



# Clayton State University's Enterprise Risk Management Manual

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## Table of Contents

Section 1: Enterprise Risk Management (ERM) Definition	Page	3
Section 2: ERM - Purpose	Page	3
Section 3: ERM Committee	Page	3
Section 4: Risk Documentation Steps	Page	3
Step 1: Document Key Objectives	Page	4
Step 2: Document Associated Risks	Page	4
Step 3: Assign an Initial Risk Rating	Page	4
Step 4: Document Mitigating Controls and Plans	Page	4
Step 5: Assign Risk Category	Page	5
Section 4: Steering Committee Review	Page	5
Section 5: Enterprise Risk Owner Assignment	Page	5
Section 6: On-Going	Page	6

## Attachments

Attachment A	Committee Member Assignments	Page	7
Attachment B	Functional Areas to Consider	Page	8
Attachment C	Risk Categories	Page	9
Attachment D	Board of Regents Policy	Page	12
Attachment E	Dictionary of Possible Risks by Institutional Function	Page	15

## 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 affect 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.

## Section 2: Purpose of Implementing ERM

Board of Regents policy 7.11 requires that each institution develop a Risk Management Framework and procedures based on ERM. A copy of the policy is in Attachment D.

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 Committees

Two committees provide governance for the ERM framework. The Steering Committee provides oversight and the Working Group performs the necessary tasks to document and rate the key objectives and risks. You may find the committee members in Attachment A.

## Section 4: ERM Process Steps

An excel spreadsheet is provided that contains [Templates](#) to assist you with compiling the outputs of the following steps<sup>1</sup>. Use “Interview Questions” to guide your team during Step 1. Use “ERM Template” for Step 2.

### **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 identify the key institutional and department objectives supported by your team and the activities employed to achieve those objectives.

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<sup>1</sup> If you cannot access the template via the hyperlink, the address is:  
<https://www.clayton.edu/about/administration/business-operations/enterprise-risk-management/Template.xlsx>

You may want to use some form of the questions provided in the template to guide the team's process.

Questions Posed
What are your primary departmental objectives or strategies?
What are the key components of enabling your department's strategy or objectives?
What internal factors or events could impede or derail each of these key components?
What events external to the organization could impede or derail each of the key components?
What are the three most significant risk events that concern you regarding the organization's ability to achieve it's objectives?
Where should the organization enhance its risk management processes to have maximum benefit and impact on its ability to achieve objectives?
What types of catastrophic risks does the organization face?
How prepared is the organization to handle them, if they occur?
Can you identify any significant risks or exposures to third parties (vendors, service providers, alliance partners etc) that concern you?
What financial market risks do you believe are or will be significant?
What current or developing legal/regulatory/governmental events or risks might be significant to the success your area? List any Federal, State or local regulation or BOR policies that you organization is responsible for monitoring/managing on behalf of the University. Is there any part of the associated authorization process that needs to be centralized?
Are you concerned about any emerging risks or events?
If so, what are they?
What risks are competitors identifying in their regulatory reports that we have not been addressing in our risk analysis?

As you work through the questions, you and your team should consider the following:

- Clayton State University Strategic plan
  - Mission
  - Vision
  - Values
  - Goals
- Department Objectives and goals, major responsibilities, and purpose.
- Organization and structure.
- Data Governance
  - Information and transactions processors and availability.
  - Cybersecurity
- Business Continuity Planning
- Regulatory Compliance obligations.

Examples of key objectives include accreditation; distance learning; faculty tenure, academic freedom, quality of curriculum, and compliance with NCAA, Federal, Board of Regents and State of Georgia regulations.

Key Functional areas to consider in the brainstorming process are provided in Attachment B.

## **Step 2: Document Associated Risks**

*Brainstorm risks for each activity*

Use the ERM Template for this step.

### *a. Consolidate and prioritize the activities*

Review your list and where possible consolidate. You are requested to provide 3-5 Key Objectives for your team.

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, division, or department.

### *b. Document Risks associated with the objectives*

**For each key objective, document the associated risks.** A **Risk** is an event or action/inaction that may adversely affect the institutional and/or departmental ability to achieve objectives and execute strategies successfully.

Ask “What keeps you up at night?”

## **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.

Calculate the Risk Rating value for each objective identified

#### **Step 4: Document Mitigating Activities**

For each key objective and associated risk existing and planned mitigating activities should be documented. The mitigation documentation should contain the following:

- Name and Description of the Process.
- How the process will reduce the Key Risk.
- Name of person or group who currently manages or will implement the process. (This is not necessarily the Enterprise Risk Owner [ERO]).
- If a new process:
  - 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.

#### **Step 5: Assign Risk Category**

Risks facing the institution have been categorized into five basic groupings: Strategic, Compliance, Reputational, Operational and Financial. A detail chart of Risk Categories is provided in Attachment C.

### **Section 5: 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.

### **Section 6: Enterprise Risk Owner (ERO) Assignment**

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.

### **Section 7: Assessing the Risk Rating**

Annually the Enterprise Risk Management environment will be assessed.

### **Section 8: Business Continuity Planning**

### **Section 9: Data Governance**

Data Governance is ....

## Attachments



## Attachment A - Committee Members

### Steering Committee

- **Interim President** Kerry Heyward
- **Interim Provost/Vice President for Academic Affairs** Jill Lane
- **Vice President for Business & Operations** Corlis Cummings
- **Interim Vice President for External Relations** Asia Hauter
- **Interim Vice President Student Affairs** Jeff Jacobs
- **Interim Vice President for Information Technology and Services** James Pete
- **Interim Vice President for Enrollment Management** Eric Tack
- **ERM Compliance Officer (Committee Chair)** Jim Flowers

### Working Group

\*RED – New member – holds position of past member

\*BLUE - Suggested new member

**Attachment B**  
**Possible Risk by Institutional Function**  
(See also Attachment E for a more detailed list)

<b>Risk Areas Academic Affairs</b>	<b>Research</b>	<b>Student Affairs</b>
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		
<b>Financial Risk Areas</b>	<b>Information Technology</b>	<b>Facilities</b>
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 C**  
**Clayton State University**  
**Risk Categories**

<p><b>STRATEGIC RISKS</b>  <i>Risks that directly impact the organization's ability to achieve goals and objectives.</i></p>		
<p><b>1. Industry/Market/Competitor Risk.</b> Changes in opportunities threats or alternative educational options, or actions of other educational outlets or new entrants threaten the institution's competitive posture.</p>	<p><b>2. Partner Relations Risk.</b> A breakdown in relations with strategic partners.</p>	<p><b>3. General Economy Risk.</b> Movement in economic indices or other economic factors (e.g., economic recession) threatens institution success.</p>
<p><b>4. Governmental/Political Risk.</b> Adverse governmental or political actions (funding cuts or increase regulation) threaten institution's resources and future cash flows.</p>	<p><b>5. Infrastructure Risk.</b> The risk that the university does not have effective information technology, hardware, networks, software, people, and processes to effectively support the current and future needs in an efficient, cost-effective, and well-controlled fashion.</p>	<p><b>6. Environmental Scan Risk.</b> The risk that institution does not have an effective process to obtain relevant information about the environment/market, or key assumptions about the environment are inconsistent with reality and may have an impact on accomplishment of goals and objectives.</p>
<p><b>COMPLIANCE RISKS</b>  <i>Impacting laws, rules, regulations which, if violated, can result in significant penalties. An example of where a compliance risk may manifest itself would be the false reporting of time and expense related to a federal grant program.</i></p>		
<p><b>7. Compliance Risk - Regulatory.</b> Nonconformance with laws, regulations exposes the university to sanctions, fines, and penalties and threatens reputation, opportunities, and expansion potential.</p>	<p><b>8. Compliance Risk - Industry Standards or Expectations.</b> Nonconformance with industry standards like the PCI Data Security Standard exposes the university to sanctions, fines, and penalties and threatens reputation, opportunities, and expansion potential.</p>	<p><b>9. Compliance Risk - Policy/Procedures.</b> Nonconformance with policies or procedures exposes the university to sanctions, fines, and penalties and threatens reputation, opportunities, and expansion potential.</p>

