-type: none"> Initiate a 'no spending' period until we reign in spending practices (except on new clients). Representative budgets may be cut until the difference is made up. Initiate signing authority on all expenditures by President (or other) until spending is rectified. Daily review of all expenditures. Internal audit of accounting practices – or external audit to be done by hired professional, if needed. 	<ul style="list-style-type: none">
<p>Reserve fund may be inadequate or</p>	H	VH	VH	<ul style="list-style-type: none"> Policy regarding appropriate level of reserve fund to be maintained, while determining who may administer the fund. 	<ul style="list-style-type: none"> Budgetary meeting held to review controls over the Reserve Fund, and additional authority over the fund may 	<ul style="list-style-type: none">



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Inappropriately maintained.		<ul style="list-style-type: none"> At least 2 people to create check and balance procedures. Budget must include goals to appropriately fill, replenish, and deplete reserve fund. Strategy to be reviewed at monthly budgetary meetings. 	<ul style="list-style-type: none"> need to be created, or authority may need to be transferred. Budget redone to ensure fund is replenished as soon as possible. 	
Improper re-investment of profits into company	H	<ul style="list-style-type: none"> Discussion of profit re-investment held immediately following receipt of success fees and disbursement of bonuses. Overall strategy formalized for re-investment at annual strategy sessions, and continually discussed and monthly budgetary meetings. 	<ul style="list-style-type: none"> If profits are not adequately reinvested, Head Office will meet to discuss upcoming profits and ensure that new profit is properly reinvested. Shareholders loan may need to be requested for any necessary operations. 	<ul style="list-style-type: none">
Sensitive information is vulnerable to fire, theft. (CC information, client files, check books, etc).	L	<ul style="list-style-type: none"> Locks to be installed on storage room in the office. Fire proof filing cabinets will be purchased. Data is backed up on all employee computers regularly to ensure data protection. Access to banking information and tools are given to only a select few people, and overall responsibility is given to one person. 	<ul style="list-style-type: none"> Bank will be contacted to cancel all checks, CC's, etc in case of theft. Insurance policy to be utilized to recover costs of damaged goods (in case of disaster). Any hard copy files will need to be recreated through saved data. 	<ul style="list-style-type: none">
Online Banking: Account Theft	L	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> 	<ul style="list-style-type: none">



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CLIENT RISKS

Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
Soured Relationship with Accounting Firm	M	VH	VH	<ul style="list-style-type: none"> Have 2-3 accounting firms familiar with the Usand process in each region so that if one is disagreeable, we have another ready to step in. 	<ul style="list-style-type: none"> Utilize alternative accounting firm. 	<ul style="list-style-type: none">
Over-reliance on Usand as an advisor (non-paid) after our engagement has ended	M	M	M	<ul style="list-style-type: none"> Clauses in both our policies and Engagement Agreement as to when engagement ends. This prevents team members from being implicated in Band decisions made outside of our advisory capacity. 	<ul style="list-style-type: none"> Referral to a professional advisor that we know. 	<ul style="list-style-type: none">
Breakdown of relationship with RM	L	VH	VH	<ul style="list-style-type: none"> Head office must maintain a good relationship with client as soon as EA is signed. Client can go directly to Head Office past this point. RM's should be encouraged to reach out for help from John (or Sean/Scott) if there is a barrier. 	<ul style="list-style-type: none"> If relationship is unsalvageable, John will first attempt to step in as VP or Aboriginal Services. If breakdown is with John, delegate from Head Office will step in. 	<ul style="list-style-type: none">



