Clayton State University's Enterprise Risk Management Manual

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Cheryl Jordan, CFE
ERM Compliance Officer

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Attachments

Section 1: Enterprise Risk Management (ERM) Definition

"ERM is a process-driven tool that enables senior management to **visualize, assess,** and **manage** significant ***risks*** that may adversely impact the attainment of key organizational ***objectives***." - University System of Georgia (USG) definition.

Risk management is not about safeguarding against any one type of loss. It is about managing any risks that might impact the well-being of an institution and/or impact the ability of the institution to meet its objectives. Risk managers need to understand these risks and work with internal and external stakeholders to find ways to mitigate or control them.

White Papers which provide overviews of the ERM process are provided as part of the working group invitation letter. Additionally a white paper on the State of ERM at Colleges and Universities today is provided in Attachment I.

Section 2: Purpose of Implementing ERM

Board of Regents policy 7.15 requires that each institution develop a Risk Management Framework and procedures based on ERM. A copy of the policy is provided in Attachment H.

The benefits to USG Institutions of implementing this framework include:

- Focus on critical areas.
- Understanding of current controls.
- Identification of missing controls.
- Understanding of institution's Risk posture.
- Reduction of Research Grant fines.
- Academic Research possibilities.

Section 3: ERM Process Steps

In order to develop this framework two committees have been formed. The Steering Committee will provide oversight and the Working Group will perform the necessary tasks to document and risk rate the key objectives and risks. The project schedule is provided in Attachment A and the current committee membership is provided in Attachment B. The template to be used in documenting the results of the following steps is provided in Attachment C.

Step 1: Define Key Objectives
Brainstorm your activities

ERM focuses on an institution's achievement of its objectives or mission. The first step in the process is to brainstorm the key institutional objectives supported by your department. Consideration should be given to the proposed Clayton State University Strategic Plan's proposed mission, vision, and values. Consideration should also be given to your departmental goals and initiatives already in place. Examples of key objectives that should be considered would include accreditation; distance learning; faculty tenure, academic freedom, and quality; and compliance with NCAA, Federal Grant, Board of Regents and State of Georgia regulations.

In identifying your key objectives the following should be considered:

- Mission, strategic plan and/or vision for the future.
- Objectives and goals, major responsibilities, and purpose.
- Organization and structure.
- Information and transactions processors and availability.
- Regulatory Compliance obligations.

Other examples of Key Objectives and Risks are provided in Attachment D. Key Functional areas to consider in the brainstorming process are provided in Attachment E.

Consolidate the activities
Review your list and where possible consolidate.

Prioritize the consolidated activities
Each Key Objective will be assigned to a tier (1, 2, 3 with 1 being the highest) based on importance to the operating of the institution.

Step 2: Document Associated Risks
Brainstorm risks for each activity

For each key objective document the associated risks. A **Risk** is an event that could result in an increased likelihood that an organization would not achieve or would be hindered in achieving an objective. For example, "The number of individuals with a terminal degree who are available to teach English literature decreases."

Ask "What keeps you up at night?"

Risks types are categorized as follows:

- Strategic – Affects the USG's ability to achieve goals and objectives.
- Compliance – Affects compliance with laws and regulations, safety, and environmental issues, litigation, conflicts of interest, etc.
- Reputational – Affects reputation, public perception, political issues, etc.
- Financial – Affects loss of assets, technology, etc.
- Operational – Affects on-going management processes and procedures.

Step 3: Assign an Initial Risk Rating
Assign the impact and probability ratings for each risk

The initial assessment should be performed assuming the "worst case scenario" – without any assessment of the effectiveness and completeness of the control environment.

Key Objectives and risks will be assigned a risk score based on potential impact and probability of occurrence.

- **Likelihood of occurring**
  1 - *low*
  2 - *medium*
  3 – *high*
- **Potential impact**
  1 – *minor;* unlikely to have a permanent or significant effect on USG's/institution's reputation or achievement of its strategic objectives.
  2 - *moderate*; will have a significant impact on USG/institution but can be managed without major impact.
  3 - *serious*; will have a significant effect on USG/institution and requires a major effort to manage and resolve the occurrence, as well as its ramifications
  4 - *extreme*; will threaten the existence of the USG/institution if not resolved.