**REPUTATION RISK**

*Situations where media attention can significantly increase the organization's potential exposure. Examples of situations involving reputational risks include where acts of malfeasance become a significant drain on the institution due to perceptions of incompetence, lack of accountability or other perceptions of mismanagement.*

*Also includes situations and scenarios where students and employees may lose or fail to gain trust in the organization. Examples may include unfriendly work/study environments, preferential treatment, or unbalanced resource allotments.*

*Reputation risks often have a secondary strategic risk impact.*

<p><b>10. Customer Satisfaction Risk.</b> Processes do not consistently meet or exceed student or customer expectations.</p>	<p><b>11. Human Resources Risk.</b> A lack of training, knowledge, skills, or experiences of key personnel threatens the achievement of critical objectives.</p>	<p><b>12. Change Readiness Risk.</b> Employees are unable to implement process and service improvements quickly enough to keep pace with student/customer expectation.</p>
<p><b>13. Cultural Risk.</b> Lack of sensitivity to cultural differences or sensitivities leads to situations where trust is lost or fails to be gained.</p>		
<p><b>OPERATIONAL RISKS</b>  <i>Process related risks that impact the efficiency or effectiveness of operations. Risk situations may manifest themselves in operations which fail to satisfy student's or other customer's expectations.</i></p>		
<p><b>14. Labor Supply Risk.</b> Labor shortage affects critical work groups.</p>	<p><b>15. Efficiency/Cycle Time Risk.</b> Inefficient operations and unnecessarily slow processes threaten the ability to accomplish goals or objectives.</p>	<p><b>16. Obsolescence Risk.</b> Lack of adequate technology or facilities creates an adverse effect jeopardizing the success of goals or objectives.</p>
<p><b>17. Leadership Risk.</b> The risk that people are not being led effectively, which may result in a lack of direction, customer focus, motivation to perform, management credibility and trust.</p>	<p><b>18. Authority/Limit Risk.</b> The risk that ineffective lines of authority and/or failure to establish clear policies or limits on personnel actions may cause managers or employees to do things they should not do or fail to do things they should.</p>	<p><b>19. Communications Risk.</b> Ineffective communication channels may result in messages that are inconsistent and could impede accomplishment of goals and objectives.</p>
<p><b>20. Access and Availability of Information Risk.</b> Access to information, regardless of the media on which it is stored (data or programs) will be inappropriately granted or refused or that upon have gained access, the necessary information or system is unavailable.</p>	<p><b>21. Completeness and Accuracy Risk of Operational Information.</b> Incomplete and/or inaccurate nonfinancial information may cause inappropriate operating decisions.</p>	<p><b>22. Catastrophic Loss Risk.</b> A major disaster or security event threatens the ability to sustain safe operations, provide essential services, and/or recover operating expenses.</p>



**FINANCIAL RISK**

*Situations leading to financial deterioration affecting assets, technology, financial reporting and auditing. Additionally this includes situations where the information needed to make financial decisions is not relevant, complete, accurate or timely.*

<p><b>23. Data Integrity Risk.</b> The risk that data upon which you rely is not authorized, complete and accurate or is cryptic and difficult to interpret.</p>	<p><b>24. Management/Employee Fraud Risk.</b> Fraud, Waste, Abuse or other illegal activities by institution personnel adversely impact the university's reputation or exposes institution to financial loss.</p>	<p><b>25. Cash Flow Risk.</b> Risk that enrollment fluctuations expose the university to financial difficulties impacting the accomplishment of goals and objectives.</p>
<p><b>26. Opportunity Cost Risk.</b> The risk that funding is allocated in a manner that has an adverse impact on the department's ability to accomplish goals and objectives.</p>	<p><b>27. Budget and Planning Risk.</b> The risk that budgets and business plans are not (1) realistic, (2) based on appropriate assumptions, (4) accepted by key managers, and/or (5) useful. This also includes the risk that budget to actual information and performance measures are not available and therefore threaten management's ability to monitor performance.</p>	<p><b>28. Completeness and Accuracy Risk.</b> Incomplete and/or inaccurate financial information may cause inappropriate financial conclusions and decisions.</p>

## **Attachment D Board of Regents Policy**

**Found at:** <https://www.usg.edu/policymanual/section7/C480>

### 7.11 Risk Management

Proper management of risk is a core leadership function that must be practiced throughout the University System of Georgia (USG). Enterprise Risk Management (ERM) is a process-driven tool that enables management to visualize, assess, and manage major risks that may adversely impact the attainment of key organization objectives. The University System Office and USG institution presidents are responsible for identifying, assessing, and managing risks using the ERM process. The Chancellor shall designate an individual with overall responsibility for the USG risk management program.

#### 7.11.1 Definition of Risk

“Risk” refers to the probability of an event and potential consequences to an organization associated with that event’s occurrence. Risk is inherent to any activity and it is neither possible nor advantageous to entirely eliminate risk from an activity without ceasing that activity.

Risks are defined broadly, are not limited to traditional risks, but also include:

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

#### 7.11.2 Management of Risk

Management of risk within the USG is fundamentally a leadership responsibility. The Board of Regents and the Chancellor will define the USG’s ability (risk tolerance) and willingness (risk appetite) to absorb the impact of certain risks. The Chancellor, through senior staff and institutional presidents, shall ensure that USG risks are effectively managed; each institution president performs a similar role within his or her institution.

Certain institutional risks rise to a level such that the institution President shall make the Chancellor and the appropriate System Office department aware of the risk. Acceptance of those risks are at the discretion of the Board and the Chancellor. Risks rising to this level includes those where the combination of an event’s probability and the potential consequences is likely to:

1. Impair the achievement of a 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 or an external body.

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.

### 7.11.3 Institution Implementation of Risk Management Procedures

An institution-wide approach to risk management shall be adopted by all USG institutions and embedded into the institution's management systems and processes. All risk management efforts shall be focused on supporting the institution's objectives. 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 are reported to the Chancellor and appropriate System Office Department.

Each USG institution 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 employee or employees to oversee implementation of the Risk Management Policy across the USG and assist University System Office administrators in maintaining the USO risk management framework and procedures. The Committee on Internal Audit, Risk and Compliance shall provide oversight to implementation of the Risk Management Policy and review major risks on behalf of the Board of Regents.

Institution 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.



