



**UNC  
GREENSBORO**  
Board of Trustees

**Board of Trustees  
CARL Committee  
March 16, 2021  
9:45am  
Chancellor's Boardroom**

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**Discussion Item**

CARL-1      Update: Top Five Risks Reporting

This Institutional Risk Management update will provide a brief update regarding the latest request for UNC Greensboro's Top 5 risks from the UNC System Office. The work of the Institutional Risk Management program is to align risk appetite and strategy with strategic initiatives to mitigate any potential threats.

**Background Information**

At the December 1, 2020 meeting of the CARL Committee, Mark McKinney, Director of Institutional Risk Management presented an annual Institutional Risk Management update pursuant to UNC System Policy 1300.7 – University Enterprise Risk Management and Compliance. The update included a brief discussion of the continuing relationship between the UNC System Office and its member institutions pertaining to Enterprise Risk Management, as well as the possibility of future risk reporting obligations to the UNC System Office.

Attachments:

CARL-1.1 Presentation (see below)

Robert J. Shea, Jr.  
Vice Chancellor for Finance and Administration



# **Board of Trustees Meeting – CARL Committee UNC Greensboro**

Division of Finance and Administration  
Office of Institutional Risk Management  
*Director Mark McKinney*  
*March 16, 2021*



# UNC System Update

- Request for institutions submissions of Top 5 Enterprise Risks received January 2021, with due date for final submission 4/30/2021 (*Note: risks are not submitted in any particular order.* )
- 3<sup>rd</sup> iteration of this request – previous separate requests for end of 2018, and end of 2019.
- 2020 request delayed to due UNCISO leadership and ERM structural changes and focus on system-wide COVID-19 safety efforts.
- Same template as prior years with two additional questions:
  1. In light of COVID, how has your institution's view of top risks changed?
  2. Please discuss significant achievements of the ERM program at your institution.



## Why is the UNC System Asking its Institutions for their Top 5 Risks?

UNC Policy Manual 1300.7, Adopted 03/04/16, “University Enterprise Risk Management and Compliance”

At the **UNC System Level**, processes should include...the following:

- Promoting the establishment of and collaboration among the risk management, ethics, and compliance programs at the constituent institutions;
- Advising, assisting, and supporting the constituent institution risk management and compliance processes, and providing other advice and counsel for these purposes;
- Supporting training and educational efforts (added - e.g. UNCSO Risk Review Board, system-wide ERM calls, ERM Advisory Board, Protection of Minors working group, etc.)

At the **Institutional Level**...processes should include...the following:

- Identifying risks that impact the constituent institution’s goals



# Previous Results (end of 2018 and end of 2019) – UNCG & Aggregated UNC Institution Responses

<b>UNCG</b>	<b>Aggregated UNC Institution Responses</b>
Cyber Security/Data Integrity	Cybersecurity/IT Governance/Data Security
Funding Stability / Availability to Meet Strategic Objectives / Financial Resource Security	Financial Stability / Funding Model Issues / Deferred Maintenance
Increasing Collaborative Partnerships	Enrollment
Campus Safety	Campus Safety and Security
Overall University Regulatory Compliance	Compliance Requirements
Interaction with Minors (Youth Protection)	HR - Recruitment, Retention, Compensation



## Process for UNCG

- Survey sent to members of Chancellor's Council regarding top risks in their area, mitigation status, and their view of risks outside of their area
- Survey responses will be incorporated, along with existing risk assessments, continuations of current risk conversations both within the UNCG campus community and with peers across the UNC system, and will be reviewed and discussed with IRM Steering Committee
- Top 5 list with appropriate verbiage submitted to UNCISO by 4/30 deadline
- Follow-up conversations with key stakeholders throughout the year
- Presentation of top risks and associated information to CARL Committee September 2021

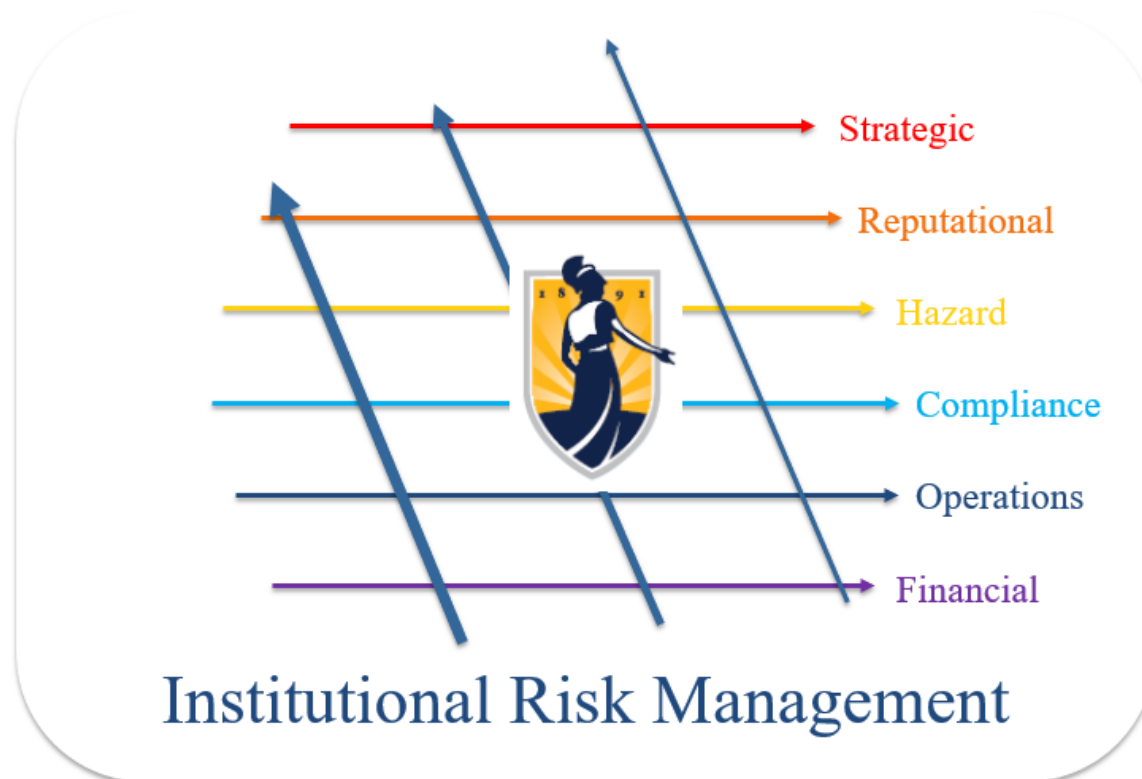


# Other Updates

- UNC Board of Governors approved \$104 million for Repair and Renovation (aka Deferred Maintenance) for UNCG in its proposed budget
  - Total UNCG backlog: ~\$500 million; ~\$29 million needed for roof repairs
  - If approved, \$81 million to UNCG Library project; remaining \$23 million across other approved repair and renovation projects
- Financial Impact - 1300.7.1 UNC System Policy on Insurance Coverage
  - Policy establishes minimum insurance coverage of “all-risk special form” or its equivalent to mitigate risks associated with damage to or loss of University property
  - UNCG moves to \$100k deductible from \$5k after review of previous claims data
  - Total premiums increased by ~\$395,000; total outlays from General Fund increase ~\$530,000
  - Impact to Residence Life: reduction of premiums by ~\$46,000
  - Negotiated the ability to set different deductibles for property and contents to \$5k



# Discussion



Mission: to provide *reasonable* assurance regarding the achievement of UNCG objectives; specifically by enhancing risk response decisions and working to identify and manage risk across the UNCG community.