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Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
<p>Kickbacks:</p> <ul style="list-style-type: none"> Any 'favours' become publicized Reliance on this mechanism to get deal approved. Slippery Slope. 	<p>M L</p>	<p>VH H</p>	<p>H M</p>	<ul style="list-style-type: none"> No written record of dealings. Use vague language, ie: offer to 'give' money back to community to be used at their discretion. Discussions prior to approval for any kickbacks. Try to utilize as a last resort. 	<ul style="list-style-type: none"> Positive PR strategy with communications firm. Review and discussion of this strategy. Head Office may choose to put a moratorium on this technique. 	
<p>Overpromising & Under-delivering</p>	<p>VH</p>	<p>VH</p>	<p>VH</p>	<ul style="list-style-type: none"> RM to ensure oversight to make sure communities do not take risk on the possible financing. Head Office to properly communicate reservations about the financing to RM's, but allow them to be optimistic with client. 	<ul style="list-style-type: none"> Legal opinion may be needed. RM's to handle client relationship and reiterate the reasons why expectations were not met. Head Office can facilitate this process. 	<ul style="list-style-type: none">



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Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
Improperly prepared presentation materials	H	H	VH	<ul style="list-style-type: none"> Ensure all presentation materials are personalized, where appropriate. Attempt to include assessment modelling so numbers speak directly to client. RM's double check all presentation materials before meeting. 	<ul style="list-style-type: none"> Attempt to obtain a second presentation with previous attendees and any missing persons from first meeting – Usand can rectify mistakes while making a positive first impression on new attendees who may become ardent supporters. 	<ul style="list-style-type: none">
Block Funding creates slow sales period Dec-April	VH	VH	VH	<ul style="list-style-type: none"> Ensure deals are 'in the pipe' in the fall so this time can be used to concentrate on closings. Utilize this time to attend conferences and pursue new business, allowing engagements to occur in April when block funding period is over. (SANDWICH METHOD) – Engagements begin before and after slow period. 	<ul style="list-style-type: none"> Reserve fund used to cover these couple of months if there is absolutely NO cash flow. 	<ul style="list-style-type: none">



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Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
<p>Misunderstanding of Usand Fee structure (one-time placement fee, work fees backed out)</p>	<p>VH</p>	<p>VH</p>	<p>VH</p>	<ul style="list-style-type: none"> • Ensure initial presentations emphasize one-time fee and work fee structure – hard copies can be shared with councilors not in attendance. • Clauses in EA – if possible, provide a follow up discussion on EA parameters. Emphasize a willingness to explain fee structure and do Q & A with Chief & Council, or company board, and community. • Try to present to as many of the Councilors as possible to avoid miscommunication and misunderstanding; include opportunity for questions so none go unanswered. • Utilize visual representation or storytelling to facilitate an understanding of the 	<ul style="list-style-type: none"> • Follow up meetings held or emails sent to explain the confusion. • Attempt to engage the assistance of Band's auditor or lawyer to facilitate understanding. Or elders? 	<ul style="list-style-type: none"> •



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Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
Disagreement between community and Council over Usand fees	VH	VH	VH	<ul style="list-style-type: none"> financing and fee structure. Again, attempt to present to as much of the Council as possible to avoid miscommunication and misunderstanding, and allow for questions. This provides coherence in decision making and support. 	<ul style="list-style-type: none"> Attempt to alleviate concerns by offering to have one-on-one conversations with concerned individuals. Letting people talk without a crowd allows them to speak more openly and creates honesty while building a relationship. 	<ul style="list-style-type: none">
Misunderstanding in the community as to who Usand is & What we do	VH	H	H	<ul style="list-style-type: none"> Website information must be accurate. Various sponsorships and news releases will help with accurate dissemination of information. Target a small-scale news release in local publications in engaged communities. 	<ul style="list-style-type: none"> Targeted marketing strategies: issue a release to a smaller, local paper. Get engaged Band to post a notice up on their website. 	<ul style="list-style-type: none">
Client unwilling to let Usand utilize experience on	H	M	H	<ul style="list-style-type: none"> Ensure all website entries and marketing is positive in nature for clients. 	<ul style="list-style-type: none"> Negotiate the removal of Public Notice clause from EA, but attempt to get signature on a separate release after 	<ul style="list-style-type: none">