Note: The "Adjusted Risk Factor" gives 50% weight to the likelihood of occurrence; this adjustment is necessary to reach a more reasonable spread of risk across the enterprise.

Step 4: Steering Committee Review

Once the rankings have been assigned to the initial list, the lists of key objective will be divided into tiers and time frames for review will be assigned to each tier. This project schedule will be reviewed and approved by the steering committee and the working group.

Step 5: Document Controls

Each key objectives identified by the steering committee as tier 1 will be assigned a project owner who will review and document the existing control environment. For each control the owner will document:

- processes/procedures used to manage and/or mitigate the risks and the associated activities that are performed (reconciliations, receipts, meeting notes, agenda items).
- who is accountable/responsibility for carrying out the procedure.
- who is responsible for monitoring to ensure procedure was completed.

Step 6: Re- assess the Risk Rating

The secondary assessment will involve the documentation of controls over key objectives and risks within a specific tier and a re-assignment of ratings (impact/probability).

Step 7: Document Risk Tolerance

Information to be considered in defining risk tolerance levels is provided in Attachment F.

Step 8: Develop Mitigation Plans

For the key objectives that require further review and improvements in the control environment a mitigation plan should be developed. The plan should include the following:

- Name and Description of new the Process.
- How the process will reduce the Key Risk.
- Name of person or group who will implement the process. (This is not necessarily the Enterprise Risk Owner (ERO).
- Major milestones for implementing the process and estimated completion dates.
- Estimate of resources required to implement the process **-** include estimated dollars, headcount or other resources such as new policies and procedures. Additional resources may come from shifting of current resources or may require additional resources from outside of the department.

Example of a Risk Report with mitigation plans is provided in Attachment G.

On- Going

Repeat Steps 5-7 until all Key Objectives have been reviewed.

Attachments

Attachment A

CSU ERM Project Schedule

Phase	Task	Target Date
1	President Cabinet Presentation • ERM Project overview • Introduction to ERM Process • Confirm Steering Committee and Working Group membership • Approve ERM Charter	April 11
2	Working Group Kickoff Meeting	April 15, 2011
3	Institutional Objectives Interviews	April 18 – May 6, 2011
4	Present first draft of Institutional Objectives	May 16, 2011
5	Develop Institution Risks	May 17 - June 15, 2011
6	Rank Institutional Risks	July 6-15, 2011
7	Develop Key Risk Indicators (KRI) and define institution's risk tolerance/appetite Validate and select KRI Assign Enterprise Risk Owners	August - September 1, 2011
8	Institution Presidents may be asked if they want to volunteer to present Major Key Risks to Board of Regents – Opportunity for institution to get focus on their specific issues	September 8, 2011 for October BOR meeting
9	Develop Enterprise Risk Owner (ERO) Reports Develop and present ERO risk reviews and action plans to Steering Committee for approval Report KRI and Action Plans to President/sponsor	January 1, 2012
10	Report KRI and action plans to the Board of Regents	February 1, 2012
11	Assess institution's ERM program and make suggestion for improvement.	On-going

Attachment B

CSU ERM Template and Interview Questions provided on separate Excel File.

