



Compliance, Audit, Risk Management and Legal Affairs (CARL) Committee
February 4, 2025
10:15 a.m.

Discussion Item

CARL-2 Enterprise Risk Management Annual Update

Background Information

Enterprise risk management is a strategic area of focus for the UNC System and UNCG. This item is being presented to inform the Committee of the University's identification and analysis of risk, the structure used to assess and mitigate risk across the broad spectrum of University operations, and to discuss the submission of our top five risks to the UNC System.

Attachments

- 2.1 Enterprise Risk Management Update
- 2.2 UNC System 2024 Risk Register



Enterprise Risk Management Update

Bob Shea, Vice Chancellor for Finance and Administration

Zach Smith, Associate Vice Chancellor for Campus Enterprises and Risk Management

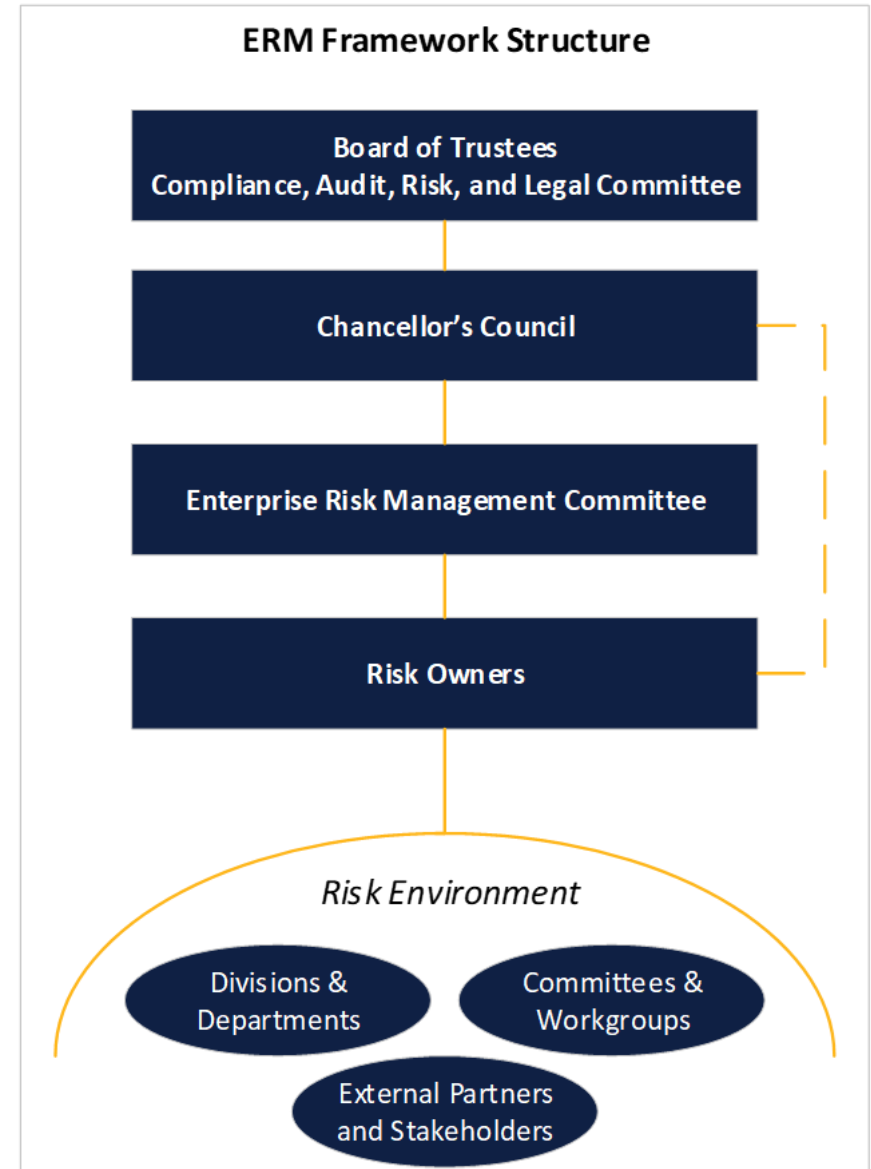


Agenda

- Enterprise Risk Management (ERM) Program Updates
- Review of 2024 Top 5 Risks
- 2025 Top 5 Risks Submission to UNC System
- 2024/25 Aggregated Risks for UNC System

