Background

• The Trimet Executive Team has recently begun to develop an enterprise Risk Register

• A Risk Register is a tool that helps categorize and evaluate risks, so appropriate mitigation plans can be developed and “risk owners” can be assigned.

• Several examples of enterprise risks have already been identified by Trimet leadership and will be discussed later in this presentation.
Elements of a Risk Register

- Risk Identification
- Risk Analysis
- Risk Evaluation
- Risk Treatment (Mitigation Strategies)
Risk Identification by Type

- Financial Risks
- Reputational Risks
- Safety Risks
- Strategic Risks
- Resiliency Risks
Risk Analysis

Likelihood vs. Severity

- Likelihood – “the state or fact of somethings being likely; probability”

- Severity – “the fact or condition of being severe”
<table>
<thead>
<tr>
<th>Likelihood (1-5)</th>
<th>Finance (1-5)</th>
<th>Operations (1-5)</th>
<th>IT (1-5)</th>
<th>Labor Relations (1-5)</th>
<th>Capital Projects (1-5)</th>
<th>Maintenance (1-5)</th>
<th>Legal (1-5)</th>
<th>Safety (1-5)</th>
<th>Public Affairs (1-5)</th>
<th>Priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>63</td>
</tr>
</tbody>
</table>
Risk Evaluation

• Qualitative analysis around what risks need to be prioritized
• Continue analysis of the prioritized risks with subject matter experts
• Compare results of the of the risk analysis with established risk criteria
• Update Risk Register if key conditions change
Risk Treatment (Mitigation Strategies)

• Review potential treatment options specific to each identified risk

• Assign owners to the risks, and their accompanying treatment plans

• Develop and agree upon follow-up expectations
Key Risks Already Identified

- Competition from other modes of transportation
- Steel Bridge lift failure
- Lack of resiliency plans for the restoration of our system in the wake of a catastrophic event
- Large scale cyber attack
- Reliance upon third party management of critical agency infrastructure
<table>
<thead>
<tr>
<th>Risk</th>
<th>Department</th>
<th>Likelihood</th>
<th>Severity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competition from other modes of transportation</td>
<td>Public Affairs</td>
<td>5</td>
<td>56</td>
</tr>
<tr>
<td>Steel bridge left failure</td>
<td>Maintenance</td>
<td>5</td>
<td>47</td>
</tr>
<tr>
<td>Lack of resiliency plans for the restoration of our system in the</td>
<td>Engineering &amp; Construction</td>
<td>4</td>
<td>64</td>
</tr>
<tr>
<td>wake of a catastrophic event</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Large scale cyber attack</td>
<td>IT</td>
<td>4</td>
<td>61</td>
</tr>
<tr>
<td>Reliance upon third party management of critical agency infrastructure</td>
<td>IT</td>
<td>5</td>
<td>44</td>
</tr>
</tbody>
</table>

**Risk Assessment Heat Map**

- **MAKE DO**
- **MONITOR**
- **MANAGE**
- **MITIGATE**
- **Likely, Low Potential**
- **High Potential, Not Likely**
- **Threatening**
TriMet Risk Register Goals for 2019

• Enterprise risks are identified and evaluated by senior leadership
• Risk treatment plans are developed
• Specific risks are assigned owners with follow-up expectations
• Ensure Risk Register used to help inform the Business Planning and Budgeting Process
Questions?