Attachment C

Key Objectives and Risk Examples

Ref #	USG KEY OBJECTIVES	Tier	*USG RISKS*
1	Ensure that all academic programs offered by USG campuses are of high and consistent quality.	1	• Academic offerings don't meet market needs and long-term needs of Georgia
2	Enhance and protect the USG's name, identity, and reputation among different constituencies.	1	• Significant threat to public reputation or confidence in USG • Reputational fallout associated with mismanagement of donated/endowment/Foundation funds
3	Foster enduring cultural change that results in consistent and quality management of USG and operations Governance, Risk, Compliance and Control (GRCC) practices.	1	• Pandemic Flu • Major catastrophic event on a campus unprepared to handle (active shooter, hurricane, fire, earthquake, flood) • Loss of federal funding due to a poor federal audit (time & effort reporting, indirect costs, etc.)
4	Facilitate and coordinate execution of the USG's strategic plan.	1	•
5	Ensure that the budget meets the needs of the USG through management of revenue and expenses.	1	• Downturn in economy (state tax revenue) affecting state appropriations • Reduction in Federal research dollars due to downturn in economy or significant compliance event at an institution • Reduction in enrollment due to increased competition from online and for-profit educational providers
6	The USG will improve graduation and retention rates by institution and sector.	1	•
7	Increase capacity to meet the needs of future growth while maintaining safe and effective facilities that protect the natural environment and campus community.	2	• Aging faculty with no plans for replacement and overall throughput is reduced • Not ready for additional 100K students in 10 years • Significant near-term enrollment increases that exceed capacity
8	Ensure a highly reliable, robust and secure technology infrastructure to support the education and inspiration of Georgia's leaders of tomorrow.	2	• Minimal back-up and recovery for IT infrastructure
9	Initiate systematic leadership development and succession planning efforts to ensure the System capability to strategically manage the enterprise both now and into the future.	2	•

10	**Ensure that USG Presidents are provided robust and effective legal advice through increased focus on employment law and other higher education legal matters and through enhanced training of USG attorneys.**	**2**	•
11	**Work with the student advisory council to facilitate the presentation of student perspective to the Board, the Chancellor and senior management.**	**2**	•
12	**The USG will enhance and encourage the creation of new knowledge and basic research across all disciplines.**	**2**	•
13	**Georgia has a diverse population that will be reflected in the USG's enrollment.**	**2**	•
14	**Ensure USO staff has ready access to the USG data they need to perform their professional responsibilities in a timely manner.**	**3**	•
15	**Strengthen the USG by generating support from external groups.**	**3**	•
16	**Demonstrate that the USG is meeting the needs of employers in the graduates that it produces.**	**3**	•
17	**Optimize asset and portfolio management for strategic stewardship of real estate and capital resources.**	**3**	•
18	**Ensure that USG debt capacity is properly managed so as to support the continued growth of the USG.**	**3**	• **Increased exposure in bond market increasing cost of capital for use in construction**

Attachment D

Functional areas to consider

COSO - Committee of Sponsoring Organizations of the Treadway Commission

Risk Areas Academic Affairs	**Research**	**Student Affairs**
Academic freedom	Accounting	Academic standards
Academic quality	Animal research	Admissions/retention
Accreditation	Clinical research	Alcohol and drug policies
Joint programs	Environmental and lab safety	Athletics
Distance learning	Hazardous materials	Code of conduct
Faculty conflict of interest	Human subjects	Crime on campus
Graduation rates/ student learning outcomes	Lab safety	Diversity
Grievance procedures	Patenting	Experiential programs
Promotion and tenure	Security	Financial aid
Recruitment/competition	Technology Transfer	Fraternities and sororities
Free speech		
International students		
Privacy		
Student debt		
Study abroad		
Financial Risk Areas	**Information Technology**	**Facilities**
Auditor independence	Back-up procedures	Accessibility
Budget	Communications systems	Auto/Fleet
Cash management	Cyber liability	Disaster preparedness
Conflict of interest	Data protection	Maintenance and condition
Contracting and purchasing	End-user training	Outsourcing
Cost management	Incident response	Pollution
Depletion of endowment principal	Network integrity	Safety
Enrollment trends	Privacy	Security
Financial aid	Security	Transportation
Financial exigency plan	Staffing and support	
Fundraising	System capacity	
High-risk investments		
Insurance		
Investment oversight		

