



RISK ANALYSIS WORKSHEET

Unit/Division/Institute Name: University Library

WORKSHEET 10

Inherent Risk:
Moderate
Assessed Risk:
Low

Risk description: Loss of Library purchasing power caused by fall in Australian dollar.

Risk category: Financial

Related objective: Effective management of risk.

Possible causes/risk factors:

- Australian dollar value falls against other currencies.
- High demand on foreign (imported) products.
- Fixed budget allocation for Library.
- No hedging process.
- Change of focus in teaching and research
- Resource prices increase above CPI and budget .

Possible effects:

- Loss of purchasing power.
- Overspent budget.
- Less items purchased.
- Cancellation of important titles supporting teaching and research.
- Loss of reputation – client dissatisfaction with collection.

INHERENT RISK SCORE (assuming no controls)	Consequence C	Likelihood L	Total* C+L	Total Score:
Revenue, cost or liability	4	2	6	2 – 5 = Low 6 = Moderate 7 = High 8 – 10 = High+
People	1	1	2	
Reputation and Political	3	2	5	
Project performance				

*when scored on more than 1 row, select the highest total as the score

Current controls/mitigating factors:

- Cooperative purchasing agreement under investigation by SA university libraries
- Consortia – ARLAC (Australian Research Library Acquisition Consortium) where number of universities buy together to take advantage of bulk discounts.
- MTFP outcome is that more is spent on library books or other physical resources and not staff.
- Priorities – if items are absolutely needed for a program there is money set aside for this contingency.
- Regular financial reporting (commitments, currency fluctuation) – monthly but also on demand.

ASSESSED RISK SCORE (considering controls)	Consequence C	Likelihood L	Total* C+L	Total Score:
Revenue, cost or liability	2	2	4	2 – 5 = Low 6 = Moderate 7 = High 8 – 10 = High+
People	1	1	2	
Reputation and Political	2	1	3	
Project performance				

*when scored on more than 1 row, select the highest total as the score

Date: May 2006