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Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
our website or in marketing				<ul style="list-style-type: none"> Maintain a positive reputation so that groups will want to be aligned with our company. 	<p>relationship has solidified (ie: during Closing; after disbursement).</p>	
Inability to pay work fees	VH	VH	VH	<ul style="list-style-type: none"> Preliminary review of financials will help Usand be aware of cash position and predict if work fees will be an issue. 	<ul style="list-style-type: none"> Reserve fund will help with decreased cash flows, and tighter budgets will be initiated. Ensure there is substantial future potential for the client to re-engage – work fees can be made up on another deal. Negotiate a higher success fee for no work fees. 	<ul style="list-style-type: none">
High cost of travel that does not lead to an engagement	VH	H	VH	<ul style="list-style-type: none"> Attempt to schedule conference calls or ensure travel is close and inexpensive for any meetings that are not close to an engagement. Trips should be done with as few reps as possible to keep costs low. Utilize travel points where available and negotiate corporate pricing. 	<ul style="list-style-type: none"> Reliance on travel budget – must say 'No' to some requests. Prioritize some travel over others. 	<ul style="list-style-type: none">



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HR RISKS

Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
Unclear roles & responsibilities; Management does not communicate expectations as they change/grow	H	VH	VH	<ul style="list-style-type: none"> Ensure all roles/responsibilities are laid out in the contract and discussed thoroughly upon hiring and during performance reviews. Ensure both manager and employee know if there is an issue (proper warning) and have an initial discussion. 	<ul style="list-style-type: none"> After warning and initial discussion, a final meeting should be called about the issue, after which the employee contract should have a 'termination' clause for this matter. Management should be reprimanded as well if employees under their direction do not fulfill expectations. Discretionary bonus will reflect these situations. 	<ul style="list-style-type: none">
Hiring:	L	M	M	<ul style="list-style-type: none"> Ensure job postings are sent out to a variety of 	<ul style="list-style-type: none"> Through attrition, new hiring practices are implemented that are non-discriminatory. 	<ul style="list-style-type: none">



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Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
<p><i>Discriminatory hiring practices</i></p>	M	VH	VH	<ul style="list-style-type: none"> outlets, including FN portals. Ensure more than one person is responsible for hiring to disperse risk. 	<ul style="list-style-type: none"> Ensure a marketing plan that highlights our support for diversity practices and support for the Aboriginal community in particular. I.e.: volunteering/working alongside Aboriginals; proliferating images of cohesion & inclusion. 3-month probationary period written into contract. 	<ul style="list-style-type: none">
<p><i>Hiring unsuitable or unsafe candidates</i></p>	M	H	H	<ul style="list-style-type: none"> Ensure extensive job searches are done and time is taken with care. Usand should not rely on friendly recommendations for hire. Have specific metrics against which to measure the candidate. Get employee to sign off on a contract that ensures compliance with policies. 	<ul style="list-style-type: none"> Ensure deliverables (contractors) and responsibilities (employees) are outlined in contract and reviewed Incomplete deliverables in contract constitute part of termination clause. 	<ul style="list-style-type: none">
<p><i>Company Abuse (lack of productivity, disrespect, etc)</i></p>	M	H	H	<ul style="list-style-type: none"> Ensure deliverables (contractors) and responsibilities (employees) are outlined in contract and reviewed 	<ul style="list-style-type: none"> Incomplete deliverables in contract constitute part of termination clause. 	<ul style="list-style-type: none">



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Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
<p>Negative Reputation with Clients (pre-existing as well):</p>				<ul style="list-style-type: none"> in performance review, then recorded in file. Policies will include notes on co-worker respect, and will be tied in with deliverables. 	<ul style="list-style-type: none"> Reprimanded during performance review and discussions with managers. 	
<p>RM's</p>	M	H	H	<ul style="list-style-type: none"> Ensure proper conduct in the field, including traditional practices. Keep John on standby to step in if there are any disagreeable relationships with a potential client. 	<ul style="list-style-type: none"> John (or another RM) steps in with Client. Re-evaluate RM territory; possible replacement altogether if the reputation is extensively damaged, or partial replacement with a new hire to cover certain areas. Put RM on probation for a time. May have to distance Usand from RM if let go. Massive positive marketing campaign; probation/elimination/neutralization of employees with bad reputations. 	
<p>Head Office</p>	L	H	H	<ul style="list-style-type: none"> Respect for traditions/practices, ensure Usand's abilities 		