ERM Program Updates

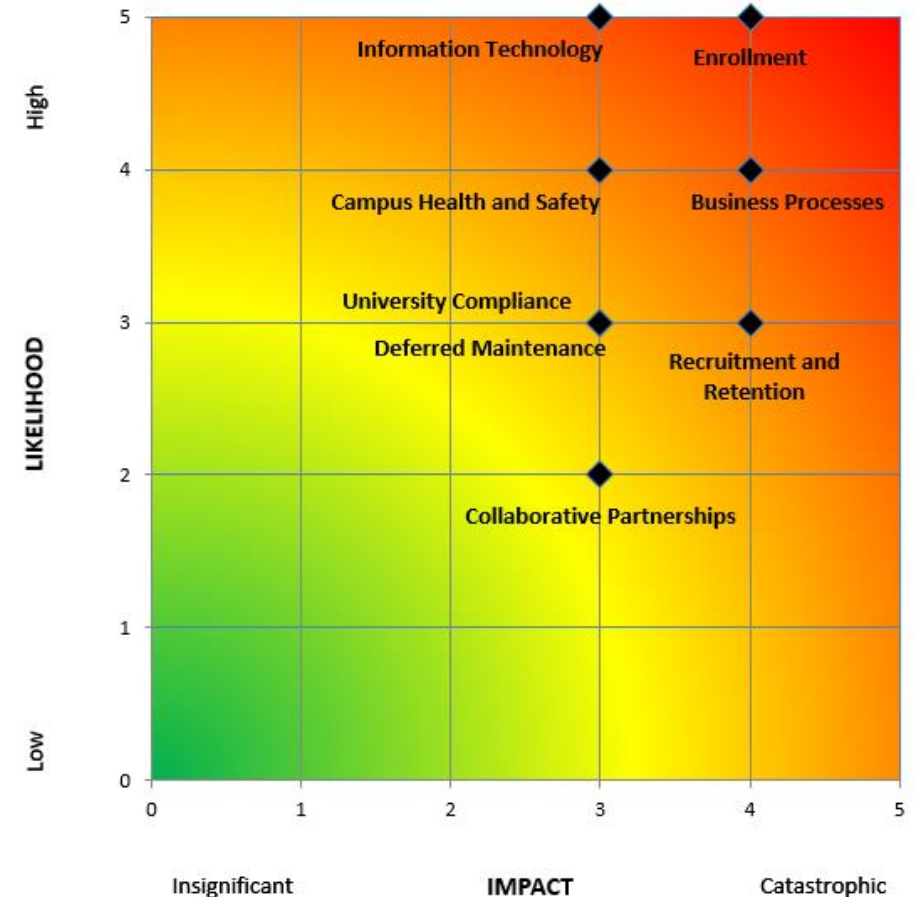
- Activated a new ERM Committee
- Established an ERM Framework
- Documented and evaluated risks using ERM software
- Ongoing partnership with UNC System



Update on 2024 Top 5 Risks

1. Enrollment
2. Business Processes
Sustainability
3. Information Technology
4. Recruitment and Retention
of Faculty and Staff (Talent
Management)
5. Campus Health & Safety

