Southern Illinois University System

Enterprise Risk Management Report (ERM)

Fiscal Year 2021

December 2021

Background and Risk Categories

Background
The University's Enterprise Risk Management (ERM) program, which is administered by the Office of the President, conducts regular assessments of risks which impact the University community, in order to evaluate whether risks are being sufficiently managed and mitigated. This report is compiled based on results from the Annual Risk Assessment Survey conducted by the Office of Internal Audit, Compliance and Ethics.

The survey is submitted to two different groups – the Board of Trustees and key administrators (BOT/MGMT) and department unit officers (UNIT OFFICERS). The BOT/MGMT survey results are compiled to determine the risk appetite and tolerance threshold for the risk categories. The tolerance threshold (average score) is the benchmark for comparing the survey results of the UNIT OFFICERS to determine if the perceived risk score is greater than the BOT/MGMT risk tolerance.

The results are shared with campus administrators who evaluate the results and identify the most significant risks within the categories that could impact the University's overall success. These risk are identified in this report and contain the campuses' proposed steps to mitigate and manage the risk.

Risk Assessment Categories
The following twelve risk categories have been identified as the most significant risks that could impact the University's overall success. Risk is an event or action/inaction that may adversely affect the institution and/or a unit's reputation and/or ability to achieve objectives and execute strategies successfully.

- Governance Risk
- Legal and Regulatory Risk
- Fiscal and Asset Management Risk
- Technology Risk
- Human Resources Risk
- Infrastructure, Safety and Sustainability Risk

- Academic Affairs Risk
- Student Experience Risk
- Enrollment Management Risk
- Research Experience Risk
- Athletic Operations Risk
- Medical Facilities Risk

For each risk category, the survey is designed to determine the perceived:

1. *Likelihood* (probability) of these risks occurring;

2. ***Impact*** to the University should the risk occur; and

3. ***Tolerance*** to the extent which responsible persons believe these risks to be mitigated.

SIU Carbondale

SIU Carbondale
Risk Events and Mitigation Efforts
Fiscal Year 2021

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 March 2021 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.

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. The level of state appropriations in fiscal year 2022 remained the same as in fiscal year 2021 and for the first time in many years, SIUC budgeted flat tuition revenues. SIUC was also able to include a 2% salary increase for all employees, with the increases for represented employees being bargained consistent with the terms of each collective bargaining agreement.

The state's public universities were asked again to submit budget scenarios for fiscal year 2023 in November. For the first time in many years, the requested scenarios do not contain a decrease. Stability in the state appropriation is critical to our financial planning as well as growing tuition through both recruitment and retention of students (see below).

Risk Category	Enrollment Management
Risk Event	Low enrollment or retention
Responsible Parties	Provost and Vice Chancellor for Academic Affairs & Associate Chancellor for Enrollment Management

Proposed Steps to Mitigate and Manage Risk:

The enrollment and retention of students continues to be a primary focus at the Carbondale campus, and increased efforts are helping us stem the tide of steady enrollment declines and turn the corner. After years of declines, our fall enrollment is essentially flat. Enrollment of new freshmen is up for the second year in a row, and we have made gains in new transfers and graduate students. Students are interested in SIU Carbondale, as evidenced from the 9,000-plus new student applications. This is the result of hard work from many people including faculty, staff, students and alumni. We were able to accomplish this despite the challenges of COVID. New student enrollment was up 4.5%; new transfer enrollment was up 3.5%; and graduate enrollment was up 1.38%. The most exciting news was that there was a 34% increase in students from the southern Illinois region. Looking forward to the 2022-23 academic year, each college, enrollment service, and student services area has established enrollment and retention targets, and staff are actively involved in meeting, or exceeding, those goals and have participated in a campus-wide professional development event led by the new Associate Chancellor for Enrollment and the Provost.

The retention rate for first-time, full-time, bachelor-seeking, on-campus students was slightly above 75%, 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 - by advising staff, 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	Insufficient aid available
Responsible Party	Associate Chancellor for Enrollment Management

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. The new

initiatives described last year, along with emergency resources from the Higher Education Emergency Fund, have been significant in addressing this concern.

For fall 2021, the academic scholarship program was revamped to eliminate the requirement for test scores and used grade point average to determine eligibility. This resulted in an increase of scholarships of 32.92% for freshmen and a 2% increase in scholarships for seniors to ensure that they graduate. 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 awarded 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. The new Associate Chancellor for Enrollment Management is working with the SIU Foundation to propose scholarships to support transfer students, whose current support is low or nonexistent for some groups.