Attachment E

Defining risk tolerance

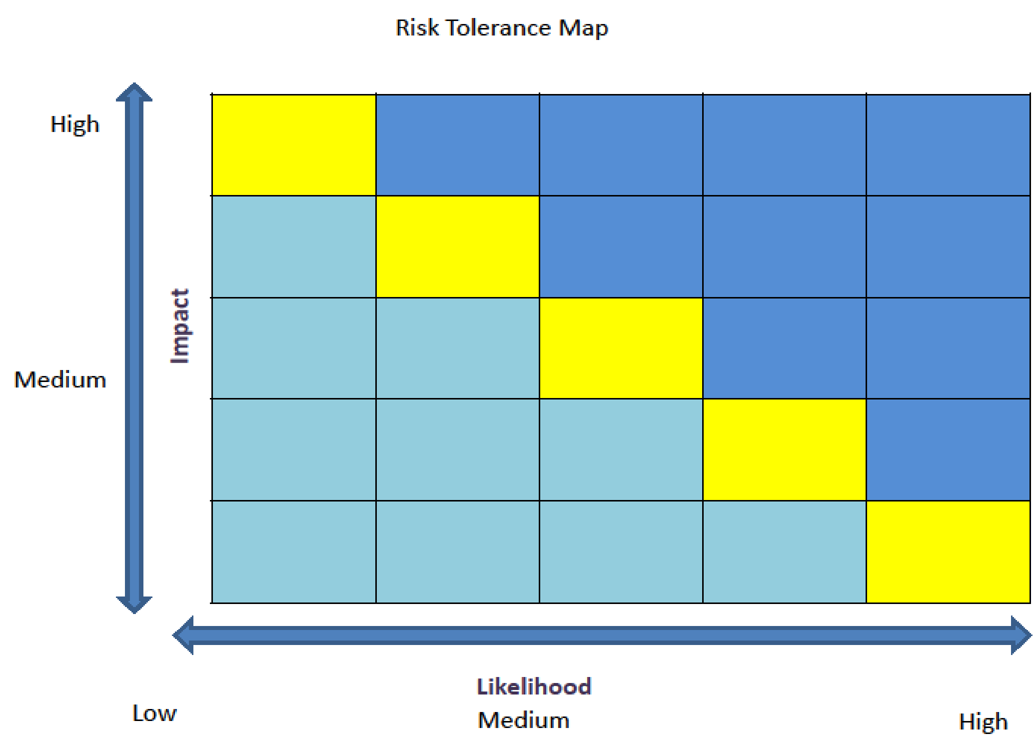
Risk tolerance is the acceptable level of variation relative to the achievement of a specific objective, and should be weighed using the same unit of measure applied to the relative objective

- Risks with high impact and likelihood are typically avoided and risk mitigation actions are undertaken to halt and exit activities that create such risk
- Risks with low impact and likelihood are typically accepted as part of the cost of doing business
- Risks that fall in between may require measures to reduce the impact and/or likelihood of the risks through strengthening or automation of controls.

Risks may be managed by using one or more of the following methods:

- **Avoid** (eliminate, withdraw from or do not become involved in an activity creating risk);
- **Retain** (accept the risk and plan for the expected impact);
- **Transfer**/**Share** (move the risk to another party by hedging against undesired outcome or reduce the risk through processes such as insurance); and,
- **Reduce** (control the risk through additional or optimized controls).

- **Major Risks** must be identified to the Board & Chancellor as soon as possible and managed by the Board. Major Risks:
  - Impair the achievement of a strategic goal or objective;
  - Result in substantial financial costs in excess of the impacted institution's ability to pay or that may jeopardize its mission;
  - Create significant damage to an institution's or USG's reputation; or,
  - Require intervention by the Board and/or an external body.
- **Significant Risks** must be included in and reported as part of ERM risk reporting.



Attachment F
Example of a Risk Report

<table>
<tr><th>Mitigating Activities</th><th>Objective</th><th>Responsible Party, Planned Activities, Dates & Resources</th></tr>
<tr><td colspan="3">Key Risk Area #X <u>“Unfavorable financial or operational performance of YYY negatively impacts USG’s ability to perform and provide required outcomes.”</u>

Enterprise Risk Owner: John Black, Vice Chancellor zzz.</td></tr>
<tr><td colspan="3">3a. RISK COMPONENT: The USG’s ability to complete GHTF projects could be restricted due to unfavorable actions by ABC.
(1) CONTROL OBJECTIVE: Enhanced Communication between the BOR System Office and the ABC staff.</td></tr>
<tr><td>Strategy to include:
1) one annual (at a minimum) face to face meeting with each department to discuss BOR performance and
2) one annual (at a minimum) teleconference call with each department .</td><td>Ensure timely and accurate information is provided to Agencies. Nurture relationship with Agencies.</td><td><u>Person/group responsible for implementing the Process</u>:
Joint effort between LMN and JKL Staff

<u>Planned activities and target date for implementation of the process:</u>
Hold Agencies teleconference by July 2011. Annual face to face meeting with Agencies to occur prior to year end 2011. Devise plan for 2012 for formal contact with Agencies.

