

Southern Illinois University System

Enterprise Risk Management Report

Fiscal Year 2020

SIU Carbondale

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Risk Events and Mitigation Efforts
Fiscal Year 2020

The risk events outlined below emerged from the annual risk assessment survey as the conditions of most concern at SIU Carbondale at the time of the survey. The survey was sent by Internal Audit in April 2020 to unit officers, comprised of deans and directors, as well as upper management on the Carbondale campus. For each topic, the number of respondents ranged from 3 to 50. The purpose of the survey was to develop an annual audit plan and to evaluate whether risks were being sufficiently managed/mitigated. The topics included in the discussion below were of the highest concern to the group, using the risk tolerance guidelines established by the SIU Board of Trustees. Mitigation efforts are currently underway for each of the risk events.

It should be noted that a common topic of concern by survey takers was “disruption of operations,” a risk event included under all risk categories with the exception of Governance. The timing of the survey, which was sent during the state of Illinois’ stay-at-home directive early in the COVID-19 pandemic, would seem to indicate that the abrupt, unexpected change to the campus operations served to heighten the focus on the impact of an interruption in normal campus functions. While most functions were quickly adapted, work will continue in the coming months to further adapt and better prepare for future disruptions.

Risk Category: Governance

Risk Event: Failure to sufficiently budget

Responsible Party: Chancellor and all Vice Chancellors

Proposed Steps to Mitigate and Manage Risk: The amount of funding remains one of the highest concerns among respondents to the survey. While the level of state appropriations in fiscal year 2021 remained the same as the prior year, tuition revenue (the “income fund”) was projected to decrease by about \$6.5 million, compared to fiscal year 2020. To maintain a balanced budget, expense budgets were permanently cut by 6% in fiscal year 2021. This also allowed for an increase in the campus’ contingency reserve, which has been established at 2 percent of the general operating budget. Balancing the budget through spending cuts has become increasingly challenging to the survey respondents, who have seen the overall budget cut by \$34 million, or 16%, since fiscal year 2015. The alternative to future cuts is growth in tuition revenue.

The state’s public universities were asked in November 2020 to submit budget scenarios for fiscal year 2022 with appropriation cuts of 5% and 10%. With the financial challenges experienced by the State of Illinois, it is imperative that the campus grow tuition revenue through both the recruitment and retention of students in order to offset possible reductions in appropriated funding (see below).

Risk Category: Enrollment Management

Risk Event: Low enrollment or retention

Responsible Party: Provost and Vice Chancellor for Academic Affairs

Proposed Steps to Mitigate and Manage Risk: The enrollment and retention of students has been a primary focus at the Carbondale campus, and increased efforts in those areas are starting to show results. Total enrollment at the Carbondale campus was down 2.81% in fall 2020, compared to the prior fall. Decreases in the prior three years were 8.75%, 11.93%, and 8.96%, respectively. Looking forward to the 2021-22 academic year, each college has established enrollment goals, and staff are actively involved in meeting, or exceeding, those goals.

The retention rate for first-time, full-time, bachelor-seeking, on-campus students was 80.6% this year, an increase of over 5% from the prior year and a significant improvement from 61% in fall 2012. Improvements to the retention rate can be attributed to Living Learning Communities in the on-campus residence halls; continuously improving UNIV101, the freshmen orientation course; use of EAB Navigate, an early warning system; financial assistance with books and tuition; tutoring centers; academic peer associates; enhanced student engagement through internships and registered student organizations; and the First Saluki Center. These initiatives are ongoing.

Risk Category: Enrollment Management

Risk Event: Ineffective Financial Aid available

Responsible Party: Provost and Vice Chancellor for Academic Affairs

Proposed Steps to Mitigate and Manage Risk: SIUC is committed to ensure college affordability and has not increased tuition since fall 2018 and mandatory fees since fall 2016. In addition, in-state tuition is available for all 50 states. However, insufficient financial aid for SIUC students was noted as a concern by several respondents. There have been several new initiatives announced since July 2020 that address this concern. They are described below.

For fall 2021, the academic scholarship program has been revamped to eliminate the requirement for test scores and will use grade point average to determine eligibility. The academic scholarship program provides over \$10 million annually in total funding, ranging from the chancellor's scholarship (full tuition, mandatory fees, room and board for four years), University Excellence (\$5,500 to \$7,500 for four years), Saluki Gold (\$3,500 for four years), Saluki Silver (\$2,500 for four years) and Saluki Bronze (\$1,500 for four years). The interest and response to these scholarships has been high.