Risk Category	Enrollment Management
Risk Event	Ineffective recruitment
Responsible Parties	Provost and Vice Chancellor for Academic Affairs & Associate Chancellor for Enrollment Management

Proposed Steps to Mitigate and Manage Risk:

Recruitment efforts for this fall have dramatically increased in target and focus. During the month of September, the Chancellor, Associate Chancellor for Enrollment Management, Director of Admissions, and Associate and Assistant Directors of Outreach and Transfer conducted over 20 personal visits to every high school and community college in southern Illinois called the *Southern Illinois Swarm*. The purpose was to reestablish contact with the primary feeder schools and identify

barriers or deficits in services to the area. During the month of October, approximately 45 staff, including faculty and deans, participated in the *Chicago Blitz* to reconnect with alumni and sign articulation and participation agreements with community colleges and the Chicago Public Schools to focus on increasing outreach and coordination efforts. In addition, the college sponsored on-campus bus trips from 9 schools in the area. During November, a similar focus, *Bringing Home the Heartland,* was shifted to central and western Illinois. Those efforts have led to a 13% increase in inquiries; a 25% increase in applicants; a 72% in actionable applicants; and a 74% increase of students who have been admitted to date.

Risk Category	Academic Affairs
Risk Event	Insufficient faculty
Responsible Party	Provost and Vice Chancellor for Academic Affairs

Proposed Steps to Mitigate and Manage Risk:

Due to the declining student enrollment and continued financial challenges emerging from the budget impasse [Fall 2015], there has been a steady decline in the total number of tenure-track faculty positions from 653 in fall 2016 to 549 in fall 2020. The lowest point was 533 in fall 2019 following no new tenure/tenure-track faculty hires in fall 2018. In fall 2019, we hired approximately: 20 new tenure-track faculty members, 30 more in fall 2020 and 20 more in fall 2021; and are in the process of hiring approximately 20 more for fall 2022. Fall 2020 shows a 3% increase from the year before.

Given the acute teaching needs that arise with the loss of tenure-track faculty positions, programs have pivoted toward hiring non-tenure-track faculty members to meet instructional needs. As can be seen in the table below, the number of total faculty members is 3.5% higher in fall 2020 than the year before and 8.9% higher than two years prior.

The salary budget for faculty hires has been under the purview of the Provost and Vice Chancellor for Academic Affairs and allocated in consultation with the deans. However, starting this July 1, 2021, faculty lines being vacated due to retirements/resignations are remaining in the colleges. The deans are determining the allocation of these lines following discussion with the Provost & Vice Chancellor for Academic Affairs.

SIUC will continue to make strategic faculty hires to fill the greatest needs in areas of high student demand being one of the highest priorities.

Semester	Tenure-Track Faculty	Non-Tenure-Track Faculty	Total Faculty
Fall 2016	653	701	1,354
Fall 2017	613	703	1,316
Fall 2018	559	722	1,281
Fall 2019	533	815	1,348
Fall 2020	549	847	1,396

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, a $96.5 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 $120.5 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, steam line and tunnel repairs, campus sewer line replacement and replacement of water lines in the central campus area. Emergency funding has been requested this year for the

replacement of electrical feeders, chilled water system upgrades, fire alarm replacement and life safety improvements. 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 was 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 2023. Another opportunity to reduce the deferred maintenance backlog is using the sale of university property which can now be earmarked for deferred maintenance and emergency repair of institutional property. Illinois amended the State Property Control Act to include these changes and it became effective on August 7, 2019. We are looking into possible properties that can be sold and used for deferred maintenance.