**Attachment E**  
**Dictionary of Possible Risks by Institutional Function**

<b>Department - Academic Admin (11)</b>
Allocation of resources among academic programs and budgeting does not reflect institutions priorities and is not equitable
Failure to communicate effectively
Failure to include faculty in the development of priorities and policies
Failure to train faculty and staff for academic administration
Fund use not aligned with institutional goals and objectives
Inappropriate/inequitable workload definition
Lack of effective monitoring of productivity
Lack of effective oversight of faculty recruitment, retention, development and turnover
Poor academic administrator quality
Poorly implemented pay plans
Programs not developed and evaluated for effectiveness, continued demand, and institutional priorities
<b>Department - Academic IT (6)</b>
Failure to maintain confidentiality of information
Failure to maintain controls over files transferred to mobile devices
Failure to maintain data integrity
Failure to maintain security
Failure to properly license software
Ineffective use of technology in instruction and instructional support
<b>Department - Academic Personnel Admin (10)</b>
Conflicting roles and expectations for teaching faculty
Failure to recruit quality faculty and staff to match institutional needs
Inadequate faculty size
Inadequate planning for faculty replacement ( ageing faculty)
Incompetent faculty
Insufficient recognition of or incentives for instructional quality
Lack of competitive salary structure
Lack of emphasis on instruction in setting goals and objectives for faculty
Over-reliance on part-time faculty
Parochialism among faculty
<b>Department - Academic Records Mgt (2)</b>
Loss of applications/exam results/transcripts
Transcript and academic credential inaccuracies/fraud
<b>Department - Academic Reporting (2)</b>
Biased grading practices
Inaccurate/untimely reports
<b>Department - Academic Support (9)</b>
Failure to fund proper levels of academic support
Inadequate lab processes and practices for the promotion of EH&S
Inadequate or lacking academic advising
Inadequately equipped classrooms and labs
Inequitable admissions practices
K-16 initiatives are not clearly articulated and are not integrated with the objectives of the institution
Lack of adequate library services and resources to support the needs of the institutional community

Lack of facilities (classroom/lab/other)
Poor scheduling practices leading to sub optimal use of classrooms, etc
<b>Department - Accounting (22)</b>
Complex financial information system
Department funds are used for personal purposes or business related transactions that are inappropriate
Electronic financial management system failure.
Endowment funds are not expended in accordance with donor agreements and donor contributions are not maximized
Errors in the accounting system are not detected in a timely manner
Failure to comply with institutional and/or state purchasing requirements
Failure to comply with institution's and/or state purchasing requirements.
Failure to comply with state & federal financial reporting requirements
Failure to incorporate all revenues & expenditures in budget
Funds are not expended consistent with mission, objectives, and available resources.
Improper/Illegal use of management override in accounting systems.
Inaccurate coding of accounting transactions
Inadequate disaster recovery and business continuity plans
Inadequate knowledge base to effectively use accounting system
Inadequate records management (includes retention)
Inadequate training & information dissemination in accounting, purchasing and purchasing cards
Inappropriate release of confidential information
Investment strategies and practices do not maximize return on investment or adhere to established policies and laws
Lack of current and/or useful financial information for management decisions
Lack of insurance coverage and risk management plan.
Lack of or untimely performance of reconciliations between two or more items (i.e. deposit slip to bank statement)
Over or under spending of budget
<b>Department - Accounts Receivable (8)</b>
Data is improperly created, altered or deleted due to processing error
Equipment failure
Failure to accurately and timely bill external revenue sources
Improper cut-off
Improper valuation of allowance for doubtful accounts and/or inappropriate account write-offs
Lapping of accounts receivable payments
Revenue not received due to inadequate collection process
Unrecorded receivables
<b>Department - Accounts Payable (17)</b>
Bidding
Competitive bids are not part of the purchasing process.
Data is improperly created, altered or deleted
Improper classification or recording in accordance with accounting standards
Improper use of direct pays
Inappropriate reimbursements and/or payments
Inappropriate relationship between employee and vendor
Ineffective management of 1099 reportable payments such as stipends/scholarships
Inefficient management of payment. Such as: actual amount payable, purchase discounts, sales tax, credits, etc...

Lack of proper approval for payment
Legal obligation to pay does not exist
Management use of authority to override controls
Payment of duplicate and/or wrong invoices
Payments to "ghost vendors"
Supporting documentation does not exist or is inadequate
Temporary/permanent loss of data maintained in electronic financial systems, buildings and/or records.
Untimely payment or failure to pay vendors
<b>Department - Admissions (16)</b>
Appropriate approvals are not documented for grant/contract purchases.
Failure to achieve accreditation
Failure to maintain entrance quality standards
Failure to maintain reputation
Failure to meet deadlines
Failure to offer a quality academic program
Ineffective marketing/public relations
Ineffective recruiting techniques
Inefficient admissions process
Inefficient travel management
Lost visitors during campus tours
Non-compliance with applicable laws, rules, regulations
Poor campus safety
Poor communications with institution's colleges/schools
Poor communications with prospective student/parents
Strategic plans fail to adequately address student growth
<b>Department - Animal Research (5)</b>
Improper conduct of animal research or inappropriate use of animal subjects
Inadequate environmental conditions and animal housing in laboratories
Inadequate or no review by animal care and use committee
Lack of institutional policies and guidance on animal research
Non-compliance with federal regulations on animal research
<b>Department - Athletics (NAIA) (23)</b>
Accountability over recorded transactions may not be maintained.
Below average student-athlete graduation rates
Coach abuses athletes
Consistent losing records in major revenue sports
Depressed ticket sales
Deterioration of facilities
Extreme incidents of poor athlete sportsmanship
Failure to maintain NAIA athletics certification
Failure to safeguard confidential information
Inadequate security at events
Insufficient cash flow
Major NAIA violation
Misuse of travel money for athletes
NAIA minor violations
NAIA sanctions
Severe weather threat during athletic event

Stagnant or decreasing booster contributions
Terrorist threat during athletic event
Ticket fraud
Unacceptable athlete conduct "off the field"
Unexciting athletic program
Unruly fans during athletic event
Violation of conference rules
<b>Department - Auxiliary Enterprises Administration (16)</b>
Aging Infrastructure
Charges to sponsored programs not in accordance with Federal guidelines
Committed to bad external partnership
Conflict of interest
Excessive deferral of maintenance
Excessive internal project rates and overhead charges
Facilities failures
Fraud
Inadequate financial reports
Inadequate insurance
Inadequate security over inventories, artifacts, facilities
Insufficient/excess fund balance
Major damage to auxiliary facilities
Major physical plant failures
Unanticipated obligations
Unauthorized access to facilities
<b>Department - Bookstore (20)</b>
Conflict of interest
Credits for returned books are not properly accounted for and/or utilized.
Failure to maximize purchasing power
Failure to properly calculate or account for sales tax
Failure to reconcile data from multiple IT systems
Financial Aid
Ghost vendors
Ineffective cash management
Ineffective cash management
Lack of IT support
Major damage to facility
Management override
Obsolete inventory
Poor customer service
Robbery
Theft of inventory
Unable to furnish students with correct financial aid balance
Unauthorized, untimely or inaccurate departmental charge backs
Unavailable textbooks
Unplanned and/or uncontrolled book buyback process
<b>Department - Building Maintenance (12)</b>
Cash handling

Compromising of Secure locations (labs with hazardous materials, Executive offices, Financial facilities).
Damage to movable equipment
Failure to determine staffing requirements
Failure to maintain Building component (HVAC, elevator, etc)
Failure to manage outsourced services
Failure to perform preventive maintenance
Hazardous working conditions
Labor hours and materials entered to the system incorrectly for billing purposes
Maintenance projects which are unnecessary or projects for which there is no budget being performed
Personnel spending excessive amounts of time on maintenance projects
Theft of materials requisitioned for maintenance projects
<b>Department - Capital Assets Depreciation (20)</b>
Aging Infrastructure
Asset is not owned by the university
Assets do not exist/overstated assets
Capital assets/controlled items are acquired by university departments and are not recorded in the university's inventory system.
Departments do not report capital assets/controlled items that are missing or stolen or do not report this information in a timely manner.
Equipment is improperly removed from campus.
Fiscal controls are not adequate to ensure the safeguarding of assets
Improper disposal of property.
Improper recording of sale of asset
Improper safeguarding of capital assets
Improper transfer of assets between departments or to an agency.
Improper valuation
Improper write-off
Inventory is lost or stolen and surplus is not accounted for effectively.
Inventory is not adequately monitored and tracking and disposal of assets is not adequate
Lack of documentation to support capitalization
Loss of system, building and/or records.
Missing equipment is not reported to inventory when found.
Misuse of asset
Significant discrepancies between inventory records and State Property Accounting records
<b>Department - Cash Handling (8)</b>
Cash is not adequately safeguarded
Cash is not deposited in a timely manner
Cash receipts are misplaced, lost or mishandled
Cashiers not knowledgeable of proper cash handling
Controls over wire transfers are not adequate.
Data relating to cash transactions is improperly created, altered or deleted
Inadequate segregation of duties within the cash handling process
Lack of or inadequate security of facility and safety of personnel
<b>Department - Cash Management (12)</b>
Cash and cash equivalents are not managed to maximize return and ensure integrity and liquidity of assets.
Failure to comply with investment laws, regulations, policies and procedures
Failure to manage or misuse of float