<u>Resources Required and possible source:</u>
Agencies are requesting timely information for projects as well as other information of existing ABC projects. JKL Staff will need to coordinate with LMN to get this information. DEF and GHI are to be notified that they must provide reports/updates.</td></tr>
<tr><td colspan="3">(2) CONTROL OBJECTIVE: Better Manage Communication Amongst QWE , Institutions and Foundations</td></tr>
<tr><td>FORMALIZE AND MEMORIALIZE PROCEDURES AND GUIDELINES:
Establish and implement policy that requires departments to notify BOR System Office as to all communications and correspondences with DEF</td><td>Ensure timely and accurate individual project information is provided to DEF.</td><td><u>Person/group responsible for implementing the Process:</u>
Led by ABC Staff and supported by JKL

<u>Planned activities and target date for implementation of the process:</u>
Ongoing once the policy is established and communicated. Participate in conference calls with rating agency and review reports to be submitted by institutions and foundations to Rating Agency.
<u>Resources Required and possible source:</u>
Depending on frequency of inquiries and requests for information from ABC,XYZ staff may have to be re-aligned and/or supplemented.</td></tr>
<tr><td colspan="3">(3) CONTROL OBJECTIVE: Communication with BNM and DEF officials</td></tr>
<tr><td>ENHANCED AVAILABILITY OF PPV PORTFOLIO REPORTS:
Continue to post Reports to</td><td>Provide better data to BNM and DEF officials</td><td><u>Person/group responsible for implementing the Process:</u>
HJK Staff</td></tr>
</table>

Mitigating Activities	Objective	Responsible Party, Planned Activities, Dates & Resources
The BOR's web site and hold annual presentation of DCF performance for GFD.		<u>Planned activities and target date for implementation of the process:</u> Continue posting DER on the BOR's web site. Provide annual Updates for all of FGT. Monthly posting of information on web site. By April of 2011, provide annual update to DEF. By July 2011, establish schedule for MNB annual presentation. <u>Resources Required and possible source:</u> Possibilities of having outside SDR assist in the formal publishing of annual SWE Report. Therefore, additional funds may be needed for production of annual Report.
3b. RISK COMPONENT: Unachievable criteria, *many other things*, analysis and management results in non-performing BHGF projects. (1) CONTROL OBJECTIVE: ***Develop Operation Manual***		
ETC	ETC	ETC

Attachment G
Board of Regents Policy

http://www.usg.edu/policymanual/section7/policy/7.15_risk_management_policy/

7.15 Risk Management Policy

7.15.1 Risk

Risk refers to the probability of an event and potential consequences to an organization associated with that event's occurrence. Risks do not necessarily exist in isolation from other risks; as a result, a series of risk events may result in a collective set of consequences that is more impactful than the discrete set of consequences associated with risk events taking place in isolation. Risk is inherent to any activity. It is neither possible, nor advantageous, to entirely eliminate risk from an activity without ceasing that activity. The safest ships are the ones that do not sail, but that is not what they are designed for.

A risk is defined as **Major** when the combination of an event's probability and the potential consequences is likely to:

1. Impair the achievement of a University System of Georgia (USG) strategic goal or objective;
2. Result in substantial financial costs either in excess of the impacted institution's ability to pay or in an amount that may jeopardize the institution's core mission;
3. Create significant damage to an institution's reputation or damage to the USG's reputation; or,
4. Require intervention in institutional or USG operations by the Board of Regents and/or an external body.