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Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
				<ul style="list-style-type: none"> and limitations are communicated, ensure all materials are available in English/French, proper attire and decorum in meetings and on phone, avoidance of 'Ivory tower' mindset, do not speak negatively of customers to other clients/targets. 	<ul style="list-style-type: none"> Formal apologies to insulted individuals. 	
High absenteeism	H	H	H	<ul style="list-style-type: none"> Allotted number of sick days/holidays set out in employment contracts. Identify the problem as it becomes evident. 	<ul style="list-style-type: none"> May lead to dismissal. 	<ul style="list-style-type: none">
Internal Jealousy	H	H	VH	<ul style="list-style-type: none"> Revenue sharing agreements for fair work, as debated between RMs or with Head office involvement. Ensure all those compensated are done so in tandem with the work done. Ensure travel privileges are equal. 	<ul style="list-style-type: none"> Meeting to discuss grievances. Always encourage honesty and open communication. 	<ul style="list-style-type: none">



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Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
<p><i>Training:</i> Opportunities not provided for employees to grow and learn (these opportunities create an internal talent pool and reduce turnover)</p>	VH	H	M	<ul style="list-style-type: none"> No discussion of personal compensation and Head Office is kept private. Group training opportunities identified by COO on an ongoing basis, with potential candidates noted. Money set aside in budget for training. Opportunity for Usaid to subsidize training for employees – must meet certain criteria. Yearly limit. Training sessions on internal practices and banking techniques provided at annual strategy sessions to facilitate cohesion of knowledge and personal growth. 	<ul style="list-style-type: none"> Re-train valuable employees who are short on skills (takes time; increased costs). Put the onus on employees to source out opportunities for themselves and provide an opportunity to submit requests. 	

BUSINESS RISKS

Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
Contractor/employee leaves Usand to start a similar business	L	M-H	VH	<ul style="list-style-type: none"> • Timely and fair compensation; discretionary used to reward hard workers • Non-compete clauses in contracts • Diversification of business model 	<ul style="list-style-type: none"> • Litigation activities • Buy out the business 	<ul style="list-style-type: none"> •
Outside competition – similar business model	H	VH	VH	<ul style="list-style-type: none"> • Strategic partnerships to capture most business referrals • Maintain positive image/reputation. • Market successes and showcase abilities so we are the go-to company in our market. 	<ul style="list-style-type: none"> • Isolate the competition's sphere of influence – ensure presence in their region. • Move quickly to capture clients in untouched territories to capture larger share. • Extensive marketing campaign. 	<ul style="list-style-type: none"> •



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Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
Sean unable to fulfill his role (sickness, death)	L	VH	VH	<ul style="list-style-type: none"> • Keyman insurance • Create job description for Sean's role for possible hire. • Internal training (see above) 	<ul style="list-style-type: none"> • Mitigation strategy turns into contingency plans. 	<ul style="list-style-type: none"> •
Only one person performing assessments/submissions – unsustainable loss.	L	VH	VH	<ul style="list-style-type: none"> • Template assessment/submission tools. • Internal training • Contractor hired in interim 	<ul style="list-style-type: none"> • New hire to take on additional work, likely an outside hire. 	<ul style="list-style-type: none"> •
RM's unable to attain targeted level of sales in their region	M	VH	VH	<ul style="list-style-type: none"> • Intermittent discussions on regional targets vs. sales. Use of Zoho and conference calls for tracking. Zoho reports identify lag in clients and contact with them. 	<ul style="list-style-type: none"> • Additional personnel hired to assist in slow territories • Possible replacement hire 	<ul style="list-style-type: none"> •
Risk and Mitigation strategies out of date or missed	H	H	VH	<ul style="list-style-type: none"> • Consistent revision of business continuity plan – include all stakeholders to ensure varied viewpoints. • Ensure risk responsibilities are delegated and communicated 	<ul style="list-style-type: none"> • Have a 'lead' person for all departments, so unanticipated risks will fall to that department head. 	<ul style="list-style-type: none"> •



