Enterprise Risk Management

BACKGROUND

The Oregon State University (OSU) enterprise risk management (ERM) program is a process the university uses to identify and support the mitigation of major risks that may impact the university's ability to meet its mission and objectives. OSU's ERM model, as approved by the Executive, Audit & Governance Committee (EAGC), is coordinated by the Office of Audit, Risk and Compliance. It includes three phases:

- **Information gathering**: Review of the university's strategic plans and goals; scanning of the higher education landscape, including federal and state agency activity; examination of university risk topics and plans; and re-examination of the university environment, including people, services, tools and facilities/infrastructure employed to accomplish its mission. This phase is led by the chief audit, risk and compliance executive with the engagement of university leadership, including the Office of General Counsel, university cabinet and members of the provost's senior leadership team.

- **Risk identification**: Assessment of the operational, compliance, safety, financial, reputational, and strategic risks that could impede the university from meeting its mission and objectives if not addressed. The top identified risks are selected and agreed upon by the president, provost and EAGC members.

- **Remediation and monitoring**: Remediation and monitoring of top identified risks, following plans created by the risk owner(s). Progress reports are presented annually to board committees, as assigned by the EAGC, based on charter responsibilities.

UPDATE ON 2023 ENTERPRISE RISKS

As adopted by the board, OSU tracked four enterprise risks in 2023:

1. Information technology (IT) ecosystem and security
2. Human resource administration
3. Interpersonal violence education, prevention, support and response
4. Campus safety

The university made significant progress over the last year in addressing these enterprise risks. Highlights include:

- **IT Ecosystem/Security** – The Division of University Information and Technology (UIT) continued to protect the OSU community and digital assets by implementing resilient, compliant, and functional access to systems, services and data. The UIT program to protect the OSU IT ecosystem -- referred to as *Smart Access* -- continued to mature, using the National Institute of Standards and Technology (NIST) Cybersecurity Framework and the Cybersecurity & Infrastructure Security Agency (CISA) Zero Trust Maturity Model. The increase in maturity reflects improvements in all areas of the cybersecurity framework: Identify, Protect, Detect, Respond and Recover. This year, outreach about cybersecurity tools, practices and systems was targeted to senior leaders and students. Securing the data environment enables the use of data as a

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strategic asset in line with OSU's values and expectations. Enabling leaders to access data more easily through improved identity and smart access protocols will lead to improved strategic decision-making. To that end, UIT is implementing a Data Hub and an Integration Hub to serve as the core of OSU's redesigned data ecosystem. OSU also continues to deploy thoughtful planning for a large-scale administrative modernization project that will dramatically improve OSU's business processes and digital ecosystem.

- **Human Resource Management** – OSU employees directly impact the university's success. This year, University Human Resources (UHR) defined strategic priorities aimed at responding to the needs of university employees and their families. UHR's highest priority was to enable OSU to attract and retain high-caliber employees via adapted hiring and employment practices that enable a competitive advantage in the post-pandemic world. UHR continued to enhance human resources service delivery and digital tools that offer a modern platform for employees to engage in important processes and find relevant employing information. UHR took measures to provide more responsive, transparent and strategic support to OSU departments and units.

- **Interpersonal Violence Education, Prevention, Support and Response** – Support and resource services for student and employee survivors of interpersonal violence continued to be provided by the Center for Advocacy, Prevention & Education (CAPE), which provides prevention and confidential advocacy services; Equal Opportunity and Access (EOA), which provides supportive measures and informal and formal options for resolution; and OSU Assist, which provides after-hours crisis response; and other university and community-based programs. Guiding the collaborative effort are commitments to continuously evaluating and reshaping university culture to focus on equity, inclusion, civility and respect; providing training and education that engage the full university in preventing violence; responding to incidents through an effective sexual misconduct program that provides for due process and thorough investigation and remedy; and empowering all members of the OSU community to become allies in creating a nonviolent and civil university community.

