

Enterprise Risk Assessment Standardized Risks and Definitions

Level 1 Risk	Level 2 Risks	Description	Examples
Compliance Risk	Breach of Contract Risk	Risks associated with failure to meet contractual requirements leading to adverse consequences.	
Compliance Risk	Compliance with Laws and Regulations Risk	Risks associated with violating laws and regulations which may result adverse consequences.	Examples include, but are not limited to, non-compliance with the law as well as receiving fines, penalties, and litigation.
Compliance Risk	Conflict of Commitment Risk	Risks associated with activities interfering with an employee's full and faithful performance of their professional or institutional responsibilities or obligations which are not mitigated.	Examples include, but are not limited to, employees working so many hours at their second job that they cannot fully and faithfully perform the job they were hired to do for our institution. Similarly, employees working for our direct competitors, thereby undermining our position in the marketplace.
Compliance Risk	Conflicts of Interest Risk	Risks associated with unresolved conflicts between an employee's private interests and the public interests of our institution.	Examples include, but are not limited to, nepotism, unequal compensation, hiring an unqualified relative, accepting payment from another company for information about your employer, or employees hiring a student or employee for their private company when they supervise the student or employee as part of their employment with our institution.
Compliance Risk	Data Privacy Risk	Risks associated with inadequately protecting data controlled or owned by our institution in accordance with the law and best practices.	Examples include, but are not limited to, failing to exercise due diligence and oversight when disclosing data to third parties or sharing patient or student data in a manner which violates federal law, such as HIPAA or FERPA, respectively.
Compliance Risk	Employment Practices Risk	Risks associated with violating employment law and human resources standards.	Examples include, but are not limited to, litigation stemming from unlawfully hiring, promoting, disciplining, or terminating employees; or discriminating against or sexually harassing employees.
Compliance Risk	Research Contract and Grant Violations Risk	Risks associated with violating grant-related requirements and research funding agreements.	
Financial Risk	Accounts Payable Risk	Risks associated with errant, late, or missed payments; missed accruals or errant forecasting; or lack of audit trails.	Examples include, but are not limited to, extraneous, duplicate, or overpayments to students, vendors, third parties; or incurring late fees.
Financial Risk	Accounts Receivable/Bad Debt Risk	Risks associated with untimely, incomplete, or inaccurate payment by students, patients, vendors, and third-parties for services rendered to them by our institution.	
Financial Risk	Billing Accuracy Risk	Risks associated with inaccurate billing or failing to bill for services rendered by our institution.	Examples include, but are not limited to, tuition or Medicare/Medicaid Clinical Care billing and student receivables.
Financial Risk	Budgetary Resource Management Risk	Risks associated with failing to allocate and manage departmental budgets to ensure effective and efficient resources to meet operational objectives.	
Financial Risk	Capital Risk	Risks associated with potential losses of part or all institutional investments, including liquidity risk, where the institution is unable to meet its financial demands.	Examples include, but are not limited to, an inability to convert a security or hard asset to cash without a loss of capital or income in the process.
Financial Risk	Financial Performance Risk	Risks associated with not meeting financial projections and pressure to meet Key Performance Indicators (KPIs).	
Financial Risk	Financial Reporting Risk	Risks associated with incomplete, inaccurate, or untimely communication of financial information.	Examples include, but are not limited to, production and distribution of financial reports, failing to adhere to Governmental Accounting Standards Board (GASB), changes to GASB, non-compliant cost transfers, etc.
Financial Risk	Fraud, Theft, and Embezzlement Risk	Risks associated with financial losses stemming from students, employees, vendors, or other third parties, doing business with our institution, engaging in fraud, theft, or embezzlement.	Examples include, but are not limited to, falsifying credentials, violating time and effort reporting requirements, stealing (misappropriating) assets, or fabricating/falsifying records.