In addition, SIUC announced the new Saluki Commitment scholarships which provides tuition and mandatory fees at no cost to both new and transfer students who meet certain criteria. Students who qualify for Saluki Commitment with financial aid packages that do not completely pay for tuition and fees will be able to close the gap with these awards. Saluki Commitment is

part of the broader SIU System Commitment, an initiative supporting students across the SIU System.

Risk Category: Enrollment Management

Risk Event: Ineffective recruitment

Responsible Party: Provost and Vice Chancellor for Academic Affairs

Proposed Steps to Mitigate and Manage Risk: The recruitment of new students, at both the undergraduate and graduate levels, is essential to the future success of SIUC. Enrollment for fall semester 2020 was 11,366 students, a 2.81% decrease from the prior year. Although there was still an overall decrease, enrollment in the freshmen class increased by 324 students, or 31.24%, which indicates that the increased emphasis on recruitment efforts is working.

The Carbondale campus will soon begin a nationwide search for the position of Associate Chancellor for Enrollment Management, a position which became vacant in May 2020 after the resignation of the incumbent. The duties have been handled in the interim by the Provost and other staff. The appointment of a new permanent director of undergraduate admissions two years ago has resulted in a focused, cohesive effort aimed at the recruitment of students.

Faculty and other staff are also actively engaged in recruitment work. While events and contacts are primarily being conducted remotely due to the pandemic, the Chancellor, Provost, and admissions staff have conducted dozens of video meetings this fall with high school principals, guidance counselors and superintendents, in addition to video meetings with junior college staff. Open houses for prospective students are being conducted remotely and have been well attended. With 36 weeks remaining until the start of the fall 2021 semester, the number of undergraduate admissions is up 810 students, or 28%, compared to a year ago.

Risk Category: Academic Affairs

Risk Event: Insufficient faculty

Responsible Party: Provost and Vice Chancellor for Academic Affairs

Proposed Steps to Mitigate and Manage Risk: The drop in enrollment and continued financial challenges have resulted in a reduction in the total number of faculty positions, to 967 in fall 2020 from 988 in fall 2016. The lowest point was 902 in fall 2018. For fall 2018, there were no new tenure/tenure-track faculty hires. In both fall 2019 and fall 2020, SIUC hired about 20 new tenure/tenure-track faculty and plans to do the same in fall 2021. The salary budget for faculty hires is controlled by the Provost and Vice Chancellor for Academic Affairs and allocated in consultation with the deans. SIUC will continue to make strategic faculty hires to fill the greatest needs in areas of high student demand one of the highest priorities.

Risk Category: Infrastructure, Safety and Sustainability

Risk Event: Deterioration of buildings and other assets

Responsible Party: Vice Chancellor for Administration and Finance

Proposed Steps to Mitigate and Manage Risk: The deterioration of buildings and other physical assets continues to be a concern on the Carbondale campus, but positive funding developments resulted in some progress in the last year. During fiscal year 2020, the State of Illinois Capital Development Board (CDB) released Rebuild Illinois funding for the renovation and addition to the Communications building, an \$86 million project that was paused during 2015 due to lack of funding. Planning for the project resumed in February 2020 and is ongoing. The prioritized list of SIU capital projects also includes \$93.5 million for renovation of the Agricultural Sciences building.

In fiscal year 2020, the state of Illinois appropriated \$56 million to the Carbondale campus for capital renewal projects over a six-year period, with funding expected to begin in fiscal year 2021. No funding has been released as of the date of this report. When released, this funding will enable work on a backlog of deferred maintenance projects including classroom and laboratory renovations and repairs to electrical systems, steam tunnels, elevators, and exterior facades. The CDB has also funded emergency projects, including the replacement of roofs on four major campus buildings; emergency funding is expected this year for the replacement of water lines in the central campus area. In the absence of state funding, the campus has used a portion of the facilities maintenance fee to complete projects in critical areas.

In an effort to maximize the use of campus facilities and resources, a space committee has been formed to review and make recommendations for the optimum use of campus facilities. One goal is to vacate certain buildings which are nearing the end of their useful lives. This work has begun and will continue into fiscal year 2022.