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Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
Resistance to internal changes	VH	VH	VH	<ul style="list-style-type: none"> Change management strategies are needed, facilitated by Head Office with buy in and enthusiasm from Sean to create buy-in from Team. 	<ul style="list-style-type: none"> One-on-one training with Sean involved to emphasize importance of new initiative and to assist Team Members through transitions. 	<ul style="list-style-type: none">
Recession	H	H	H	<ul style="list-style-type: none"> Diversification of business model Perfection of refinance and P3 deals Establish equity fund 	<ul style="list-style-type: none"> Low appetite for riskier infrastructure projects, so P3 projects will be emphasized, as will refinance deals and equity deals. 	<ul style="list-style-type: none">
Bank appetite changes around Aboriginal Loans	H	VH	VH	<ul style="list-style-type: none"> Diversification of business model Perfection of refinance and P3 deals Establish equity fund 	<ul style="list-style-type: none"> Low appetite for riskier infrastructure projects, so P3 projects will be emphasized, as will refinance deals and equity deals. 	<ul style="list-style-type: none">
Lenders begin going straight to Usand Clients or Targets to convince them to deal direct (circumventing Usand)	M	VH	VH	<ul style="list-style-type: none"> Ensure that we have a Sales Strategy to stress the value added by Usand – both to clients and the lenders. 	<ul style="list-style-type: none"> Same as preventative action. 	<ul style="list-style-type: none">

SUBMISSION RISKS



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Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans
Request for Assessment documentation is either not responded to, or partially supplied	H	H	VH	<ul style="list-style-type: none"> Assessment follow up is delegated (either RM or Head Office). Listings sent in a clear, concise manner and are available in both English and French. 	<ul style="list-style-type: none"> Report generated on all clients with a signed NDA or outstanding NDA or EA so that follow up can be initiated.
Submission listing is either not responded to or partially supplied	M	VH	VH	<ul style="list-style-type: none"> Ensure key contact person and finance person information is provided (in EA). 	<ul style="list-style-type: none"> Consistent follow up by Head Office or RIM. Attempt to contact another member of the community or organization to inquire about status.
Improper document uploads to Firmex (wrong directory, wrong client files, etc.)	H	VH	VH	<ul style="list-style-type: none"> Overview strategy – Scott to review all document uploads before a submission is sent in. Megan to provide a weekly overview of newly uploaded documentation to Firmex (Fridays) to check her own work. 	<ul style="list-style-type: none"> Corrections to documentation uploads made, followed by a discussion to ensure mistakes are rectified in the future. Extensive mistakes noted in employee file.



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Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans
<p>Incomplete/inaccurate submissions sent to the bank, leading to rejection</p>	H	VH	VH	<ul style="list-style-type: none"> • Errin to review submissions before they are sent to Sean for review. • Submissions reviewed by Sean prior to submission to the Lender. 	<ul style="list-style-type: none"> • Alter submission with any appropriate suggestions. • Alter submission to reflect notes from Lender, and re-send or send to another institution.
<p>Client asks Usand about who their deal was sent to and we have not adequately stopped it</p>	M	VH	VH	<ul style="list-style-type: none"> • Establish contacts at other institutions in each province. • Begin to send out deals to at least 2 institutions, unless the package would appeal to a Lender in particular. 	<ul style="list-style-type: none"> • Usand must neutralize the situation with the client by assuring them of our decisions – i.e.: we sent it to one because of their history of giving the best rates etc.
<p>Bank Rejection of a submission</p>	VH	VH	VH	<ul style="list-style-type: none"> • Ensure financial ratios for the client are in line with the bank's. Attain desired ratios from different financial institutions (already attained BMO, attaining RBC) for comparison before submission. • If ratios are inadequate, ensure there is a plan in place to introduce capacity building (SFO, financial 	<ul style="list-style-type: none"> • Obtain reasons for rejection, and if possible, re-do submission to take criticism into account and re-submit to either the same institution, or to another Lender.



