

STATE BOARD FOR COMMUNITY COLLEGES AND OCCUPATIONAL EDUCATION

December 14, 2022

TOPIC: Colorado Community College System (CCCS) Risk Assessment Update

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RELATIONSHIP TO THE STRATEGIC PLAN: All Aspects

EXPLANATION:

Risk Assessment Overview

Annually, CCCS updates this risk assessment to capture any new key risks as well as to update risk mitigation plans to reflect progress made and to document new activities. This completes the seventh system-wide risk assessment process with results reported to the Board. As part of this update, functional groups across the System were given the opportunity to add, reprioritize, and reword risks. In addition, the Strategic Oversight Committee (comprised of five college presidents and executive staff) as well as the Audit Committee reviewed these risks. Overall, the risks identified in 2022 aligned with the risks presented to the Board in December 2021; however, there were some enhancements to previously identified risks and additional focus on certain risks due to the COVID-19 pandemic.

Updates to 2021 Top Risks

The top risks identified in the 2022 risk assessment are included in the attached 2022 Risk Assessment to Strategic Plan Key Performance Measure Map. Risks shaded yellow with an asterisk (*) were updated or changed from the 2021 risks.

One new “Failure to adapt to the Changing Higher Education Model” risk was added to the risks presented to the Board in December 2021.

- Risk of the ability to sustain and implement key initiatives like Colorado Online, Colorado Skills Institute, Rural College Consortium etc. given the many changes and uncertainties in the post-pandemic world including changes to student and employee demographics and expectations

The following risks were removed from the “Failure to adapt to the Changing Higher Education Model” risks presented to the Board in December 2021 as they were addressed in other risks.

- Immediate and long-term impacts from the COVID-19 pandemic
- Looming budget crisis for higher education and at the State

Several 2021 top risks were updated as highlighted in the Updates to 2021 Top Risks Appendix. Updates were made to clarify risks and emphasize the change in the job market, increases in one-time funding, and the high opportunity cost of higher education.

Most Significant Risks

During the 2022 risk assessment, the Strategic Oversight Committee identified the most significant risks facing the Colorado Community College System. The most significant risks identified are included in the attached 2022 Risk Assessment to Strategic Plan Key Performance Measure Map. The most significant risks are bold and include a hat (^) symbol. The risks are summarized below.

- **Dynamic Environment**
 - Risk of the ability to sustain and implement key initiatives like Colorado Online, Colorado Skills Institute, Rural College Consortium etc. given the many changes and uncertainties in the post-pandemic world including changes to student and employee demographics and expectations
 - Difficulty sustaining effective operations in a time of instability and ongoing change related to external challenges such as COVID, social unrest, climate change, etc. coupled with a decline in public confidence in higher education
- **Constrained Resources Coupled with Increasing Regulatory Requirements**
 - Risk that current staffing levels will not support the increasing demands of the volume of work and that the System will not have the financial capacity to staff appropriately or be proactive
 - Risk of resource limitations, organizational structures and cultures affecting our ability to effectively design, deliver and maintain programs through multiple modalities that meet changing employer and student needs and preferences
- **State Funding**
 - Risk of insufficient and variable state and tuition funds to fulfill and sustain our mission
- **Demographic Shift Leading to Increased Competition**
 - Increased difficulty sustaining enrollment and remaining competitive with other public and private higher education institutions, particularly online, and in the job market

- Risk of inability to manage enrollment, increase application yields, and predict and strategically compensate for dramatic enrollment variances
- **Personnel**
 - Risk of insufficient pay and benefit packages to retain well-trained and high performing employees and attract quality applicants, including diverse applicants, due to a tight labor market and competition with private sector and other institutions of higher education

Updates to 2021 Risk Mitigation Plans

Each of the top risks were previously mapped to strategic plan key performance measures or a risk mitigation plan. The light blue shaded risks in the attached 2022 Risk Assessment to Strategic Plan Key Performance Measure Map were mapped to one or more strategic plan key performance metrics. The specific key performance metric is listed in the “Strat Plan Mapping” column. The risks highlighted in pink were addressed through risk mitigation plans.

There are currently four risk mitigation plans:

- Safety and Security
- Financial Aid
- Compliance with Program and Regulatory Requirements
- Information Security

Progress on each of the four risk mitigation plans was assessed during the annual risk assessment, and plans were updated to reflect new and completed activities. The 2022 Risk Mitigation Plan Highlights Appendix includes details about each risk mitigation plan. The Safety and Security Plan includes hazard vulnerability reviews, a virtual operations center, and continued training. Financial Aid is adding a position to better support the colleges and completed a project to align courses to a program of study. The System continues to improve accessibility of online courses. Audits and training over the Higher Education Emergency Relief Funds have occurred to improve our compliance with those requirements. Lastly, improvements to cybersecurity monitoring have occurred and an external cybersecurity audit is planned for this year.

RECOMMENDATION:

This is an annual report to the Board and does not require Board action.

Handouts:

2022 Risk Assessment to Strategic Plan Key Performance Measure Map
 2021 Risk Assessment to Strategic Plan Key Performance Measure Map
 Updates to 2021 Top Risks Appendix
 2022 Risk Mitigation Plan Highlights Appendix