Major Risks are a subset of the larger category of **Significant Risks** referenced in the Risk Management Policy. **Major Risks** are the most critical risks and must meet the definition of **Major Risk** as defined in Section 7.15.1 of this Policy Manual. **Significant Risks** includes **Major Risks** but also include less critical risks. The definition of **Significant Risk** will be detailed in the System-level procedures manual referenced in Section 7.15.5.4 of this Policy Manual. However, the level at which a risk becomes **Significant** will vary by institution given each institution's risk tolerance, resources, and ability to manage risk events. (BoR Minutes, August 2010)

7.15.2 Purpose

The Board of Regents recognizes that the proper management of risk is a core leadership function that must be practiced throughout the USG. The Enterprise Risk Management (ERM) framework shall be the accepted framework for USG risk management. ERM is defined as a process-driven tool that enables management to visualize, assess, and manage significant risks that may adversely impact the attainment of key organizational objectives. It is the responsibility of USG and institutional leaders to identify, assess, and manage risks using the ERM process. The successful implementation of ERM policies and practices can enhance potential opportunities to help achieve organizational objectives.

Some level of risk is not only expected in normal everyday activities but can be beneficial. However, acceptance of risk shall not include:

1. Willful exposure of students, employees, or others to unsafe environments or activities;
2. Intentional violation of federal, state, or local laws;
3. Willful violation of contractual obligations; or,
4. Unethical behavior.

Risk management decisions should be made after conducting a cost-benefit analysis; such analysis should take into account the potential costs associated with the identified risk should the risk event take place as compared to the costs associated with mitigating the risk. It should be noted that these costs are not only financial but may also include substantial damage to reputation, opportunity costs, potential litigation, distraction from core missions, obsolescence and others.

While it is challenging to properly assess some risk events prior to them happening, Major Risks that could result in significant long-term damage to the USG or a USG institution must be identified to the Board and the Chancellor as soon as possible. Acceptance of Major Risks must be at the discretion of the Board and the Chancellor. The System-level procedures manual referenced in Section 7.15.5.4 of this Policy Manual shall provide additional guidance on the timing and form pertaining to the reporting of Major Risks. Significant Risks should be identified in a timely manner. Significant Risks specific to an institution or unit shall be accepted and/or managed by the institution's president or the president's designee.

Categories of risks managed through the ERM framework include:

1. Strategic Risks – Affect ability to carry out goals and objectives as articulated in the USG Strategic Plan and individual Institution Strategic Plans;
2. Compliance Risks – Affect compliance with laws and regulations, student, faculty and staff safety, environmental issues, litigation, conflicts of interest, etc;
3. Reputational Risks – Affect reputation, public perception, political issues, etc;
4. Financial Risks – Affect loss of or ability to acquire assets, technology, etc; and,
5. Operational Risks – Affect on-going management processes and procedures.

An identified risk may fall into multiple categories. (BoR Minutes, August 2010)

7.15.3 General Objectives

The purpose of the Risk Management Policy is to strengthen the proper management of risks through proactive risk identification, risk management, and risk acceptance pertaining to all activities within the University System Office and USG institutions.

The Risk Management Policy is intended to:

1. Ensure that **Major Risks** are reported to the Board and the Chancellor for review and acceptance;
2. Result in the management of those risks that may significantly affect the pursuit of the stated strategic goals and objectives;
3. Embed a culture of evaluating and identifying risks at multiple levels within the USG and USG institutions;
4. Provide a consistent risk management framework in which the risks concerning USG and institutional business processes and functions are identified, considered, and addressed in key approval, review and control processes;
5. Ensure that institutions communicate **Significant Risks** to the USG level so risk can be measured across the System;
6. Inform and improve decision-making throughout the University System;
7. Meet legal and regulatory requirements;
8. Assist in safeguarding USG and institutional assets to include people, finance, property and reputation; and,
9. Ensure that existing and emerging risks are identified and managed within acceptable risk tolerances.