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Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans
				<ul style="list-style-type: none"> • Review all information for the submission and verify before sending to the Lender. 	<ul style="list-style-type: none"> • Work with the bank and borrower to find a solution. This is usually a simple error with an explanation, and the key is to facilitate communication between all 3 parties.

CLOSING RISKS

Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
<ul style="list-style-type: none"> • Usand does not verify the information provided in the submission 	M	VH	VH	<ul style="list-style-type: none"> • Review all information for the submission and verify before sending to the Lender. 	<ul style="list-style-type: none"> • Work with the bank and borrower to find a solution. This is usually a simple error with an explanation, and the key is to facilitate communication between all 3 parties. 	

IT RISKS



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Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
<p>Website: Control of website hosting, contact form, etc. not with Head Office. Slow response time for website changes Goal to increase website traffic twofold in 2014 – not met</p>	<p>L H L</p>	<p>VH L M</p>	<p>VH M H</p>	<ul style="list-style-type: none"> Hosting control handed over to Modern Clan's IT firm in Winnipeg: all passcodes and usernames kept at head office Text control given to Head Office – All admin passwords and rights. Text changes can be made quickly and easily without waiting for a third party. Consistently monitor statistics, and attempt to push website traffic if numbers do not improve via LinkedIn, Twitter, and other free means 	<ul style="list-style-type: none"> N/A Discussion had with Modern Clan over the slow changes being made. 	<ul style="list-style-type: none">
<p>Zoho: Reports not being read Regular System Glitches Overabundance of info (affects synthasisation) Contractors/employees not filling out info</p>	<p>H H M H</p>	<p>H M H VH</p>	<p>H VH M VH</p>	<ul style="list-style-type: none"> Discuss on weekly conference calls, any issues in reports. Will encourage people to read. Ensure they are in a clean, readable format. Good presentation. Short and concise. Ensure they are send Monday morning (when saliency is high) and discussed Wednesday. Ensure regularly scheduled maintenance. Ensure fields are a legitimate source of information – regular reviews of Zoho fields & reports. Feedback obtained once/year for evaluation of system 	<p>Discuss individually, why reports are not being read. Try to rectify any issues and re-distribute after changes.</p> <p>System review and redesign (will have a cost w/Zoho developer)</p>	<ul style="list-style-type: none">



The USAID Center for Global Prosperity

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Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
Forensic Audit or other demand for aged information	L	M	L	<ul style="list-style-type: none"> Ensure all data is highly organized in an efficient manner, for legal and tax purposes. Hard to find data in a large volume of e-data. Ensure all files are backed up according to CRA standards (7 yrs) and ensure policies are in place to get permission from CRA to destroy data. 	Hire IT professional to attempt to retrieve data	<ul style="list-style-type: none">
Individual computer files and information lost, destroyed, stolen	H	VH	VH	<ul style="list-style-type: none"> BACKUP system in place. Ensure there is a Cloud system in place until an internal network is created for Head Office. Ensure that RM computers have a cloud backup system in place. Usand to cover costs (preferably one-time fee). 	Search for e-recovery techniques. Ensure all data is collected from other computers and emails to try to re-create. Ask clients to re-send pertinent data.	<ul style="list-style-type: none">
Cloud: inability to access if internet is down	VH	VH	VH	<ul style="list-style-type: none"> Ensure WIFI signals in the area are known. Keep LAN cables in the office for emergency. 	Use iPhone to create a Wifi signal. Use local wifi sources	<ul style="list-style-type: none">
IT Governance structures are unclear, decision-making is left in the wrong hands. Leads to blame avoidance,	L	H	M	<ul style="list-style-type: none"> IT Governance Policies are in place and communicated to Usand Team. 	Rectify procedures – overhaul policies, ensure that new strategies are rolled out in a conference call or strategy	<ul style="list-style-type: none">



