

A red brick wall with large white 3D letters spelling '2025' and snow-covered branches in the foreground.

Chief Compliance and Risk Officer Report January 2025

Focus on Enterprise Risk Management

Sharyl Kammerzell



Enterprise Risk Management Program

First scored register in 2022

2024/25 scoring process:

- Review each risk with risk owner, update all information
 - Risk Name
 - Risk Description
 - Risk Owner/Executive Owner
 - Current Controls
 - Gap Analysis
 - Risk Treatment and Metrics
 - Risk Status and Resource Allocation
- Invite system, campus, college, faculty, staff leadership to score
- Review scores with Risk Management Executive Committee and finalize





Scoring Risks in Origami

Assessing - 365-Enrollment Trends

Likelihood: * ⏴

Value	Description
Very unlikely (1)	1 - Very unlikely in next 2 years
Unlikely (2)	2 - Unlikely in the next 2 years
Likely (3)	3 - Likely in next 2 years
Very likely (4)	4 - Very likely in next 2 years
Certain (5)	5 - Certain in next 2 years or happening now

Impact: * ⏴

Value	Description
Very Little (1)	1- Very Little
Minor (2)	2 - Minor
Moderate (3)	3 - Moderate
Major (4)	4 - Major
Critical (5)	5 - Critical

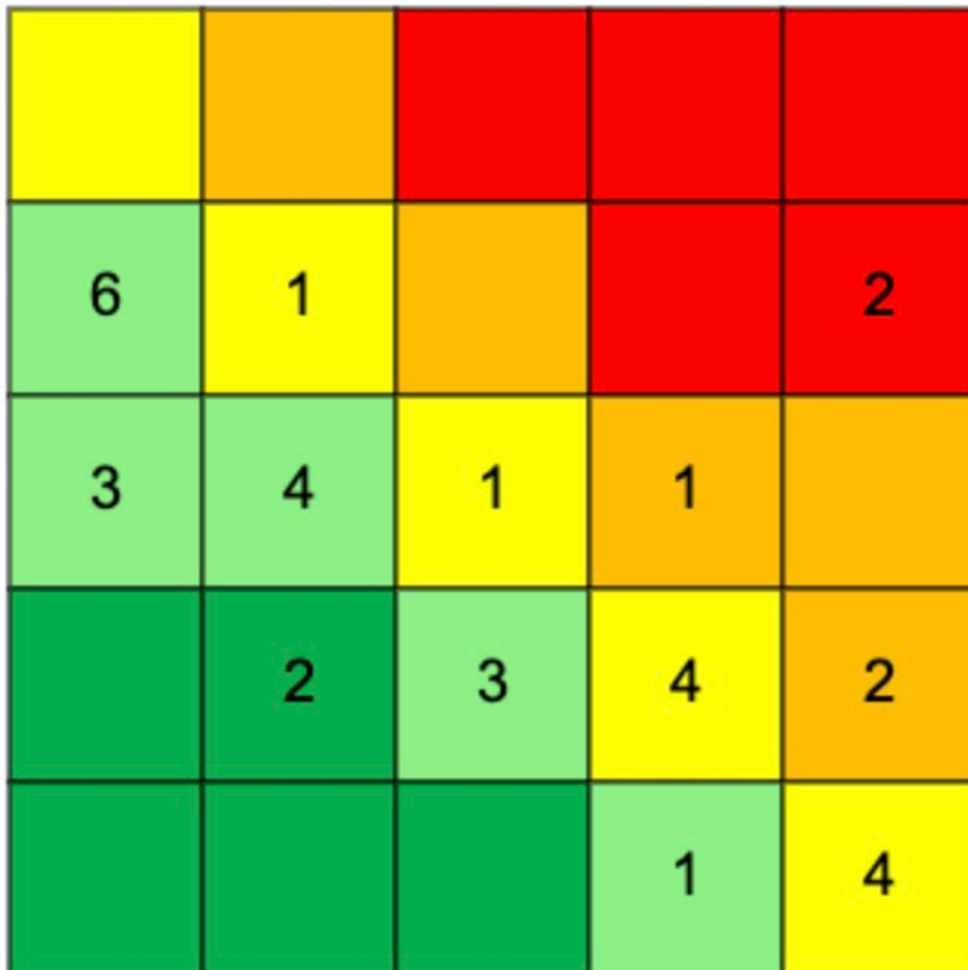
“Scoring enterprise risks is crucial because it allows organizations to objectively compare, prioritize, and effectively manage different risks by assigning a numerical value based on their potential impact and likelihood of occurrence, which helps decision-makers allocate resources efficiently to mitigate the most critical threats to the business.”