Failure to meet insurer, environmental, or other regulatory agency requirements.
Improper management of Club Accounts
Inaccurate coding of accounting transactions relating to cash or cash equivalents
Inaccurate or untimely investment and cash reporting
Inadequate insurance coverage of bank deposits
Misuse or diversion of funds
Petty cash accounts not managed adequately
Theft of cash or other cash equivalent fraud.
Untimely bank account reconciliations
<b>Department - Charge Capture &amp; Collection (22)</b>
Cash theft
Clinical data does not support billing
Duplicate record of services created
Failure to capture all charges
Failure to collect co pays and balances due at time of service
Failure to comply with regulatory standards (Medicare, HIPAA, etc)
Failure to file a claim or bill the patient
Failure to file a clean claim
Failure to follow P&P
Failure to maintain Charge Description Master
Failure to manage credit balances
Failure to obtain required pre-certification or approval
Failure to write-off uncollectible debts
Fraudulent claim or billing
Improper allocations back to departments
Inaccurate claims or billing due to system errors
Inaccurate coding
Inaccurate info given to dept administrators
Inconsistent collection effort by payer mix
Not being paid in accordance with contracts
Not utilizing software to capture financial transactions
Untimely billing of services provided
<b>Department - Clinic Care (18)</b>
Failure to assure that staff has adequate sleep and is not otherwise incapacitated
Failure to prevent patient abuse
Failure to properly identify and monitor hazardous materials
Failure to properly store and dispose of hazardous materials
Failure to properly train all staff in the use of hazardous materials
Failure to provide a trusted mechanism for reporting and resolving abuse complaints
Failure to take action on peer review findings
Giving preferential access, treatment, or billing to selected groups or individuals
Improper billing (Fraud)
Insufficient control over organ donor list
Lack of a proper incident alerting mechanism
Lack of a valid Bioethics/Clinical decision making function
Lack of an adequate patient safety program
Lack of an adequate peer review mechanism
Lack of an adequate system for tracking incurred but not reported or billed services

Lack of an adequate system to analyze incidents and develop institutional memory
Lack of patient info for managing drug interactions
Misuse or inappropriate use of controlled substances prescribed to patients
<b>Department - Closing Process (5)</b>
Closing entries not recorded or classified in accordance with applicable accounting standards
Critical data is improperly altered or deleted due to processing error
Failure to post all necessary journal entries
Posting of fraudulent journal entries
Unauthorized access to system results in data being intentionally altered or deleted
<b>Department - Compliance - Research (12)</b>
Failure to obtain Cost Accounting Standards (CAS) exception approval
Grant funds used to purchase assets for other grants or non-grant work
Inaccurate or insufficient effort reporting
Inadequate documentation to support charges to grant
Incorrect or inappropriate cost transfers
Lack of compliance oversight function
Non-compliance with A-21 and other regulations and laws
Operator Error
Regulation Compliance
Unallowable costs charged to grant
Untimely deliverables
Violation of salary cap limitations
<b>Department - Counseling Services (8)</b>
Failure to communicate accessibility to counseling
Failure to communicate services available
Failure to establish intervention policies
Failure to obtain necessary licensing
Inadequate counseling and advisory services
Inadequate crisis management
Inadequate security over student records
Supplier or contractor fails to comply with service contract terms and conditions
<b>Department - Course &amp; Curriculum Dev (5)</b>
Failure to establish degree programs and courses of study relevant to societal needs and institutional strategies
Failure to maintain appropriate levels of semester credit hours taught
Failure to offer the core curriculum
Poor course availability for academic progress
Rigid and maladapted curriculum
<b>Department - Custodial Services (8)</b>
Audit engagement reporting is weak.
Back strain
Equipment damage
Exposure to hazardous chemicals
Failure to provide a safe and sanitary environment
Falls and slips
Theft of supplies and equipment
Unsupervised access to restricted facilities/information/resources
<b>Department - Dining (12)</b>

Failure of vendors to deliver food products ordered
Failure to be competitive with local vendors
Failure to comply with health codes
Failure to hire competent staff
Failure to maintain a clean, safe, and functional facilities
Failure to meet student expectations
Inadequate back-up power supply
Inadequate food inventory
Inadequate meal plan offerings
Inadequate security of food inventory
Inadequate staffing to serve students
No cost/benefit analysis on outsourcing option
<b>Department - Emergency Preparedness (5)</b>
Failure to communicate emergency procedures
Failure to test emergency response plans
Lack of budgeting for utility services
Natural disaster destroys major portion of campus
No emergency response plans for major disasters or other significant interruptions
<b>Department - Endowment &amp; Development (9)</b>
Breach of donor confidentiality
Endowment and Development
Failure to collect pledges
Failure to exercise due care in investment of funds/provide return on investments
Inability to attract new donors and raise funds
Inadequate collection of university billings
Misappropriation of Funds
Negative perception by public/donors
Noncompliance with donor terms
<b>Department - Enrollment Mgt General (9)</b>
Failure to comply with changing regulatory requirements
Failure to maintain an acceptable graduation rate
Failure to meet enrollment goals
Failure to retain students
Inaccurate reporting/coding of data
Inadequate departmental funding and staff
Inadequate or lack of a business continuity plan
Inadequate training of personnel
Inappropriate release of student information
<b>Department - Env. Health &amp; Safety (11)</b>
Exposure of individuals to unhealthy contaminants or physical harm
Failure of fire suppression system
Failure to adequately secure select agents (hazardous materials)
Failure to comply with regulatory requirements
Failure to conduct follow-up Lab inspections
Failure to follow safety procedures when using equipment
Failure to inform workers of hazmats in workplace
Failure to prevent life safety code violations
Inadequate hazardous waste management
Lack of timely emergency response



Unsafe lab conditions
<b>Department - Expenses (10)</b>
Incorrect benefits
Duplicate payments
Expenditures not authorized
Expenses not recorded or classified according to applicable accounting standards
Goods and services may be ordered/received but not paid for or reported.
Improper use of cash and/or blank/voided checks
Inadequate bidding procedures
Inadequate budget controls
Personal charges
Related party transactions (fraud)
<b>Department - External Services (4)</b>
Inadequate contracts
Inadequate management oversight
Inappropriate or inaccurate pricing
Ineffective marketing
<b>Department - Facilities &amp; Equip - Research (4)</b>
Inadequate system for tracking property
Outdated or inadequate facilities or equipment
Property not appropriately tagged
Theft or loss of equipment
<b>Department - Financial Aid (21)</b>
Awards to ineligible students
Errors made entering information affecting financial aid awards into the SA System
Failure to award aid timely
Failure to manage default rate
Failure to maximize available funds
Failure to provide accurate and timely information to students
Failure to reconcile fiscal and financial aid records
Identity Theft
Improper professional judgment decisions
Improper student loans
Inadequate aid packaging system
Inadequate monitoring of off-campus Federal Work Study
Inadequate verification of information submitted on the Free Application for Federal Student Aid (FAFSA)
Ineffective monitoring of non-institutional aid
Inefficient system interfaces
Insufficient documentation in student files
Late decision-making on enrollment by students
Non-compliance with federal or state regulations
Rising utility costs.
Uncertainty of funding levels
Unmet student needs
<b>Department - Financial Fraud - Research (5)</b>
Conflict of Interest (Fraud)
Fraudulent expenditures on research grants