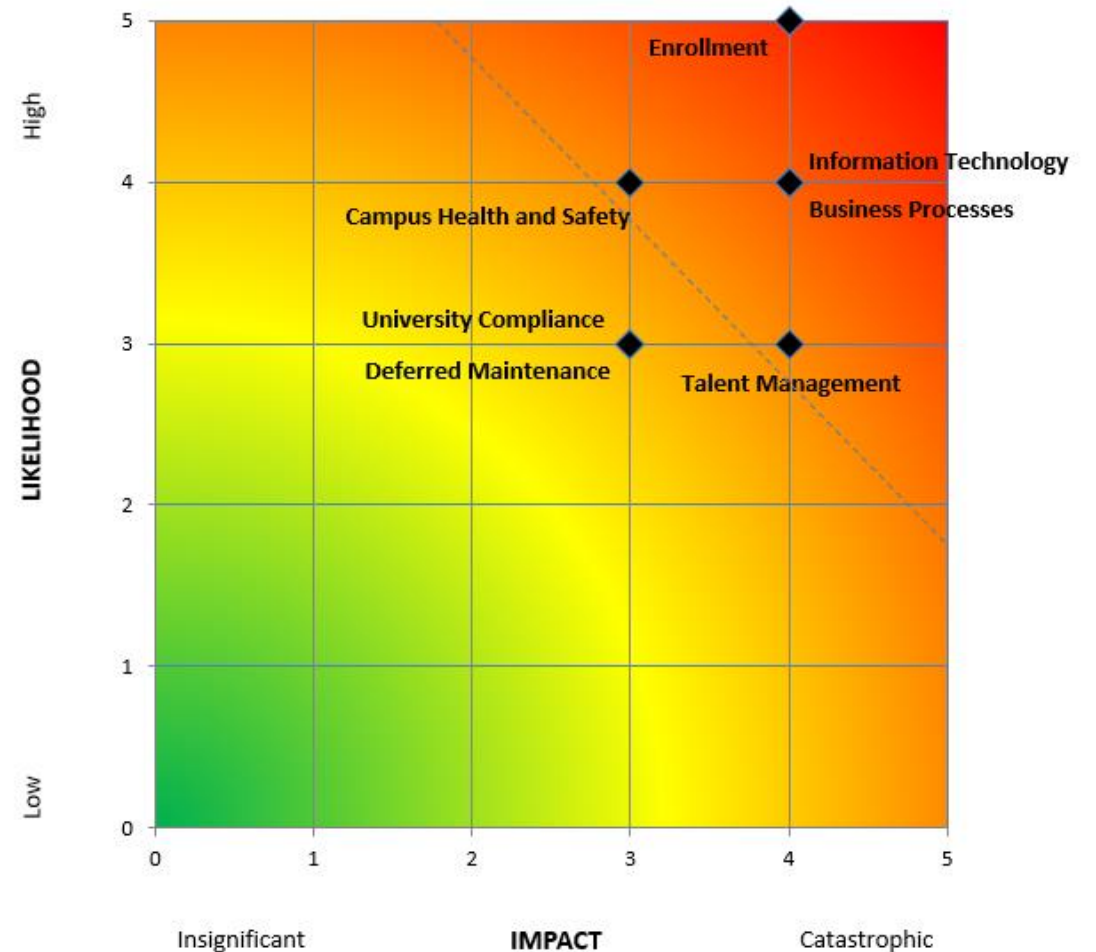
Top 5 Risk Heat Map



Top 5 Risks for 2025

1. Enrollment
2. Information Technology
3. Business Processes
Sustainability
4. Campus Health & Safety
5. Talent Management

Top 5 Risk Heat Map





2024/25 UNC System Campus Risks

- Cyber Security
- Talent Management
- Student Retention
- Financial
- Public Safety
- Mental Health
- Facilities Management
- Regulatory Compliance
- Business Continuity



UNC GREENSBORO

Questions and Discussion



2024 Enrollment Risk Activities

- **NC College Connect:** Simplified application process for eligible high school students
- **Choose NC:** Pilot to guide students to UNCG who were denied admission to UNC-CH
- **Dual Enrollment:** Designing and promoting dual enrollment opportunities for high schoolers
- **Growing the Funnel:** Increased volume of prospective students to grow the admissions funnel
- **Expansion of Transfer Promise:** Expanded program to ten partner schools
- **Education at Work:** Launches in Spring 2025 to provide concierge-style employee education
- **Direct Admission to Nursing:** First public four-year in the state to offer nursing direct admission
- **Direct Admission for Community College Graduates:** MOU has been drafted, and the process will begin with the 2025/26 cycle



2024 Business Processes Sustainability Risk Activities

- **Senior Leadership Planning:** Continued planning by senior leadership for a sustainable future
- **Digitized Processes:** Utilized technology to digitize and automate processes and workflows
- **Banner System Upgrades:** Implemented student and faculty modules to the latest version
- **Chrome River:** Implemented to automate and facilitate expense management processes
- **Web Time Entry:** Activated project team to move to web-based time/leave management processes
- **Data Availability and Visualization:** Increased data availability and data visualization dashboards



2024 Information Technology Risk Activities

- **Upgraded Network Infrastructure:** Upgraded campus's wired and wireless network infrastructure
- **Service Consolidation:** Continued to sundown services and offer equivalent services in the M365 platform
- **Banner ERP Update:** Upgraded to the latest version of the Banner ERP platform
- **Compliance Specialist:** Hired a hardware/software standards and compliance specialist
- **Training:** Operationalized training on multifactor authentication, security awareness, and proper handling of HIPAA data



2024 Recruitment and Retention Risk Activities

- **Retention Offers:** Retention offers have increased for offers of other employment
- **Internal Promotions:** Internal promotions have increased by more than 25% for faculty and staff positions
- **College Central Network:** Human Resources participated in local college job fairs through their partnership with College Central Network
- **Collaboration with GTCC:** Human Resources is participating in GTCC job fairs and other collaborative efforts to focus on skilled trade positions
- **Goodwill Partnership:** Partnered with Goodwill Industries to recruit for skilled trade roles



2024 Health and Safety Risk Activities

- **Safety Training:** Delivered courses to 375 employees dependent upon work task/hazard
- **Compliance/Safety Inspections:** Completed 437 work orders to address safety findings
- **Pedestrian Crossing Improvements:** Added pedestrian-activated flashing beacons at the Spring Garden/Stirling intersection
- **Emergency Notification System Enrollment:** Increased emergency notification system text enrollment by switching to an opt-out process
- **Spartan Recovery:** Moved to Spartan Village to expand the space and hours of operation to provide services to students in recovery from alcohol and other drugs