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Financial Risk	Pension/Retirement Obligations Risk	Risks associated with pension or retirement fund liability.	Examples, include but are not limited to, failure to ensure sufficient liquidity or meet investment goals.
Financial Risk	Philanthropy/Fundraising/Capital Campaign Risk	Risks associated with philanthropic events, fundraising goals and initiatives or capital campaigns efforts.	
Operational Risk	Logical Access, Cybersecurity, and Vulnerability Management Risk	Risks associated failing to protect the confidentiality, integrity, and availability of IT assets of our institution from potential threats.	Examples include, but are not limited to, an outside party stealing a user's credentials in order to access the university's systems and perform malicious activities (e.g., defacing a webpage or causing an outage). Another common example is a user downloading software that compromises a device making it vulnerable to potential threats such as ransomware (e.g., an external party threatening to block access to a computer unless payment is made). "Potential threats" include malicious insiders and hackers.
Operational Risk	Business Continuity Risk	Risks associated with an inability to return to normal operations after a disruptive incident slows or stops part or all operations.	Examples include, but not limited to, catastrophic events such as hurricanes, earthquakes, tornadoes, civil disobedience, pandemic, etc.
Operational Risk	IT Change, Incident, and Services Risk	Risks associated with IT services such as end-user services, change and incident management, application development and maintenance, and server administration.	
Operational Risk	Property, Plant, and Equipment Risk	Risks associated with failing to construct or maintain property, plant, and equipment owned or controlled by the University to meet its mission. Additionally, this risk includes the tracking and monitoring of all physical assets.	Examples include, but not limited to, project management for construction and required maintenance of property, plant, and equipment.
Operational Risk	Data Governance and Quality Risk	Risks associated with inadequate oversight, controls, and usage of data and IT systems.	Examples include, but are not limited to, failure to identify a business owner for an enterprise system (typically a senior business owner); lack of controls for all data entry points into a system and data transmission; and undocumented business lineage for source data in our enterprise systems (e.g., failure to document which data in Banner/Elucian is obtained from students).
Operational Risk	Employee Training Risk	Risks associated with inadequate or ineffective employee training for their role in our organization.	
Operational Risk	IT Infrastructure Risk	Risks associated with IT infrastructure such as end-of-life assets, infrastructure complexity, unsupported infrastructure, and device failures.	
Operational Risk	Personnel Issues or Workplace Violence Risk	Risks associated with personnel issues or workplace violence.	Examples include, but are not limited to, favoritism, conflicts, harassment, bullying, nepotism, threats of physical violence or concomitance of violence against fellow workers, etc.
Operational Risk	Process Risk	Risks associated with operational failures resulting in business processes not being achieved.	Examples include, but are not limited to, completing a student validation to ensure that they meet the program requirements prior to issuing a degree.
Operational Risk	Recruitment, Hiring, and Retention Risk	Risks associated with failing to attract, onboard, and retain individuals with the skills, knowledge, and experience needed to fulfill organizational objectives and obligations.	Examples include, but are not limited to, failing to ensure onboarded individuals have the required access to perform their assigned duties in a timely manner. This can negatively impact efficiency and effectiveness of operations.
Operational Risk	Research and Laboratory Safety Risk	Risks associated with research and laboratory a safety.	Examples include, but are not limited to, hazardous agents, conditions, or processes; or hazards encountered in the field while performing research.
Operational Risk	Safety and Security Risk	Risks associated with failing to protect individuals from danger, harm, or injury when utilizing buildings or properties owned or controlled by our institution.	
Operational Risk	Student Mental Health and Wellness Risk	Risks associated with student wellbeing and ensuring appropriate services are in place to address student mental health and wellness needs.	
Operational Risk	Terrorism Risk	Risks associated with extreme threats of violence to the institution from terrorist acts or groups.	Examples include, but are not limited to, state-sponsored, dissent, political ideology, religious, or criminal terrorism.

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Operational Risk	Vendor/Third-Party and Oversight Risk	Risks associated with the use and monitoring of vendors or third-parties that provide a service on behalf of the institution.	Examples include, but are not limited to, outsourced providers and services (e.g., Canvas, EPIC Electronic Health Records, and Microsoft Office 365), managed services (e.g., Microsoft Azure), leasing/renting of USF facilities to outside entities.
Operational Risk	Purchasing Risk	Risks associated with the procurement processes for obtaining services, products, or resources.	Examples include, but not limited to, needs analysis, vendor selection, supplier diversity, supply chain management, contract management, etc.
Reputational risk	Communication Risk	Risks associated with ensuring that a consistent message is shared and understood among all constituents and there is clear and consistent coordination as needed.	
Reputational Risk	Emerging Issues Risk	Risks associated with potential issues in their earliest stages of development.	Examples include, but are not limited to, foreign influence in research, international travel bans, pandemics, hurricanes, etc.
Reputational risk	Public Image Risk	Risks associated with threats to or endangerment of the institution's good name or standing which can arise from the actions of our institution, employees, or third-parties (vendors, affiliates, and guests).	
Strategic Risk	Governance Risk	Risks associated with ineffective processes and structures to identify, assess, manage, and communicate risks to the achievement of the organization's objectives.	Examples include, but are not limited to, ineffective governance structure fails to ensure committees at both the Board and Senior Management levels have been created with formalized mandates, authority, and representation to proactively identify and respond to organizational risks. Management structures include, but are not limited to, the Board, the President, senior management team, Chancellors, etc.
Strategic Risk	New Programs and Delivery Models	Risks associated with an inability to meet community needs by effectively adapting to new academic and service offerings or programs, including program content and how they are delivered.	Examples include, but are not limited to, remote education delivery, hybrid learning models, significant changes to clinical models such as telemedicine, etc.
Strategic Risk	Organizational Structure, Alignment & Direction Risk	Risks associated with changes in strategy or direction requiring significant realignment of organization structures, roles, and responsibilities, including stakeholder understanding and support of such changes.	
Strategic Risk	Regulatory Change Risk	Risks associated with changing laws and regulations requiring assessment of current practices and, based on the assessment, implementing a response plan.	
Strategic Risk	Research Risk	Risks associated with changing research practices and methodology.	Examples include, but are not limited to, antiquated or inadequate research capabilities to meet regulatory changes, current best practices, or new technological advances.
Strategic Risk	Succession Planning Risk	Risks associated with identifying key leadership roles and developing a human capital strategy to ensure continuity in the event of leadership departures.	
Strategic Risk	Variability in Customer Volume and Funding Availability Risk	Risks associated with significant changes that may lead to insufficient revenue and/or funding that challenges underlying assumptions of strategic forecasts or may cause a material variance from the forecasts.	Customers include students, patients, and other relevant stakeholders that provide revenues to the institution. Funding availability risk pertains to funding from federal, state, and local entities as well as private companies.