Overbilling federal agency
Payments or subcontracts to own business
Use of labs, materials, or research assistants for personal business
<b>Department - Financial Mgt Ops (22)</b>
All financial commitments not included and documented in budget process
Appropriate staffing, supervision, and training are not provided to employees
Cash and cash equivalents are not managed to maximize return and ensure integrity and liquidity of assets
Conflict of interest of investment managers
Contracts no longer profitable or desirable
Contracts/contracting processes not in compliance with laws, regulations, etc.
Electronic financial management system failure
Enrollment and registration processes do not provide appropriate tracking and processing of tuition and fees
Failure to oversee the budgeting process including tracking of expenditures and monthly and quarterly reviews of budget v. actual
Failure to provide quality customer service
Failure to validate account balances
Failure/inability to make bond payments
Funds are not expended in accordance with mission, objectives, and available resources
Improper/illegal contracting and/or contract management
Inefficient Treasury management/Loss of investment value (stocks, bonds, etc.)
Lack of communication between financial management and operating units
Lack of training for financial system users
Non-compliance with bond covenants
Non-compliance with contracting/bidding process rules
Organizational structure is inappropriate and information is not shared appropriately
Outsourced functions do not meet objectives
The budgeting process does not identify budget drivers or initiatives to increase revenues and decrease costs
<b>Department - Financial Reporting (7)</b>
Accountability over recorded transactions may not be maintained.
Delayed income reporting to departments.
Inaccurate or untimely financial reports (IRS, Federal, State, GASB, etc.)
Inadequate record maintenance
Inefficient transaction reporting systems.
Insufficient grant and contract infrastructure
Journal entries may be incorrectly prepared, duplicated, omitted, or made for the purposes of misstating account balances to conceal irregularities or shortages
<b>Department - Governance (12)</b>
Inability to meet financial obligations (bonds)
Ineffective resource allocations
Institutional policies and procedures are not current and/or easily assessable and understood by faculty and staff
Lack of a risk management process to identify risks impacting the successful achievement of mission
Lack of adequate information technology resources for employees to effectively achieve objectives.
Lack of appropriate director's insurance
Lack of effective organization-wide communications

No code of conduct or ethics
Noncompliance with laws and regulations
Organizational goals and objectives are not developed, communicated, and monitored for achievement
Security
<b>Department - Grants Acctg (37)</b>
Accountability over recorded transactions may not be maintained.
All financial commitments not included and documented in budget process
Allocation of resources among academic programs and budgeting does not reflect institutions priorities and is not equitable
Appropriate approvals are not documented for grant/contract purchases.
Billing rates include unallowable/buried costs
Billing rates not based on actual costs/Inconsistent billings
Charges are outside the performance period.
Cost sharing contributions are included as contributions for more than one federal project.
Cost sharing contributions are not verifiable or properly documented.
Cost Transfers do not benefit the project being charged.
Documentation inadequate to demonstrate personnel effort on a project, e.g., no effort report produced/effort report not timely.
Effort not signed/certified by a responsible person with direct knowledge of the work.
Expenditure information not provided timely.
Failure to adequately monitor sub recipient expenditures versus the sub recipient's budget.
Failure to adhere to the NIH salary cap.
Failure to deposit grant funds promptly.
Failure to maintain proper inventory records on grant's property.
Failure to monitor joint appointments between institutions.
Failure to obtain a reasonable assurance that the sub recipient achieved performance goals.
Failure to obtain from the sub recipient either an audit report or audit certification form.
Failure to properly account for a cost transfer in a timely manner
Failure to request sponsor approval for a reduction in effort of greater than or equal to 25%.
Financial reports are inaccurate/contain invalid data/not submitted on time/inability to produce reports directly from the financial accounting system.
Having multiple sponsored projects whose commitment exceeds 100%.
Having payroll charges in excess of documented effort for the applicable contract or grant.
Important contractual documents may be lost.
Inadequate documentation of expenses.
Ineffective reconciliation procedures (untimely or improperly completed).
Lack of formal grants proposal process/inability to enforce grants policies and procedures.
Lack of training/inadequate training for PI and support staff on requirements of specific grants.
Miscoding with untimely correction.
Noncompliance with A-21 and other Regulations
Non-compliance with grant requirements.
Program measures not met, but funds used.
Receivables are not adequately monitored to insure prompt payment.
Total documented effort for sponsored projects and institutional (state funded) responsibilities exceeds 100%.
Unused grant funds
<b>Department - Health Services (13)</b>

Breach of ethics
Failure to communicate health services information
Failure to maintain a safe and secure environment
Failure to maintain equipment and facilities
Failure to obtain proper licensing and accreditation
Failure to properly control infectious disease potential (blood borne pathogens, etc)
Failure to recognize changing trends in the over all student health profile (drug, alcohol, diseases)
Improper diagnosis
Inadequate scope of care
Inadequate service hours
Inadequate staffing for size of student population
Lack of a documented and effective triage process
Untrained or improperly trained staff
<b>Department - Hospital Bldg. &amp; Facilities (30)</b>
Disastrous physical event destroys building(s)
Failure to adequately test the EM Plan
Failure to ensure that equipment in public view is perceived to be state-of-the-art
Failure to keep patient areas, rooms, and supplies clean and appealing
Failure to maintain adequate physical access security
Failure to maintain certifications for boilers, elevators, heliports, incinerators, etc
Failure to maintain facilities
Failure to maintain fire code
Failure to maintain grounds and parking
Failure to plan for Business Continuity
Failure to properly dispose of hospital based waste
Failure to properly identify and monitor hazardous materials
Failure to properly store and dispose of hazardous materials
Failure to properly train all staff in the use of hazardous materials
Failure to update public areas to stay competitive
Improper disposal of bodies
Inadequate functional space to meet patient demand
Inefficient space allocation and/or layout
Inefficient transport mechanisms
Lack of adequate and accessible parking
Lack of adequate signage
Lack of an adequate Emergency Management Plan
Lack of an adequate infection control process
Lack of appropriate private spaces for counseling/emotional needs
Lack of comfortable and welcoming environment
Lack of sanitation levels commensurate with patient needs
Lack of security
Lack of security over chemical, bioagents, and gases
Patient waiting spaces not adequate
Unsafe or hazardous environment
<b>Department - Hospital Equipment &amp; Supplies (10)</b>
Failure to charge for drugs dispensed

