



**Board of Trustees
CARL Committee
November 19, 2019
9:45am
Chancellor's Boardroom**

Information Item

CARL-5 UNC Greensboro Submission of Top Five Risks to the UNC System Office

Background Information

The UNC System Office's VP for Compliance and Audit Services has requested that UNC Greensboro submit its Top Five Enterprise Risks for 2019 by December 31, 2019. This request is a follow-up from 2018's request for the same information.

The intent of the request is to continue dialogue within the CARMC committee of the UNC Board of Governor's regarding risks and risk priorities at UNC System institutions. The expectation is that most institutions will submit lists very similar to those submitted at the end of 2018.

After discussion from UNC Greensboro's Institutional Risk Management Committee (IRMC) and review from the Institutional Risk Management Steering Committee (IRMSC), UNCG's top five risks (listed in no particular order) and their accompanying descriptions are as follows:

Cyber Security/Data Integrity

While the university continues to build infrastructure (e.g. staff, process, policy, training) around information security and UNCG's response to cyber security issues, those who wish to do damage to the university by digital means continue to develop novel techniques to do so. Those threats and other issues of concern include but are not limited to service interruptions, impacts from unauthorized access, the condition of UNCG's existing IT physical assets, hacking/ransomware/phishing, privacy concerns, and UNCG's integrated response to data breaches.

Campus Safety

The safety of all members of UNCG's campus community - students, faculty, staff, minors participating in campus programs, and other visitors, is of the utmost importance. UNCG continues to work towards mitigation in all affected areas, but risks in this area are systemic to and ongoing in an open, public campus environment. These threats and hazards include but are not limited to violent crimes, theft, emerging student health concerns (e.g. opioid abuse, vaping, mental health issues), impacts and recovery from severe weather events, incidents with hazardous materials, fire safety, and pedestrian safety.

University Compliance

The number and nature of laws, regulations, policies, and other requirements with which UNCG must comply continues to evolve each year. This includes compliance with over 265 federal regulations such as Title IX, HIPAA, FERPA, and OSHA, as well as state laws, UNC System policies, and compliance obligations established by external organizations, such as SACSCOC and the NCAA. While responsibility for managing individual compliance obligations rests within various departments across campus, the university is still in the process of developing a systematic program that: (i) ensures that the university is aware of all the laws, regulations, and policies with which it must comply; (ii) provides centralized monitoring to ensure that compliance actually occurs; and (iii) offers substantive support for individuals with compliance responsibilities. In addition, the university must evaluate its current audit resources to enhance the independent appraisal of processes and procedures that support compliance.

Increasing Collaborative Partnerships

Like many growing universities, UNCG has an increasing number of collaborative partnerships related to promotion of important issues, increasing community involvement, or partnering in research (e.g. JSNN, Union Square, Moss Street Partnership School, and UNCG's Millennial Campus Initiative). UNCG enters into all of our partnerships with care, diligence, and in alignment with our strategic objectives. UNCG's attention to the details of existing partnerships help us mitigate the legal, financial and reputational risks that could be substantial with such endeavors. As new partnerships develop, UNCG must remain mindful of the need to clearly determine roles and responsibilities related to governance and compliance, so that we avoid diffusion of responsibility and the inherent risks it creates.

Funding Stability/Availability to Meet Strategic Objectives

UNCG's net financial position remains strong, but even in a relatively healthy economic environment concerns regarding trends in decreased/flattening enrollment (traditional in and out of state, international), and uncertainty of state and federal funding, could significantly impact UNCG's ability to meet our strategic objectives. UNCG must ensure we have financial aid packages that enable us to recruit the best students, and we must continue efforts to identify and engage more non-traditional students (e.g. rural, first generation, military, older students.) Temporary behaviors - implementing divisional budget strategies that focus on resource reallocation versus new funding, encouraging Schools and Divisions to lean more heavily on

available restricted and unrestricted funds, reviewing current programs and resource requirements, and investing university funds prioritized on programs generating new revenue - can continue UNCG's momentum in the short-term. But when do the effects of those actions begin to erode UNCG's strategic vision?

A handwritten signature in black ink, appearing to read 'Charles Leffler', with a stylized, cursive script.

Charles Leffler
Interim Vice Chancellor for Business Affairs