Google AI



All Risks - 34 Total

Heat Map for Residual Score

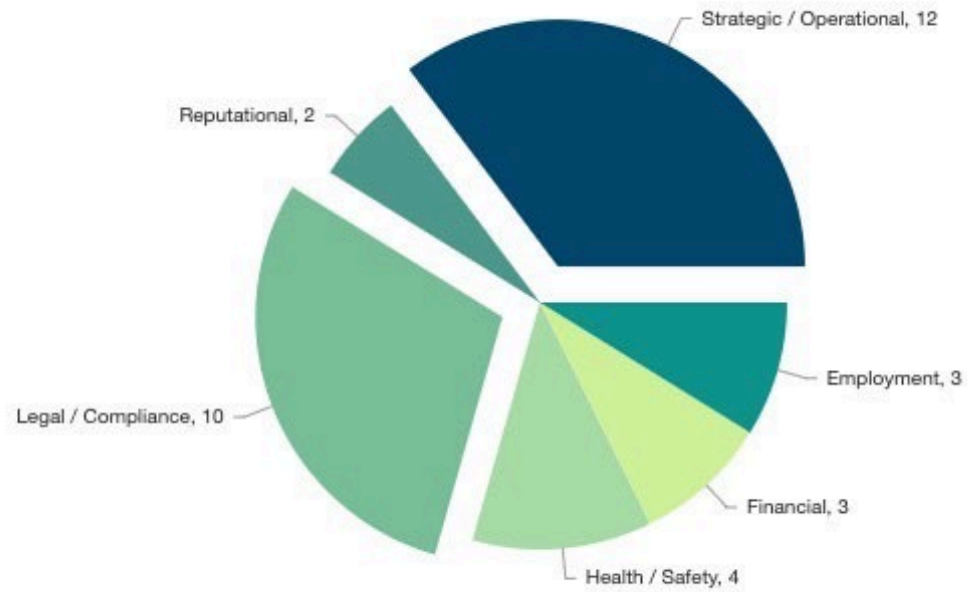


The objective of enterprise risk management is to develop a holistic, portfolio view of the most significant risks to the achievement of the entity's most important objectives. . . ERM seeks to create a top-down, enterprise view of all the significant risks that might impact the strategic objectives of the business.

<https://erm.ncsu.edu/resource-center/what-is-enterprise-risk-management/>

All Risk By Category

Strategic
Legal
Health Safety
Financial
Employment
Reputational



Risk Number	Risk Name	Risk Description	Risk Category	Risk Status	Residual Score	Residual Rating
365-00011	Climate Change	Climate change presents a significant risk and challenge system wide to op... >>	Strategic / Operational	Active	8.14	Medium-Low
365-00018	Enrollment Trends	1) Experiencing annual consecutive enrollment declines and projected future... >>	Strategic / Operational	Active	23.03	High
365-00029	Robust and Timely Financial Reporting	Timely financial reporting is essential for maintaining transparency, compl... >>	Strategic / Operational	Active	10.08	Medium-Low
365-00041	Strategic Communications	This risk has both an internal and external component. WSU is not currently... >>	Strategic / Operational	Active	11.73	Medium
365-00051	Graduation rates	WSU has static 4 year/6 year graduation rates for first time freshmen; stat... >>	Strategic / Operational	Active	12.74	Medium
365-00079	Cyber Security	"The Cybersecurity risk category comprises multiple interrelated sub-risks ... >>	Strategic / Operational	Active	17.22	Medium-High
365-00119	IT Governance & Institutional Oversight	1. Lack of IT Governance and Institutional OversightInsufficient institutio... >>	Strategic / Operational	Active	12.67	Medium
365-00145	Town & Gown Relationship	An important element of WSU's mission is to establish and maintain strong r... >>	Strategic / Operational	Active	5.11	Low
365-00156	System Transition	The transition to a unified system has posed significant strategic, operati... >>	Strategic / Operational	Active	10.24	Medium-Low
365-00158	Data Governance & Institutional Oversight	The lack of robust data governance and institutional oversight presents a s... >>	Strategic / Operational	Active	11.59	Medium
365-00159	International engagement & delivery of education a... >>	These issues pose significant risks because low international student enro... >>	Strategic / Operational	Active	8.45	Medium-Low

Risks

Risk Category is equal to Legal / Compliance and Is Inactive is false or empty and Risk Status is equal to Active
 [Edit Criteria](#)
[Edit Columns](#)
[Save](#)
[Add to Dashboard](#)