SIU Edwardsville

SIU Edwardsville
Risk Events and Mitigation Efforts
Fiscal Year 2021

Risk Category	Technology
Risk Event	Inability to meet technology needs of campus
Responsible Party	SIUE Information Technology Services (ITS)

Proposed Steps to Mitigate and Manage Risk:

In order to ensure ITS 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 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; and 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 detailed 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 (Committee) provides an objective and comprehensive view on the overall quality of the program. The Committee reviews, analyzes, and writes recommendations for continuous improvements. In addition to the review of the self-study, the Committee uses program data compiled by the Office of the Provost, including historic program enrollment data, survey results for faculty and students while also conducting interviews with students, faculty, and administrators to gather additional information. Based on this data, the Committee rates the program as exemplary, notable merit, satisfactory, immediate attention needed, or remediation required. Draft reviews are distributed to the deans and chairs for feedback. The draft review and feedback/comments, along with the complete self-study from the program, are submitted to the Graduate Council Programs Committee and the Curriculum Council of the Faculty Senate, respectively. The committees rate 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 outcomes of 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. The program review outcomes are further compiled in an annual report which is submitted to the SIU Board of Trustees as well as to Illinois Board of Higher Education (IBHE). An interim report is filed at the halfway point in the program review. This interim report requires the programs to note progress made on the recommendations. This initiative is an ongoing effort.

Risk Category	Medical Facilities
Risk Events	Patient care & Retaining staff
Responsible Party	SIUE Intercollegiate Athletics

Proposed Steps to Mitigate and Manage Risk:

In spring 2021, SIUE Intercollegiate Athletics went through an internal SIUE system audit. The findings of the audit concluded some corrective action is needed to help ensure that SIUE Intercollegiate Athletics sufficiently addresses the risks to its student-athletes relative to the athletic training unit.

The internal audit observations found that the current staffing level of the unit does not meet the recommended guidelines according to the *Recommendations and Guidelines for Appropriate Medical Coverage of Intercollegiate Athletics* as issued by the National Athletic Trainers' Association (NATA). These guidelines provide an assessment tool to help determine athletic medical coverage needs while taking multiple aspects into consideration such as the sports offered at the University; injury rates per sport; potential for injury based on the number of student-athletes per sport; length of the season; travel requirements; and administrative demands of the training staff. Based on this assessment, the current athletic training staffing needs of SIUE are approximately 7.2 FTE, while the unit is currently staffed at 5.75 FTE (consisting of four full-time trainers and four graduate assistants). To further support this issue, the results of the Control Environment Survey (issued during the planning phase of this review) contained comments from 25 different survey respondents that addressed the athletic training unit, and generally, expressed concern about the understaffing of athletic training and the effects this could have on the student-athletes. Several respondents noted the inability to staff a trainer at all team practices as a significant concern.

To compound the issue of the current staffing shortage, the education requirements to become a certified athletic trainer are scheduled to become more rigorous. Currently, a graduate with either a bachelor's or master's degree from a professional athletic training education program that is accredited by the Commission on Accreditation of Athletic Training Education (CAATE) is eligible to sit for the certification exam. However, the scheduled change will require all accredited certified athletic training programs to result in a master's degree. As for the timeline for compliance, the CAATE steps for becoming an athletic trainer notes that "Baccalaureate programs may not admit, enroll, or matriculate students into the athletic training program after the start of the fall term 2022." Since athletic trainers will have already earned their master's degree by the time they are eligible to sit for the certification exam, it is unlikely that there will be students

interested and/or eligible to be graduate assistants in the athletic training unit in the future. While SIUE Athletic Training is aware of these upcoming changes, a plan has not been developed to ensure continuity of athletic training coverage once the availability of graduate assistants to the unit becomes reality due to financial constraints.

If this risk is not mitigated, the inability to provide sufficient trainer coverage could be detrimental to student-athlete safety and could bring avoidable risk to the University. While increasing the expenditures to cover additional staffing may not be an easy feat, ensuring there is sufficient trainer staffing at practices and events could help to demonstrate the University's dedication toward the safety of student-athletes and could be instrumental in helping to reduce future risks.

In addition to the staffing issues, the audit also found that the University's main athletic training room in the Vadalabene Center does not have sufficient physical space to effectively rehabilitate student-athletes. Additionally, the location of the training room (on the second floor) is less than optimal as it is both difficult to access by injured athletes and further from competition areas in the Vadalabene Center. While the training equipment currently meets the medical needs of the unit, a plan for replacement should be considered due to the aging of certain equipment and technological advancements.

Turnover in the athletic training unit was expressed to be an issue that can be attributed to the long hours and demands of the role in conjunction with the low salary levels. For salary analysis purposes, we reviewed the average salary of the SIUE athletic trainers in comparison to a salary survey conducted in 2018 by the National Athletic Trainers' Association. Per this data, the average salary for survey respondents in the NCAA Division I – Professional Staff/Athletics/Clinic subset was reported to be $57,537. Each SIUE athletic trainer currently has an annual salary less than this average. The average annual gross salary of the full-time trainers at SIUE for FY20 was $45,314. The starting salary is $40,000. The survey also provided an average of the annual salary by age range of the employees. The comparison of this subset data to the SIUE employees' respective ages demonstrated that the current SIUE trainer wages were also lower than the average by the respective employee age categories.