Failure to charge for supplies
Failure to track and secure equipment
Failure to track and secure supplies
Improper or inadequate maintenance of equipment
Lack of adequate equipment
Lack of adequate supplies
Lack of current technology
Lack of inventory controls over drugs (incl. disposal of expired drugs/wastage)
Lack of inventory controls over supplies
<b>Department - Hospital General (20)</b>
Aging population
Bad contracts
Bad payer mix
Complex regulatory environment
Declining reimbursements from carriers
Dissatisfied patients
Excessive use of temporary employees
Failure to properly manage temporary agency employees
Failure to recognize and assess changing demographics
Failure to recognize revenue generating capacity of materials, etc not needed for patient care
Insurers going bankrupt
Lack of adequate governance process
Lack of adequate strategic planning process
Lack of an adequate marketing program
Lack of effective compliance program
Lack of first rate clinical facilities
Loss of competitive advantage
Loss of productivity (tenure mix)
Uninsured
Untrained employees
<b>Department - Hospital Human Resources (15)</b>
Failure to apply tenure requirements consistently
Failure to attract and maintain quality faculty (recruitment)
Failure to ensure employees have appropriate immunizations
Failure to perform adequate background checks
Failure to supervise and assess all other clinical staff
Failure to train employees in infection control, etc
Inadequate number of staff
Inadequate supply of nurses
Inadequate supply of physicians
Lack of a diverse workforce
Lack of adequate radiological monitoring systems
Lack of appropriate disposal systems for contaminated waste
Lack of on-going training and education
Lack of recruiting resources
Staff does not have proper licenses or credentials
<b>Department - Housing (17)</b>
Breach of contract

Failure to be ADA compliant
Failure to establish restricted access to housing
Failure to meet code requirements
Failure to meet student needs
Failure to provide a supportive learning environment
Failure to provide training to resident students in emergency procedures
Fair Market Value rent of housing not properly calculated
Inadequate disaster recovery planning
Inadequate security
Inadequate training of resident assistants
Insufficient capital budget
Insufficient student housing
Issuance of incorrect keys
Lack of strategic planning for housing needs
Overpayment of utility bills
Poor emergency response
<b>Department - Human Resources (37)</b>
Benefits are not competitive
Benefits are too costly to institution
Benefits do not meet employee needs
Discrimination
Discrimination in employment
Employee grievance procedures are not clear, documented, and communicated to all employees
Employment of aliens
Failure to complete and document the separation process
Failure to have an HR strategic plan
Failure to keep and reward productive employees
Failure to keep up with the changing ext. environment
Fraud or misrepresentation on application
Hire the wrong or unqualified person
Human Resources
Improper handling of personnel information (confidentiality)
Improper or inconsistent classification of employees
Inability to attract qualified candidates
Inaccurate &/or untimely data capture & reporting
Inaccurate information (leave & vacation balances, eligibility, service dates)
Inaccurately billing customers
Inadequate funding of pension plans
Inappropriate resources allocation
Keeping non-performing employees
Lack of an employee training plan including orientation
Lack of documentation or tracking of employee training taken
No whistleblower policy
Not hiring a diverse workforce
Not performing background or reference checks
Pay scale is not competitive
Performance appraisal process is not documented &/or ineffective
Poor job descriptions

Separation of duties
Sexual harassment
Training not provided in appropriate or critical areas
Unfair hiring practices
Unqualified counselors (EAP service)
Violation of federal & state laws
<b>Department - Human Subjects (6)</b>
Conducting experimental medical procedures or drug studies
Improper conduct of human subjects research or unethical experimentation
Inadequate or no review by Institutional Review Board (IRB)
Lack of institutional policies and guidance on human subjects
Non-compliance with federal regulations on human subjects
Non-compliance with Health Insurance Portability and Accountability Act (HIPAA)
<b>Department - Instruction (16)</b>
Failure to adequately prepare students for licensing/certifications exams
Failure to effectively market Graduate Studies programs
Failure to have and communicate the University's code of ethics
Failure to maintain reasonable class size
Failure to meet University academic standards and goals
Failure to meet University's goals related to national rankings
Inability to admit most qualified students due to legislatively restrictive requirements
Inadequate resources for graduate education
Inadequate teaching assistant support
Ineffective interdisciplinary/interdepartmental working relationships
Poor instruction
Poor student retention practices
Programs for students with special needs are not being adequately maintained
Real or perceived inconsistencies related to the University's code of ethics
Students not graduating/graduating timely
Unanticipated changes in enrollment patterns
<b>Department - Intellectual Property/Tech Transfer - Research (7)</b>
Failure to properly define ownership rights
Failure to pursue copyrights or patents
Infringement on others' intellectual property
Insufficient efforts in licensing and technology transfer
Lack of policies and training on intellectual property or technology transfer
Loss or theft of intellectual property
Product liability
<b>Department - Internal Audit (11)</b>
Audit engagement execution is weak
Audit engagement reporting is weak.
Auditors do not have necessary computing and technical resources
Auditors do not have sufficient skills
Audits are not focused on risk and significance.
Audits not performed independently and objectively.
Client relations are weak.
Conflict of interest

Non-compliance with internal auditing standards
Recruiting and retention of auditors is weak.
Unscheduled activities derail planned audit activities.
<b>Department - International Affairs (9)</b>
Confusing international laws
Failure to comply w/the Patriot Act
Failure to comply with federal rules regarding taxation of income.
Failure to Comply with Student and Exchange Visitor Information System (SEVIS)
Failure to maintain appropriate immigration status for faculty, scholars & staff.
Failure to maintain security of students and faculty abroad
Fed. Regs that restrict study abroad and exchange programs
Fluctuating Monetary exchange rates
Impact of import/ Export controls
<b>Department - IT Admin Support (7)</b>
Failed or insufficient employee training
Failure to follow contracted-services procurement process
Failure to retain key employees
Lack of a process for identifying and allocation costs attributable to IT services.
Lack of adequate financial controls related to IT expenditures
Lack of qualified employees to do the work
No monitoring of contractor performance
<b>Department - IT Customer Service (12)</b>
Failure to deliver agreed upon services
Failure to maintain the staffing levels or skill sets needed for alignment with the business.
Failure to manage third party service relationships.
Failure to market technology initiatives
Failure to plan, implement, or maintain quality management standards and systems that provide for distinct development phases, clear deliverables, and explicit responsibilities.
Failure to provide continuous service
Inadequate information security incident or event response
Lack of a process for educating and training users.
Lack of a process for ensuring achievement of IT performance objectives.
Lack of a process for managing users help requests.
Lack of a process for timely dissemination of information to users.
Lack of clearly defined and properly managed service levels to meet the needs of the business
<b>Department - IT Daily Operations (14)</b>
Data is not available when needed
Failure to comply with funding requirements
Failure to perform important IT support functions regularly.
Inappropriate destruction or retention of data
Lack of a process for educating and training users thereby not meeting the needs of the business
Lack of a process for ensuring data remains complete, accurate, and valid during its input, update and storage.
Lack of a process for ensuring the achievement of performance objectives set for IT processes.
Lack of a process for managing changes to systems or technology that minimizes disruption, unauthorized alterations, and errors.
Lack of a process for managing facilities to provide a suitable physical surrounding which protects the IT equipment and people against man-made and natural disasters.