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Risk Description:	Likelihood	Impact	Priority	Preventative Action	Contingency Plans	Responsibility
scapegoating, confusion					session, with buy-in from the President.	
Used Software/hardware is used improperly, or risk that it's no returned upon ending the relationship	L	H	L	<ul style="list-style-type: none"> Ensure policy states last payments are not given unless all materials are returned. Attempt to get equipment returned before letting anyone go. Ensure all permissions are deleted before or at the same time of employee loss. 	<ul style="list-style-type: none"> Litigation. Hold back bonuses. Send collection agency. 	<ul style="list-style-type: none">
IT applications/goals are not aligned with strategy	H	H	VH	<ul style="list-style-type: none"> Ensure alignment is part of all operations planning, and is reviewed yearly. 	Either a slow re-alignment, or a quick and decisive re-alignment, depending on the atmosphere. Hire professional help.	<ul style="list-style-type: none">

Insurance

Insurance type	Policy coverage	Policy exclusions	Insurance company and contact	Last review date	Payments due
Property & Business Interruption	Property Damage: <ul style="list-style-type: none"> All contents, incl. exterior glass, signs e- 	<ul style="list-style-type: none"> Earthquake Flood 	NationWest Insurance, Ken Coughlin	October 2013	31, Annually



The United Nations

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Insurance type	Policy coverage	Policy exclusions	Insurance company and contact	Last review date	Payments due
	<ul style="list-style-type: none"> • data processing equipment, media • Property temporarily off premises <p><i>Business interruption:</i></p> <ul style="list-style-type: none"> • Payroll coverage • Interruption by civil authority (30 days) • Newly acquired locations • Off premise utilities extension • Contributing properties 	<ul style="list-style-type: none"> • Seepage, leakage or influx of water • Centrifugal force, mechanical or electrical breakdown or derangement • Dampness or dryness of atmosphere • Shrinkage, evaporation, loss of weight, exposure to light, change in colour or texture of finish • Smoke • Rodents • Delay, loss of market, loss of use or occupancy • War • Nuclear incident • Dishonest criminal act by the insured. • Data • Pollution 	<p>Ph: 204-953-4630</p>		
Crime	Employee Dishonesty				
Other	Equipment Breakdown				



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Insurance type	Policy coverage	Policy exclusions	Insurance company and contact	Last review date	Payments due
Liability	<p>General Liabilities Coverage</p> <ul style="list-style-type: none"> • Bodily injury & Property liability • Products – completed operations • Personal injury liability • Medical payments • Tenants legal liability • Elevator collision • Employee benefit liability • Auto liability • Legal liability for damage to hired automobiles endorsement deductible applicable to the coverage 				



Data for backup	Frequency of backup	Backup media/ service	Person responsible	Backup procedure steps
Head Computers Office	Ongoing	Cloud Storage (Crashplan)	Erimn to oversee	<ul style="list-style-type: none"> Set frequency of automatic backup on personal computer. Check in weekly to ensure that data is being properly managed. Report any problems to the COO who will talk to a representative at CrashPlan

Section 3

Business Impact Analysis

This section of the Business Continuity Plan uses the identified risks in each department to assess which activities are most critical to Usand's operations and the basic recover requirements necessary in the event of an emergency.

Critical activities are defined as primary business functions that must continue in order to support Usand operations.



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List of Business Activities which must be performed to ensure business continuity:**

1	Sales (Regional Representatives)
2	AR/AP
3	Financial Analysis
4	Communications – IT Department

1. Business Activity Name: Sales

a) What are the losses if this business activity could not be provided (i.e. if Regional Representatives left the business, were injured, etc)?