SIU Edwardsville

SIU Edwardsville

Risk Events and Mitigation Efforts

Fiscal Year 2020

Risk Category: Technology

Risk Events: Disruption to operations due to physical inability to occupy campus & Disruption of operations due to inability to access network/system

Responsible Party: SIUE Information Technology Services (ITS)

Proposed Steps to Mitigate and Manage Risk: This risk survey was conducted during the current pandemic crisis and the resulting move toward remote business processes due to official pandemic response. The results appear to be qualitative responses based on the perception by each SIUE department with regard to the ability to conduct daily and critical business functions without physical location access. SIUE has maintained a continuity of operations plan (COOP) for several years, updated annually, which covers remote pandemic response. This plan was enacted in late spring of 2020. SIUE ITS planned COOP response included existing, and at need remote services upgrades such as VPN access, equipment dispersals, and remote meeting system expansions. Each department listed in the assessment has successfully implemented remote work and remote business processes for the duration and continuation of the pandemic COOP crisis timeline with little to no disruption in service. The COOP remote response also includes no disruption in inventory, technology acquisition review, or support by ITS. Specific onsite COOP response includes computer labs, classrooms, and computer classrooms that have been configured to operate normally, at reduced socially distanced capacities. Disinfectant spray, paper towels, and hand sanitizer have been placed in every space to allow faculty and students to self-clean their work areas. Access to these spaces has closely followed building pandemic access policies set by the campus.

Risk Category: Technology

Risk Event: Breach of data

Responsible Party: SIUE Information Technology Services; SIUE Executive Management; SIU System

Proposed Steps to Mitigate and Manage Risk: ITS Information Security monitors and scans for potential data breaches within the SIUE technology perimeter. Potential breaches are objectively investigated, reported, and perimeter weaknesses are remediated or mitigated as events. Events that deviate from routine support issues are evaluated as incidents and remediated or mitigated according to the ITS Incident Response Plan. The ITS Incident Response Plan is tested and updated annually. Any event outside of the standard deviations of routine support are investigated and documented according to plan process. Regulatory specific deliverables regarding breach prevention and response are mitigated by department through the general security controls of the SIUE security program and technical perimeter, outsourced, or administered in cooperation with ITS. The SIU System carries cybersecurity insurance that

covers all SIU campuses and is embedded in the incident response plan. Security awareness training is conducted annually and throughout the year at need. The SIUE security perimeter is based on a defense in depth strategy of assessment, best practices, policy and process development, prevention, internal and external testing, documentation, reporting, and remediation. SIUE ITS security controls and business processes are tested on an annual basis by SIU Internal Audit and Illinois State Legislative Audit.

Actual data breach determination, regulatory response, and notification are not within the purview of ITS and is at the discretion and interpretation of regulatory laws, rules, and guidelines by SIUE executive management, the SIU System, and SIU Legal.

Risk Category: Technology

Risk Event: Unable to meet needs

Responsible Party: SIUE Information Technology Services

Proposed Steps to Mitigate and Manage Risk: In order to ensure Information Technology Services provides sufficient technology to meet campus needs, several steps have been and will continue to be implemented. Current plans include replacing all servers and network equipment on a revolving basis to ensure a stable, strong, and secure server infrastructure; expanding an already strong virtual server environment; providing campus users easier access to their resources remotely; expanding a rigorous information security program; expanding penetration testing, risk assessments, incident response, and information security education; continuing scheduled efforts to replace equipment in smart classrooms and computer classrooms ensuring students have access to current equipment; expanding remote access to software for students; expanding wireless coverage across campus; continuing a 24/7/365 support model so our faculty, staff, and students can receive assistance regardless of time, date, or location, among many other initiatives. The pandemic has presented many challenges as we increase our campus capacity to work and learn from home; increase equipment availability to those in need; increase software license to include remote access; increase classroom flexibility and capabilities to include all curriculum circumstances be it on ground, remote, or a combination; increase classroom and lab safety by including sanitizing and cleaning supplies; and increase remote conferencing and meeting capabilities.

Risk Category: Academic Affairs

Risk Events: Insufficient program offerings & Insufficient faculty

Responsible Party: Provost and Vice Chancellor for Academic Affairs

Proposed Steps to Mitigate and Manage Risk: SIUE's program review process provides a systematic way to assess the quality of academic programs and identify resource needs. Every eight years each program performs a self-study that focuses on program performance, continuous program improvement, the identification of problems and solutions, and evidence of student learning outcomes. The self-study is reviewed by an internal review team composed of at least three faculty members. The Internal Review Committee provides an objective view on the quality of the program. The Committee reviews, analyzes, and writes recommendations. In

addition to the review of the self-study, the Committee conducts interviews of students, faculty, and administrators to gather additional information. They rate the program as exemplary, in good standing, or flagged for priority review. Draft reviews are distributed to the deans and chairs for feedback. The draft review and feedback/comments from the program are submitted to the Graduate Council Programs Committee. The Programs Committee rates programs as either in good standing, flagged for priority review, or enrollment suspended.