- **Campus Safety Response** –The Department of Public Safety (DPS) contributes to a safe and welcoming environment at OSU through the efforts of its staff and its programs, including those related to preparation and recovery plans for hazards such as an active shooter, severe illness outbreak, earthquake, or inclement weather events. This year, DPS continued to work towards building a fully accredited police force serving the Corvallis campus, and to demonstrate OSU's commitment to the highest professional standards of campus law enforcement and public safety services. Actions include continuing efforts to: fully staff the department, fully implement a comprehensive set of policies and procedures, establish a roadmap for actions needed to gain accreditation through the Oregon Accreditation Alliance, and achieve accreditation through the International Association of Campus Law Enforcement Administrators (IACLEA). DPS continued to build effective communication and engagement with the OSU community regarding public safety incidents, public safety actions, and public safety policy and procedure. DPS also took measures to improve the university's emergency operating plan (EOP) document and dissemination.

DETERMINATION OF 2024 ENTERPRISE RISKS

In fall 2024, as part of the annual ERM planning process, the chief executive of audit, risk and compliance worked with senior management and the EAGC members to review and assess enterprise risks, including whether adequate support and oversight are provided for each important topic.

Continuing enterprise risks and adjustments for 2024. There was consensus among university leadership and EAGC members that the current board work plans indeed provide adequate support and oversight for the enterprise risks identified, and that the prior year's enterprise risk topics are of continuing relevance.

Risks already covered in the existing board work plan. During the latest risk identification process, several risk topics were highlighted that already have assigned responsibilities, oversight, and mitigation strategies in place, as directed by the president and with board oversight. Therefore, such topics do not need to be classified separately as enterprise risks or tracked independently through the ERM process. These include:

Covered Risk Topics	Risk Owner	Oversight
Higher education changing landscape – learner/consumer demand and increased enrollment competition, and impact of artificial intelligence	Provost	Board
Student success – including smooth transfer pathways, gateway courses, financial aid, advising, and mental health	Provost	Board & ASC
Internationalization – international and global engagement strategy including international student enrollment	Provost	ASC
Future revenue pressures – net tuition revenue and government funding trends	Provost and Vice President for Finance & Administration	ASC & FAC
Research administration – administrative support for long-term growth in research, including the provision of support for large, complex projects; award support; and compliance on conflicts of interest, foreign influence, and export controls	Vice President for Research	ASC
Diversity, equity, and inclusion – recruitment and retention of employees and students	Vice President and Chief Diversity Officer	Board

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Athletics competitiveness, financial impacts and compliance obligations related to changing collegiate sports model, including name, image and likeness (NIL), pay for play and changes to the National Collegiate Athletic Association (NCAA) and conferences	Vice President and Director of Athletics	Board

The board work plans provide four placeholders for reports of newly identified or emerging risks during the year, if needed.

Proposed 2024 Enterprise Risk Topics

2024 ERM Topics and Owners	Objective	Board Committee Progress Report Schedule
Information Technology Ecosystem/Security Risk Owner: Provost	Safeguard IT resources against loss of research, operational, and student data; safeguard network services to prevent disruptions of service, financial loss, or negative perceptions of operational controls; maintain compliance with applicable security laws; effectively implement strategic IT infrastructure plans and initiatives; and ensure effective data governance.	EAGC April 2024
Campus Safety Risk Owner: Vice President for Finance and Administration	Support a safe and welcoming environment at OSU through efforts of the department of public safety and partner units and programs – including via preparation and recovery plans for hazards such as an active shooter, severe illness, earthquake, or inclement weather events.	EAGC May 2024
Human Resource Administration Risk Owner: Provost	Attract and retain the best talent, improve retention, and reduce claims and litigation through effective HR and related business processes and system data improvements.	FAC May 2024

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2024 ERM Topics and Owners	Objective	Board Committee Progress Report Schedule
Interpersonal Violence Education, Prevention, and Response Risk Owners: President and Provost	Provide effective prevention, outreach, support and response programs related to interpersonal violence that foster a safe environment and support student and employee well-being and success.	ASC October 2024

RISK MITIGATION RECOMMENDATION

The risk owners are responsible for approving, leading or assigning, and monitoring risk mitigation strategies, as well as for providing the university community and board committees with accountability reports on risk mitigation strategies. It is recommended that continued support be provided for the 2024 ERM Topics noted in the table above.