Lack of a process for managing performance and ensuring adequate capacity is available and optimally used to meet user needs.
Lack of a process for managing problems to ensure they are adequately resolved, and the cause investigated to prevent any recurrence.
Lack of a process for managing the configurations to account for all IT components, prevent unauthorized alternations, verify physical existence, and provide a basis for sound change management.
Unauthorized or inappropriate access to core systems
Unavailability of systems
<b>Department - IT Dev &amp; Research (12)</b>
Failure to comply with budget requirements
Failure to effectively communicate IT management aim and direction to critical user areas.
Failure to engage in IT risk identification and impact analysis involving multi-disciplinary functions.
Failure to obtain best value
Failure to set project priorities and deliver systems on time and within budget.
Failure to specify all contract or project requirements
Integration/implementation of new systems fails
Lack of a process for installing and accrediting systems to verify and confirm that the solution is appropriate for the intended purpose.
Lack of adequate staffing levels
Priority of projects is not determined
Technology is not leading edge, is outdated
Work starts before project approval
<b>Department - IT Strategic Planning &amp; Org Oversight (13)</b>
Business requirements and information technology opportunities are not adequately considered
Failure to document infrastructure architecture
Failure to implement software upgrades timely
Failure to integrate technology across the institution
Failure to license technologies/software
Failure to maintain a motivated and competent workforce.
Failure to retain key suppliers
Lack of a process for acquiring and maintaining application software that effectively supports business processes.
Lack of a process for acquiring and maintaining technology infrastructure to provide appropriate platforms for supporting business applications.
Lack of a process for ensuring the achievement of internal control objectives set for IT processes.
Lack of a process for objectively and clearly identifying and analyzing alternative solutions for satisfying user requirements.
Lack of a process for obtaining independent assurance to increase confidence and trust among its customers and third-party providers.
Technology is obsolete
<b>Department - Landscape &amp; Grounds (6)</b>
Chemical hazards to health
Damage to buildings or equipment
Failure to follow standard safety procedures
Failure to wear protective gear
Poor oversight and accountability over tools and inventory
Poor work force scheduling
<b>Department - Legal (10)</b>

Breach of confidentiality
Contracts executed by unauthorized individuals or for unauthorized activities
Failure to meet ethical obligations (conflict of interest)
Failure to provide input on Board policy
Failure to reduce risk of lawsuits
Failure to stay current on legal issues, legislation, and practices
Inaccurate consumption data
Ineffective communication with customers
Ineffective communication with governing board
Legal services not cost-effective
<b>Department - Major Repair &amp; Renovation (7)</b>
Construction accidents
Failure of structural integrity of buildings
Failure to oversee in-house construction projects
Failure to perform deferred maintenance on facilities
Failure to perform scheduled maintenance
Failure to provide services at a competitive cost
Substantial heating or cooling loss due to infrastructure failure
<b>Department - Managed Care (11)</b>
Bankruptcy of external partners
Failure to comply with contract terms (including resource capacity)
Failure to consider all costs
Failure to provide adequate employee safety programs
Image negatively impacted by external partners
Incomplete or unenforceable contracts with partners
Lack of competitive intelligence for decision making
Lack of security of patient's property
Loss of external partners
Provide poor quality services
Wrong patient mix between indigent and paying
<b>Department - Medical Education (10)</b>
Failure to comply with applicable animal care regulations
Failure to maintain accreditation
Failure to maintain Medical Board pass rates
Failure to maintain state/federal funding
Failure to supervise and assess students/residents
Lack of a grant assistance program
Lack of adequate monitoring of research activities
Lack of adequate review of research design by the IRB
Lack of an animal security program
Lack of recruiting resources
<b>Department - Medical Faculty (8)</b>
Alienation of partner hospitals
Failure to adequately monitor and document residency programs
Failure to define faculty criteria for teaching, research, and clinical practice activities
Failure to maintain adequate faculty/student/support ratios
Failure to maintain adequate performance and financial monitoring systems over faculty activities
Lack of adequate faculty grievance system

Lack of faculty disciplinary program
Lack of faculty marketing program
<b>Department - Motor Pool (8)</b>
Fire danger in fuel and repair areas
Fleet Audit
Hazardous working conditions in repair centers
Inadequate billing rates
Inadequate staff technical training
Poor accountability over fuel, lubricant and parts
Poor fleet management practices
Poor Vehicle Conditions impacting safety
<b>Department - Patient Care &amp; Treatment (34)</b>
Drug interaction due to lack of patient info
Errors or negligence in patient care
Failure to address the need for continued treatment after discharge or transfer
Failure to adequately assess and reassess patient needs
Failure to adhere to ethical practices (patient advance directives, culture diversification)
Failure to adjust bed/service allocation to demand
Failure to comply with 72 hour rule
Failure to comply with regulatory standards
Failure to control infectious diseases
Failure to coordinate care
Failure to develop a plan of care
Failure to document treatment and services provided
Failure to educate and train patients regarding their care and treatment
Failure to follow care plan
Failure to monitor the quality of care provided
Failure to obtain accurate patient info
Failure to properly handle a patient death
Failure to protect patient's valuables
Failure to provide/monitor the patient complaint process
Failure to share information with other providers
Improper handling of hazardous materials
Improper patient information release
Insufficient controls on organ donor list
Lack of a system to ensure compliance with EMTALA in emergency room
Lack of adequate ancillary personnel
Lack of adequate nursing staff
Lack of an adequate discharge and termination process
Lack of control over the laboratory, pathology, and other diagnostic services
Lack of services and treatment that meets patient needs
Lack of timely access to treatment or services
Loss of unconditional JCAHO accreditation
Mismanagement of patient records
Misuse of controlled substances
Practice outside the standard of care
<b>Department - Patient Information (11)</b>
Inappropriate access of information (HIPAA)

Inefficient report functionality for providing healthcare information
Info is improperly altered or deleted because of processing error
Info is improperly altered or deleted because of unauthorized access
Info is not captured and organized to facilitate decision-making
Info is not secured to ensure privacy and integrity
Info is unavailable when needed for non-care purposes such as regulatory or research
Info is unavailable when needed for patient care
Lack of real-time patient information (interconnectivity)
No business continuity process or plan is in place
Unauthorized release of Health Information (HIPAA)
<b>Department - Payroll (27)</b>
Failure to file W-2 form
Failure to identify fictitious/ghost employees
Failure to identify unclaimed wages
Failure to identify fictitious/ghost employees
Failure to make accurate and prompt payments to retirement and insurance vendors and other outside entities
Failure to reconcile payroll bank statements and/or accounts
Failure to report payroll deductions and fringe benefits to agencies (other than the IRS)
Failure to report taxable income to the IRS
failure to report wages
Failure to report wages to Social Security Administration
Failure to secure confidential payroll information
Failure to withhold and deposit required payroll taxes
Falsified time reports
Filing W2 forms
Improper recording of PTO (vacation/sick leave paid/disability)
Inaccurate or invalid deductions
Inaccurate payroll registries
Incorrect amounts disbursed to employees
Misappropriation of payroll checks
Non-compliance with payroll laws (fair labor standards, IRS deposits, etc.)
Unclaimed wages
Untimely payroll disbursements
<b>Department - Physical Plant Admin (19)</b>
Buildings do not meet specifications
Buildings do not meet user needs
Campus is rundown and unattractive
Contract Default
Exceeding scheduled completion date
Failure to align campus master plan with institution's goals and objectives
Failure to charge costs to the right project
Failure to comply with construction statutes (local, state & federal)
Failure to explore outsourcing options
Failure to follow policies and procedures
Failure to have enough student housing
Failure to monitor contractors and sub-contractors
Failure to prevent donor or outside party interference in projects