Following the review, the program director, dean, chair, Dean of the Graduate School and the Office of the Provost meet and discuss the program review. Appropriate action steps are discussed along with the need for any additional resources, which the Provost and Vice Chancellor for Academic Affairs will consider. Programs file an Interim Report at the halfway point in the program review. This report requires Programs to note progress made on the recommendations. This initiative is an ongoing effort.

SIU School of Medicine

SIU School of Medicine
Risk Events and Mitigation Efforts
Fiscal Year 2020

Risk Category: Governance

Risk Event: Failure to achieve strategic goals

Responsible Party: Dean and Provost, Associate/Assistant Deans, Department Chairs

Proposed Steps to Mitigate and Manage Risk: The School of Medicine recently engaged a consultant, Future Strategy Group, to assist in the development of a new five year strategic plan. A wide range of stakeholders were involved in the development of that plan and it was reviewed by the SIUC Chancellor and presented to SIU system leadership. The plan was available for comment and presented for feedback to a wide audience both within and outside of the School of Medicine. Although the current pandemic initially delayed the formal implementation of the new strategic plan, it is being used by leadership in the decision making process and will be an important tool in developing the FY2022 budget.

Risk Category: Technology

Risk Event: Disruption of operations due to inability to access network/systems

Responsible Party: Chief Information Officer-SOM, Associate Provost for Finance and Administration

Proposed Steps to Mitigate and Manage Risk: The SOM was the recent victim of a cyberattack, most likely originating from outside of the United States. The attack was quickly identified and shut down before sensitive data was compromised. The SOM implemented existing plans to notify cybersecurity vendor and system personnel to mitigate the attack. The SOM implemented additional identity verification software to mitigate future unauthorized access to technology systems.

Risk Category: Infrastructure, Safety and Sustainability

Risk Event: Deterioration of buildings and other assets

Responsible Party: Associate Provost for Finance and Administration, Executive Director for Capital Planning and Service Operations

Proposed Steps to Mitigate and Manage Risk: The SOM has struggled with a number of deferred maintenance issues and space constraints in teaching and conference space. The school recently hired a new Executive Director for Capital Planning and Service Operations (facilities) whose initial charge is to identify and prioritize routine maintenance issues, deferred maintenance needs and space utilization concerns. The SOM will develop a plan to address needs using operating expenditures where feasible and Capital Development Board (CDB) funds

when available. Issues concerning space constraints for teaching and conferencing activities will be addressed in long term space needs plans. We will continue to advocate for a new medical education building to help address those needs.

Risk Category: Academic Affairs

Risk Event: Insufficient faculty

Responsible Party: Dean and Provost, Senior Associate Dean, Associate Dean for Research, Basic Science Chairs

Proposed Steps to Mitigate and Manage Risk: SOM has experienced past budget reductions in some areas funded primarily from State of Illinois funds. This shortfall has left basic science departments with fewer faculty than in prior years. SOM leadership has reviewed the structure of those departments and is administratively consolidating certain functions to allow additional teaching resources to be hired for both the Carbondale and Springfield based departments.

Risk Category: Medical Facilities

Risk Event: Disruption of operations

Responsible Party: Chief Medical Officer, Chief Operating Officer SIU Healthcare, Chief Information Officer-SOM, Director of Telehealth Services

Proposed Steps to Mitigate and Manage Risk: The COVID19 pandemic has affirmed our need to have systems in place to deliver healthcare services on a virtual basis and allow for remote work options for employees. While SIU Medicine was able to quickly pivot to providing telemedicine services and remote work platforms, we have experienced inefficiencies due to technology needs. The School has committed resources to upgrade and replace certain telephone technologies. Those updated systems will be fully operational during calendar year 2021. The School is also evaluating updated telehealth platforms to allow providers and learners the capabilities to efficiently and securely provide healthcare services to our patients in an environment that also provides a meaningful experience for our learners.

Risk Category: Medical Facilities

Risk Event: Inability to obtain/retain sufficient medical staff

Responsible Party: Executive Director of Human Resources-SOM, Associate Provost for Finance and Administration

Proposed Steps to Mitigate and Manage Risk: SOM is in a competitive employment market, competing with large healthcare organizations and State of Illinois departments and agencies in the Springfield area. The school has historically experienced high turnover with certain employee groups primarily in the patient facing and back office support areas. In addition, SOM implemented a mandatory furlough program for most employees in response to the financial crisis brought on by the current pandemic. This has contributed to diminished employee morale. SOM will be negotiating a contract with our largest union, AFSCME, in 2021 and these issues will likely be discussed. SOM will be implementing revised processes in early 2021 to review

competitiveness of our total compensation package and address inconsistencies in job descriptions. Adjustments to make wages more competitive will be reviewed and adjusted as budget constraints allow.