Risk Category	Enrollment Management
Risk Events	Disruption of operations & Insufficient aid available
Responsible Party	Associate Vice Chancellor for Enrollment Management

Proposed Steps to Mitigate and Manage Risk:

The entire Enrollment Management unit functioned well during our move to 100% on-line operations COVID response. Disruption of operations was mitigated during COVID (for example) as staff worked well remotely and students were served without interruption. If university Information and Technology Services were not available or if student information systems were moved off-line we would be challenged to provide uninterrupted service to students. We do not have "paper" backups for most functions.

Please see above answer for mitigation of Disruption of Operations. We are prepared to adjust to any disruption other than complete failure of student information systems.

We provide less institutional aid per student based on our limited financial resources per IPEDS Illinois peer data. The SIU system is exploring the use of professional external financial aid leveraging expertise (through the RFP process) to maximize efficiency of the aid we have on hand and to maximize net tuition revenue for the institution. Lack of institutional aid is somewhat mitigated by our low sticker price however we do not have the resources available to reduce unmet need for African American males to $3,000 (for instance) in order to maximize their chance for persistence. Recent on campus machine learning analysis of unmet need identified this as a target initiative for increasing African American male retention. We do not have enough financial aid available to implement the initiative.

SIU School of Medicine

SIU School of Medicine
Risk Events and Mitigation Efforts
Fiscal Year 2021

Risk Category	Technology
Risk Events	Disruption of operations due to physical inability to occupy campus & Inability to meet technology needs of campus
Responsible Parties	Chief Information Officer-SOM & Associate Provost for Finance & Administration

Proposed Steps to Mitigate and Manage Risk:

The SIU School of Medicine recognizes the need for a robust, user friendly Business Intelligence (BI) tool to meet the data analytics needs of the organization. While some capabilities of BI do exist, they are not widely available to address information needs across the organization. To address this lack of capability, a BI department is being developed with new positions to lead and develop the BI function with the goal of getting useful data in the hands of decision makers at all levels of the School of Medicine (SOM).

Due to budgetary constraints, the SIU School of Medicine has lacked resources to acquire computers on a regular replacement cycle. This leads to certain departments using slower computers that give less reliable service and the resulting disruption of services. The SOM will prioritize Information Technology (IT) needs and resources to replace equipment on a more regular schedule as budgetary constraints allow.

Risk Category	Human Resources
Risk Events	Abuse of time or benefits Noncompliance with Human Resources rules & regulations Discrimination or harassment
Responsible Parties	Executive Director of Human Resources-SOM & Associate Provost for Finance and Administration

Proposed Steps to Mitigate and Manage Risk:

The SOM takes issues concerning abuse of time, non-compliance and discrimination/harassment very seriously. We have taken steps to implement an electronic timekeeping tool to increase

accountability of time away from work. Regarding non-compliance and discrimination/harassment, the office of Human Resources; Equity, Diversity, & Inclusion; General Counsel & Legal Affairs; and Compliance & Ethics have collaborated with SIU Carbondale leadership to develop new and update current policies, procedures, and education to assist with identifying and mitigating issues. We are also building our teams and taskforces around these issues to ensure transparency and accountability.

Risk Category	Infrastructure, Safety and Sustainability
Risk Event	Deterioration of buildings and other assets
Responsible Parties	Associate Provost for Finance & 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 (DM) needs and space constraints for teaching and conference programs. To better understand the funds needed to address these concerns, the SOM recently completed a study of DM needs across the Springfield campus using contracted architecture and engineering firms. The SOM has allocated resources to address DM issues as budgetary constraints have allowed and have updated our FY2023 RAMP (Resource Allocation Management Program) funding requests for other needs in a prioritized manner. Issues concerning space constraints for teaching and conferencing activities will be addressed in short and long term space utilization planning. We will continue to advocate for a new medical education building to help address those teaching and conference space constraints. We will consider alternatives for construction of a new outpatient clinic teaching facility to bring the Department of Psychiatry physically closer to the other teaching clinics.