(BoR Minutes, August 2010)

7.15.4 Applicability

The Risk Management Policy applies to all USG institutions and the University System Office. (BoR Minutes, August 2010)

7.15.5 Implementation

7.15.5.1 Frameworks and Procedures

An institution-wide approach to risk management shall be adopted by all USG institutions. It is expected that risk management processes will be embedded into the institution's management systems and processes. All risk management efforts will be focused on supporting the institution's objectives. Therefore, each institution president shall develop a campus risk management framework and associated procedures that include:

1. Formal and ongoing identification of risks that impact the institution's goals;
2. Development of risk management plans;
3. Monitoring the progress of managing risks;
4. Periodic updates of risk management plans; and
5. Reporting of risks so that **Significant Risks** can be rolled up to the System level.

7.15.5.2 Risk Management Methodology

Risks may be managed by using one or more of the following methods:

1. Avoid (eliminate, withdraw from or do not become involved in an activity creating risk);
2. Retain (accept the risk and plan for the expected impact);
3. transfer/Share (move the risk to another party by hedging against undesired outcome or reduce the risk through processes such as insurance); and,
4. Reduce (control the risk through additional or optimized controls).

7.15.5.3 Oversight

Each president shall designate in writing a Risk Management Policy coordinator to assist campus administrators in maintaining the campus risk management framework and procedures. The Risk Management Policy coordinator shall have sufficient authority to ensure high-level management of the institution's risk management efforts.

At the System level, the Chancellor shall designate an executive-level position to oversee implementation of the Risk Management Policy across the University System of Georgia. The Chancellor also shall designate a Risk Management Policy coordinator to assist University System Office (USO) administrators in maintaining the USO risk management framework and procedures. The Committee on Internal Audit, Risk and Compliance is the Board committee that shall provide oversight to implementation of the Risk Management Policy and review **Major Risks** on behalf of the Board of Regents.

7.15.5.4 Accountability

Campus risk management framework and procedures shall be reviewed annually. Periodic reviews for compliance with the system wide guidelines shall also be conducted by internal audit or a similar accountability function. Additional procedures for risk management policy reporting and implementation shall be established in a System-level procedures manual. (BoR Minutes, August 2010)

ATTACHMENT H

Enterprise Risk Management: Best Practices for Boards, Presidents, and Chancellors

In private industry, boards and chief executives routinely consider risk in strategic planning, but a new survey by the Association of Governing Boards and United Educators reveals that higher education is lagging behind in this important fiduciary responsibility. (A detailed summary of the survey results is available at www.agb.org/research and at www.ue.org.) Key survey findings include:

- Sixty percent of respondents said their institutions do not use comprehensive, strategic risk assessment to identify major risks to mission success.
- Fewer than half of the respondents said they "mostly agree" with the statement, "Board members and senior administrators actively engage in discussions regarding institutional risks."
- Five percent of respondents said their institutions have exemplary practices for management of major risks to mission success.

College presidents* and boards should collaborate in developing and overseeing a system for evaluating campus risks at the strategic level. Specific ways in which the board and president can support risk assessment are recommended in the following Best Practices and Action Steps.

Best Practices

1. Define risk broadly. Traditionally, institutions focused on financial risks covered by insurance. Current thinking defines "risk" as any impediment to accomplishing institutional goals. In a 2000 report, the National Association of College and Business Officers (NACUBO) discussed the "new language of risk" and identified five types of risk: strategic, financial, operational, compliance, and reputational.

2. Recognize both the opportunities and downsides of risk. Many colleges focus only on the downsides of risk. In addition, they should weigh risks against potential rewards. All successful organizations take risks, and the most promising opportunities often involve heightened risk.

3. Develop a culture of evaluating and identifying risk at multiple levels. Presidents and board members rarely see the first warnings of risk. Institutions need to identify and assess risks regularly at multiple levels so that the most critical ones filter up to top decision-makers.

4. Look at the total cost of risk. Risk is not just about dollars and cents. Institutions must consider all the consequences of risk. For example, in a lawsuit over denial of tenure, there are litigation costs, but there are also non-monetary costs such as lost productivity, distraction from mission, and negative publicity.

5. Boards and presidents should collaborate. They need to engage in candid discussions at the strategic level. By working together, presidents and boards can fulfill their shared responsibility for ensuring the success of the mission and stability of the institution.

* The term "president" includes both presidents and chancellors of higher education institutions.

AGB Association of Governing Boards of Universities and Colleges

United Educators