2024 Risk Register

2024 UNC SYSTEM OFFICE RISK REGISTER

**Strategic Risk
affecting all goals**

TALENT MANAGEMENT

- Highly skilled, competitively compensated, flexible workforce with advancement opportunity
- Employee workload management that allows for timely response to new, high-demand, high-interest projects that align with the Board of Governors' Priorities
- Improved succession planning efforts to ensure continuity of operations, support expected turnover, and limit loss of productivity

**Operational Risk
affecting all goals**

CYBERSECURITY & IT INFRASTRUCTURE

Consistency across and within the system will allow for a more strategic and efficient approach to reducing this risk regarding the coordination of:

- Standard preparedness and pre-disaster training/vendor risk management
- Incident response and emergency operations
- Disaster recovery efforts

**Operational, Strategic and Legal, Regulatory &
Compliance Risk affecting all goals**

BUSINESS OPERATIONS

- Consistent documentation, communication, and implementation of System Office departmental policies and standard operating procedures
- Business Intelligence: Ensure efficient data analytics and coordinated data project management to inform policy and management decisions
- Maximize efficiency by reducing redundant or outdated applications across the system and System Office
- Focus on technology tools and solutions that promote efficiencies and support business operations users
- Thorough and deliberate document review and approval processes that mitigate the risks created by electronic approval systems which can lead to ineffective document review



2024 UNC SYSTEM CONSTITUENT INSTITUTION RISK REGISTER OVERVIEW

**Operational Risk
affecting all goals**

CYBERSECURITY

- Protect data and personal identifiable information
- Mitigate hacking/phishing/ransom-ware attacks/insider threats
- Maintain and enhance IT security and IT infrastructure (people, processes, technology)
- Ensure confidentiality, integrity, and availability of data and information systems

**Strategic Risk
affecting goals:**

**11. Employee
Experience**

**12. Faculty and
Staff retention**

TALENT MANAGEMENT

- Vacancies in critical positions with needs for quality personnel and competitive salary
- Faculty and staff wellness, stress, and burnout concerns as they relate to morale and effectiveness of the workforce
- Training and professional development opportunities to promote sustainability and less turnover
- State and System process for recruitment impedes ability to attract and retain a diverse pool of high performing employees quickly and competitively

**Strategic Risk
affecting all goals**

STUDENT RETENTION

- Low enrollment adversely impacting financial stability and reputation
- Improve graduation rates and decrease a loss of tuition revenue
- Innovate and evolve academic programs and degree completion with consideration of institution climate.
- Competition with online programs paired with decreased birth rates, lower high school graduation rates, and changing demographics



2024 UNC SYSTEM CONSTITUENT INSTITUTION RISK REGISTER OVERVIEW

Financial Risk affecting all goals

FINANCIAL

- Adapting to funding models and external factors such as policy changes, economic conditions, and tax revenue
- Lack of diversity in funding sources
- High levels of inflation further aggravate institutions' ability to attract a competitive and talent workforce
- Providing professional programs that satisfy market demands and align with University Strategic Plans

Operational Risk affecting all goals

PUBLIC SAFETY

Threats and hazards include but are not limited to:

- Violent crimes and theft
- Incidents with hazardous materials, fire safety and pedestrian safety
- Impacts and recovery from severe weather events
- Emerging student health concerns (particularly increasing concern around mental health issues)

Operational Risk & Health Risk affecting all goals

MENTAL HEALTH

- Resources and advocacy to address the volume and severity of increasingly prevalent wellbeing and mental health concerns adversely impacting student and employee success outcomes
- Ensure awareness and delivery of resources meets the needs of students and employees

2024 UNC SYSTEM CONSTITUENT INSTITUTION RISK REGISTER OVERVIEW

**Legal, Regulatory & Compliance Risk
affecting goal 7: University Productivity**

FACILITIES MANAGEMENT

- Need for renovations and improvements to meet accessibility needs of universities and constituents
- Impact of aging facilities on recruitment and retention
- Space and facilities needed to support academic and research growth

**Operational, Legal, Regulatory, & Compliance Risk
affecting goal 7: University Productivity**

REGULATORY COMPLIANCE

- Policies, procedures, and protocols for a variety of programs, departments, and operations across campus need development and updating
- Lack of compliance procedures could present a major threat to public health, safety, funding, and grant management

**Operational Risk affecting goal 7:
University Productivity**

BUSINESS CONTINUITY

- Current structure, core systems, and processes impacts the ability to effectively operate, manage, and support multiple locations and make informed decisions in a timely manner
- Maximize efficiencies through better institutional coordination for key university services
- Need for comprehensive data governance