Risk Number	Risk Name	Risk Description	Risk Category	Risk Status	Residual Score	Residual Rating
365-00009	Governance/Leadership	Not performing fiduciary duties charged to the Board of Regents. Nonperform... >>	Legal / Compliance	Active	9.83	Medium-Low
365-00048	Accreditation	Accreditation is conferred by the US Department of Education (USDE) through... >>	Legal / Compliance	Active	8.57	Medium-Low
365-00066	Employee Separations	"Ongoing risk of complaints, claims, or lawsuits being filed against WSU by... >>	Legal / Compliance	Active	8.49	Medium-Low
365-00068	Employee Professional Development and Training	Ensuring employees receive required training to perform work successfully a... >>	Legal / Compliance	Active	7.54	Medium-Low
365-00085	Research Compliance	Research projects involving humans, animals, bio-materials (biologics and s... >>	Legal / Compliance	Active	7.76	Medium-Low
365-00090	Intellectual Property Management	Failure to disclose or report in a timely manner, depending on the funding ... >>	Legal / Compliance	Active	5.74	Low
365-00110	Regulatory and Legal Compliance (non-Title IX)	Risks involving noncompliance with federal, state, and local regulations (o... >>	Legal / Compliance	Active	9.16	Medium-Low
365-00126	Research Integrity	Research integrity encompasses a broad spectrum of principles and practices... >>	Legal / Compliance	Active	7.88	Medium-Low
365-00128	Research Grants Management (non-financial)	The federal government establishes a comprehensive set of regulations gover... >>	Legal / Compliance	Active	6.73	Medium-Low
365-00163	Civil Rights Compliance	Risks involving noncompliance with federal and state civil rights requireme... >>	Legal / Compliance	Active	10.08	Medium-Low



2025 Top Risks

New Rank	Risk Name	2024	2023	2022
↔1	Enrollment Trends	(1)	(1)	(1)
↔2	Financial Sustainability	(2)	(7)	(6)
↑3	Cyber Security	(9)	(4)	(10)
↓4	Athletics and Pac-12 Transition	(3)	(6)	(17)
↑5	Faculty and Staff Morale	(6)	(new)	(n/a)
↓6	Sufficient University Physical Infrastructure	(4)	(8)	(7)
↓7	Employee Recruitment and Retention	(5)	(3)	(12)
↑8	Graduation Rates	(16)	(<20)	(<20)
↑9	IT Governance & Institutional Oversight (new top 20)	(<20)	(<20)	(<20)
↑10	Effective Financial Management	(15)	(17)	(5)
↑11	Labor Relations	(13)	(n/a)	(n/a)
↑12	Strategic Communications (new top 20)	(<20)	(<20)	(<20)
↑13	Data Governance & Institutional Oversight	(14)	(13)	(8)
↑14	Student Behavior, Wellbeing and Access to Health Care	(17)	(19)	(15)
↓15	Political Climate & Attendant Social Change	(7)	(12)	(3)
↑16	Artificial Intelligence (AI)	(18)	(new)	(n/a)
↑17	Campus and Workplace Safety (new top 20)	(<20)	(<20)	(<20)
↓18	System Transition	(11)	(5)	(2)
↔19	Diversity, Equity, Inclusion	(19)	(11)	(13)
↓20	Robust and Timely Financial Reporting	(12)	(n/a)	(n/a)
↓20	Civil Rights Compliance	(10)	(10)	(9)

United Educators Top 10 Risks of 2024 (survey response from 194 colleges and universities)

1. Enrollment
2. Data Security
3. Operational Pressures
4. Recruitment and Hiring
5. Regulatory and Legal Compliance (Non Title IX)
6. Facilities & Deferred Maintenance
7. Student Mental Health
8. Funding
9. Public Safety
- 10.* General Premises Safety
- 10.* Title IX
- 10.* Political and Societal Pressures

* Three risks tied for 10th.
<https://www.ue.org/risk-management/enterprise-risk-management/top-risks-report/top-risks-report-2024.pdf>



Risk Relationships

“Washington state faces a budget shortfall of at least \$12 billion over the next four years. Measured in dollars, this is the largest budget deficit in state history.”

Governor-elect Bob Ferguson, Budget Priorities

<https://governor.wa.gov/news-media/2025/gov-elect-ferguson-announces-budget-priorities-including-4-billion-reduced-spending>



How are we doing?

Risk Management Functional Activity Map



Source: Gartner
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“KPMG’s global survey of 400 executives reveals that their top priorities for the next few years are adapting to new risk types and adopting advanced analytics and AI. As organizations align risk management with strategic objectives, closer collaboration across the enterprise will be essential.”

<https://kpmg.com/us/en/articles/2024/future-risk>”