Loss of Revenue: Majority of Usand's revenue comes from Sales (monthly work fees and success fees). A small portion of revenue could be retained if Usand has an equity stake in any projects, any investment revenue, and would also maintain a reserve fund of approximately 3-4 months of operating costs (\$150,000-\$200,000).

Staffing: Any Regional Representatives would be maintained, though their earnings are dependent on Sales activities (no income would be incoming for Regional Representatives).

Product/service: Responsibilities would be shifted to Head Office. President and CEO to maintain all Sales functions, while COO takes the lead of sourcing new hires for Sales positions.

Legal liability, personal damage, public harm: Legally, would have to structure earned bonus pay-outs on all ongoing engagements to the appropriate representatives.



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Loss of good will, public image: Will occur if unable to meet current and target client needs. No representatives will be in place to defend negative rumours or PR about the Company, or to promote positive accomplishments.

- b) For what maximum amount of time could this business activity be unavailable (either 100% or partial) before the losses would occur?

3 months. Optimal recovery time is 1 month, maximum 3 months

Comments:

- c) *If Sales are largely unavailable for longer than 3 months, another company could fill this market gap, leading to further future losses for the Company. In the case of B.C., First Nations Financial Management Board can further solidify their influence, or usurp Usand sales leads in the region.*

2. Business Activity Name: AR/AP

- a) What are the losses if this business activity could not be provided (i.e. Accounting system unavailable, Executive Assistant leaves the company)?

Loss of Revenue: Incoming revenue streams would be untracked and not recorded – could lead to a loss of revenue if owings are not received.

Staffing: Little to no effect on staffing.

Service: Responsibilities would be shifted to CEO, while COO would take the lead on sourcing a new hire. A new accounting system would have to be put in place.



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Legal Liability

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Legal liability, personal damage, public harm: Outstanding payables may go to collection agency. Suppliers may be unwilling to sustain business with Usand.

Loss of good will, public image: Possible loss of suppliers.

- b) For what maximum amount of time could this business activity be unavailable (either 100% or partial) before the losses would occur?

Time would be dependent on a new hire or the initiation of a new accounting system, though losses could be immediate if incoming revenue is not accounted for.

- c) Comments: N/A

AR/AP is integral to the operations of the Company. However, the maintenance of this function could be delegated to another representative at Head Office, and another accounting system – even a temporary solution - could be found immediately. It is likely that any disruption in this department could be rectified within 24 hours.

3. Financial Analysis

- a) What are the losses if this business activity could not be provided?

Loss of Revenue: Catastrophic. Inability to assess Usand's ability to service a Client. Our business model hinges on this ability. This is an essential service.

Staffing: An immediate hire would be needed to perform financial analyses.



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Service:**

Responsibilities would be shifted to the President and COO. Most likely, all new engagements would be deferred until a new financial analyst could be hired.

Legal liability, personal damage, public harm: Likely none.

Loss of good will, public image: *Possible loss of new clients or engagements, depending on how long the service was unavailable.*

- b) For what maximum amount of time could this business activity be unavailable (either 100% or partial) before the losses would occur?

An absolute maximum of 3 weeks for assessments – beyond this, Usand would not be able to sustain deferring a new engagement without ostracizing a potential client.

An absolutely maximum of 2 weeks for Submissions

Closings would likely be able to be handled by the President in the interim.

- c) Comments: N/A

4. Communications – IT Department

- a) What are the losses if the business activity could not be provided?

Loss of Revenue: indirect effect on all Usand operations. Usand's communication and IT are largely cloud-based – as such, a loss of internet connectivity is a debilitating event.

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Staffing: Staffing levels would not be affected.

Service: Usand services would experience significant delays until such time as communications could be re-established across the Company. Internal communication and organization would be affected, particularly the Zoho application (client profile application).

Legal liability, personal damage, public harm: Likely none.

Loss of good will, public image: *Minimal, unless experienced for an extended period of time.*
