

# Enterprise Risk Management Update

Board of Trustees  
Audit, Risk, and Compliance Committee

April 25, 2019



UNIVERSITY *of* NORTH CAROLINA WILMINGTON

# Significance of ERM

- Elevated designation of Doctoral University: High Research Activity
- Post Hurricane Florence
- External influences
- Compliance with UNC Policy 1300.7
  - All constituent universities must establish ERM Programs
  - Must include periodic updates to the Chancellor and Board of Trustees

# UNC Policy 1300.7 - University Enterprise Risk Management and Compliance

Each constituent institution shall establish an enterprise risk management process that aligns with the institution's programs, activities, and management systems and that supports the institution's strategic and other goals. The enterprise risk management processes established at each constituent institution shall include components and appropriate procedures for:

1. Identifying risks that impact the constituent institution's goals;
2. Developing plans to monitor and mitigate risks;
3. Providing periodic updates to the Chancellor and the Board of Trustees; and
4. Reporting significant enterprise risks to the President and, with the President's guidance, to the Board of Governors

adopted 03/04/2016

# Objectives

- Promote a university-wide culture of risk and opportunity awareness
- Provide a structured, consistent, and continuous risk assessment process
- Collaborate with risk owners to identify mitigations and assess impact of mitigations
- Report on strategic, financial, operational, compliance, hazard related, and reputational exposures to senior management and the Board of Trustees
- Continuous and steady forward progress



# Desired Outcomes

- More timely identification of risks
- Comprehensive examination of risks and mitigations
- Allow time to assess effectiveness of mitigation strategies
- Assist with informed decision making at various times throughout the year
- Support and inform other planning processes
- ERM viewed as an enabling process



# Moving forward

- No suggested changes to Board reporting through the ARC Committee
  - January - Annual update
  - July - Mid-year review
- Reports will cover risks and mitigations
- Risk prioritization will continue to be based on probability of occurrence and severity of impact

Questions?