Failure to use buildings and classrooms effectively and efficiently
Material and Labor Lien
Poor design
Poorly defined project scope
Regulatory non compliance
Time and budget overruns on projects
<b>Department - Police (11)</b>
Citations not properly accounted for
Failure to control crowds at events
Failure to maintain a safe campus
Failure to physically protect cash and check payments for parking citations
Failure to properly process cash receipts for Parking citations
Failure to respond timely & correctly
Inadequate education of campus community on safe practices
Police abuse of power
Poor coordination with other law enforcement agencies
Poorly maintained/outdated equipment
Security of confiscated assets
<b>Department - Pre-Award &amp; Award Accept (7)</b>
Accepting grants that require more resources than available, such as matching
Inadequate proposal review
Inadequate support/assistance to faculty in developing proposals
Insufficient effort to attract research funding
Over-commitment of principal investigator
Proposals with poorly developed cost budget or not including facilities and administrative (indirect) costs
Research interests that do not match funding availability
<b>Department - Purchasing (12)</b>
Employees with purchasing authority have a perceived or actual conflict of interest.
Failure to select qualified bidder
Fraud can occur in various forms such as ghost vendors, kickbacks, purchase of personal items, etc.
Inefficient and ineffective purchasing function
Non-compliance with applicable laws, regs, policies & procedures
Physical safeguarding of stock and storerooms is inadequate
Policies and procedures do not exist for all areas of the purchasing process.
Procurement Cards (pro-cards) are misused.
Purchases are not competitively bid.
Purchases, including individual and standing purchase orders, do not follow established approval processes.
Purchasing technology is not adequate to meet the needs of the purchasing function.
Vendor contracts are not properly administered.
<b>Department - Recreation &amp; Athletic Centers (11)</b>
Facilities become deteriorated and unusable
Failure to establish documented policies and procedures for safe use of facilities
Failure to manage partnerships to provide recreational and athletic opportunities for students
Failure to properly manage interactions between staff and participants or public
Failure to provide adequate security at facilities and events
Failure to train staff in emergency procedures
Inadequate insurance coverage

Inadequate monitoring of access
Inadequate training of camp staff
Poor equipment maintenance
Sabotage or terrorism
<b>Department - Registration (8)</b>
Bureaucratic enrollment process
Inconsistent application of rules and regulations
Incorrect calculation of tuition and fees from enrollment data
Ineffective communications with Admissions Office
Inexperienced registration workers
Inflated enrollment data
Insufficient class offerings
Lack of resources to improve enrollment and registration processes
<b>Department - Relations with External Stakeholder (10)</b>
Community and alumni relationships do not maximize parent, community, business, alumni, and foundation involvement
Hostile city council
Inaccurate billing rates
Lack of effective marketing
Legislature Interests
Liability incurred by entertainment (parties, etc)
Negative impact on surrounding community
Negative incident or relationship with major funding source
Policies and procedures regarding employee contact with the media are inadequate or not properly communicated to all employees
Unfavorable relations with specific industries
<b>Department - Research Administration (5)</b>
Inadequate grants information system
Inadequate policies and training
Insufficient post-award monitoring
Insufficient staffing
Retaliation against whistleblowers
<b>Department - Research Financial (9)</b>
Extensive unexpended funds on a grant
Failure to bill all costs timely
Inaccurate grant accounting
Inadequate financial reporting system
Incorrect calculation of facilities and administrative rate
Not collecting all billed revenues
Not including all costs in closeout
Overspending grant budget
Poor cash management, including insufficient/excessive draw downs
<b>Department - Research Quality (6)</b>
Failure to produce deliverables
Falsification of research data or misreporting results
Inadequate documentation of research
Inadequate efforts to hire and retain quality researchers

Plagiarism of other researchers' work
Research that lacks merit
<b>Department - Residence Halls (7)</b>
Declining occupancy
Illegal download by students of copyrighted material using university network
Major building damage
Unaffordable housing plan
Unauthorized access to halls
Unhealthy environment
Unsafe environment
<b>Department - Revenue (14)</b>
Breach of student confidentiality laws
Computer downtime
Credit card activity not recorded timely and accurately
Credit Card information not properly safeguarded
Failure to ensure physical security of Business Office operations
Failure to log checks as they are received
Financial records may be inaccurate/amounts could be deposited to the wrong funds
Funds may be diverted for personal use
Improper calculation and refunding of tuition and fees
Inadequate web security
Lack of timely and accurate reconciliation of revenue
Misappropriated investments
Misappropriated recorded cash receipts
Unrecorded or incorrectly recorded revenue
<b>Department - Safety - Research (7)</b>
Accident involving biohazards or other hazardous materials
Improper storage or disposal of laboratory materials
Inadequate training and safety procedures for laboratories
Insufficient laboratory oversight
Unrestricted access to biohazards and other hazardous materials
Unsafe condition of laboratories and equipment
Untimely or inappropriate response to accidents and other incidents
<b>Department - Security - Research (9)</b>
Attacks or vandalism of research facilities
Failure to control laboratory access
Inadequate control of pharmaceuticals
Inadequate physical security for research facility
Inadequate screening of research personnel
Inappropriate disclosure of sensitive or confidential data
Intrusion of computer systems used in research
Natural disaster
Non-compliance with export control laws
<b>Department - Service Centers - Auxiliary (7)</b>
<b>Copyright infringement</b>
Failure to properly collect and account for sales taxes
Inadequate facilities maintenance
Inadequate physical safeguards over inventory
Inappropriate or inaccurate pricing policy

Non-compliance with governing regulations
Operations not aligned with University mission
<b>Department - Special Events Center (8)</b>
Failure to attract revenue producing events
Failure to comply/w statutory & rule requirements
Failure to ensure crowd safety
Failure to limit liability with external parties
Failure to maintain a positive financial position
Failure to maintain a safe & clean facility
Failure to protect cash assets
Failure to protect equipment
<b>Department - Strategic Financial Mgt (15)</b>
Bond payments not made/default on debt
Employees lack knowledge and skills to do the job
Employees may act unethically or illegally
Failure to have a strategic and long-range planning process to develop the long-term goals and objectives that impact university contracts
Improper allocation of investment earnings
Inaccurate and untimely information received and/or given
Inadequate communication
Inadequate management of high risk areas
Lack of team work
Management override of existing policies and procedures
Non-existent or inadequate performance measures
Poor investment decisions/strategy
Poor tone at the top
Reliance on unofficial records for decision-making
Violation of arbitrage provisions and bond indentures
<b>Department - Student Centers &amp; Activities (10)</b>
Failure to address the needs of a diverse student population
Failure to align student union operations with institution goals
Failure to communicate with student leaders
Failure to equalize services among various campuses and organizations
Failure to provide a supportive social environment
Failure to provide a user friendly student service infrastructure
Inadequate policies governing student associations
Inadequate space for student activities
Inadequate training of Student Center staff
Student fees insufficient to cover operations
<b>Department - Student Judicial Affairs (10)</b>
Failure to communicate academic integrity policies and procedures
Failure to communicate documented policies and procedures to all affected constituents
Failure to communicate the student grievance process to all constituents
Failure to follow student disciplinary procedures
Failure to provide an effective student grievance process
Inadequate discrimination policies and procedures
Inadequate methods of enforcing documented policies and procedures
Inadequate security of student records



Inadequate student code of conduct
Inadequate training of students and student services staff in judicial affairs issues
<b>Department - Student Services Admin (11)</b>
Failure to adequately research need and cost of student services
Failure to analyze costs versus revenues and determine proper student use fees
Failure to assess viability of all student services
Failure to develop partnerships with external entities that provide opportunities for student activities
Failure to develop partnerships with other university units
Failure to establish performance goals for student services
Failure to ID and manage risks
Failure to investigate and resolve all complaints
Failure to market student services effectively
Failure to monitor changing external environment
Failure to support academic endeavors
<b>Department - Trademark Licensing (5)</b>
Failure to collect revenues
Failure to manage external contractual relationships
Failure to maximize revenue w/o compromising brand
Failure to monitor & enforce trademarks rights
Failure to protect & maintain brand integrity
<b>Department - Utilities (2)</b>
Interruption or degradation of service
Lack of capacity to handle demand
<i>Thanks to the University of Texas - Brownsville</i>
<i><a href="http://www.utb.edu/ba/compliance/pages/risk-dictionary.aspx">http://www.utb.edu/ba/compliance/pages/risk-dictionary.aspx</a></i>