

ENTERPRISE RISK MANAGEMENT POLICY

Division: Finance and Management**Responsible Office:** Finance and Management**Date Established:** 05/10/2022**Date Last Revised:** 08/24/2026**Date Posted to Library:** 05/23/2022

POLICY SUMMARY

This policy provides a coordinated approach by Buffalo State University ('BSC') and its management to proactively identify, evaluate, and mitigate potential risks at BSC. This policy will guide review of risks and contingencies identified to help inform the prioritization of resources across the institution.

POLICY STATEMENT

The University's Enterprise Risk Management (ERM) program promotes and strengthens a risk-aware campus culture. This aids leadership and key stakeholders by informing institutional priorities and alignment of resources. The program is intended to be an ongoing tool which management can use both to gauge existing and emerging risks across the institution and offering compliance mitigation avenues.

The purpose of this policy is to define the program that accomplishes the following:

- Facilitate the consideration of all aspects of internal and external risk factors including legal, operational, and regulatory requirements, and contractual obligations.
- Align risk management in the context of the university's strategic objectives to ensure the implementation and continuous maintenance of the campus enterprise risk management system.
- Establish criteria to evaluate, process, and monitor possible risks campus wide.
- Develop benchmarking tools to measure and report risk mitigation accomplishments.
- Develop criteria for routinely assessing resources needed to assist in managing risk factors.
- Oversee risk management activities to ensure they are being conducted and implemented in a controlled environment.
- Ensure accountabilities and responsibilities are assigned at the appropriate levels within the university.
- Assess and manage resource allocations for risk management campus wide.
- Promote a campus-wide risk-aware culture through a robust communication effort.
- Review and revisit risk management contingency plans regularly to ensure processes are appropriate to manage emerging risks/opportunities.
- Establish the proper channels for updating key stakeholders of significant changes (i.e., organizational structure, personnel, processes, technology, etc.)

DEFINITIONS

Risk:

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The university may face internal and external influences that may impact our ability to achieve stated strategic objectives. The effect that this uncertainty has on our objectives is called “risk” and can be either positive or negative.

Enterprise Risk Management:

A coordinated activity of identifying, evaluating, controlling, and monitoring BSC’s risks with the purpose of creating and protecting assets.

Risk Mitigation:

The process of identifying, assessing, prioritizing, and controlling defined risks or threats to minimize the probability or impact of such risk on the university’s enterprise.

Stakeholder:

A person or group that could be positively or negatively impacted by a decision, project, policy, activity, or organization.

Risk Assessment:

The process of identifying potential hazards and analyzing possible outcomes, should such hazard occur.

SCOPE & PURPOSE

The University's Enterprise Risk Management program is consistent with [SUNY's Enterprise Risk Management Program Policy](#).

RESPONSIBILITIES

The risk management structure below is intended to facilitate all planning, executing, managing, tracking, and improvement measures to accomplish the University’s stated ERM and Internal Control goals and objectives.

Presidential Level

The President is charged with providing risk guidance to key leadership stakeholders to ensure that all potential strategic, operational, financial, reputational and compliance risks are effectively managed in the following:

- Encourage and promote institutional cultural changes in support of ERM and IC program.
- Review and approve strategic recommendations from the ERMO regarding the development and implementation of the ERM program to include institutional-wide ERM policy; risk methodology and philosophy; as well as development and identification of contingency plans to respond to threats or opportunities that could sufficiently impact the University’s strategic objectives and operations.
- Analysis and approval of all ERM progress reports and risk factors identified by the ERMAC.

Enterprise Risk Management Officer (ERMO)

Similar to the University Internal Control Officer (ICO), the University Enterprise Risk Management Officer (ERMO) is a Cabinet level position responsible for implementing and

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monitoring the University's Enterprise Risk Management and Internal Control Programs, identifying weaknesses, and taking necessary corrective actions to mitigate potential risk.

The Enterprise Risk Management Officer is charged with overseeing the University's ERM and Internal Control risk management process and approving risk designation and mitigation strategies. The ERMO will serve as the Chief Facilitator for the Enterprise Risk Management Advisory Committee (ERMAC).

The ERMO's primary duty is to receive and review various strategic recommendations from the ERMAC and provide such recommendations to the President for further review and consideration. The ERMO is responsible for categorizing and prioritizing recommendations from a global perspective (i.e., threats or opportunities) that could sufficiently impact the University's strategic objectives and goals. The President shall have the final discretion and authority to approve or deny any recommendations made by the ERMO.

The ERMO shall:

- Establish, demonstrate, and maintain competence in the requirements, methods, processes, and standards set forth and referenced by this policy.
- Support the University's ERM and IC goals.
- Promote a risk averse culture throughout the campus community.
- Oversee the Enterprise Risk Management Advisory Committee (ERMAC) quarterly meetings.
- Review the risk contingencies recommendations that come from the university's Strategic Resource Planning Process, and report any emerging risks related to enrollment, pandemic response, human resources, health, and safety, etc. to the President.
- Create a gap analysis or "need assessment" to be used to identify performance gaps in policies, processes, technology, and strategies, and determine how to bridge those gaps going forward.
- Liaise between senior leadership and the campus community.

Enterprise Risk Management Advisory Committee (ERMAC)

The ERMAC is endorsed by the President and plays a key role in the University's enterprise risk management process. The committee shall meet on a quarterly basis and is chaired by the University's ERMO. ERMAC membership is comprised of individuals with leadership roles across the University, including Associate Vice Presidents, Deans, and divisional Directors. The Chair shall assess existing committee structure periodically recommend to the President any appropriate changes. The committee shall meet quarterly and meet at least one time per semester, and more frequently as deemed necessary.. The chair may establish a sub-committee to address a specific task or area that requires further detailed work within the overall scope of the ERM committee. The subcommittee membership may include subject matter experts (SME).

The committee is primarily charged with reviewing, prioritizing, and communicating risk mitigation efforts from a global perspective to develop best practice and/or industry standards.

The committee shall manage the following:

- Identify, prioritize, manage, review, and drive effective communication of risk factors and mitigation efforts from and to their respective areas.

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- Promote a risk averse culture throughout the campus community and in their respective areas.
- Promptly notify the ERMO of any potentially critical and immediate risk challenges.
- Assess risk impact from departmental and program specific levels of various business units, processes, and assets throughout the campus.
- Support the University's ERM and IC goals.
- In collaboration with the ERMO, the ERMAC may design specialized contingency and recovery plans.
- Frequently review strategic recommendations to ensure adjustments are promptly incorporated to correspond with changing landscape (i.e., funding, risk emergence, etc.).
- Provide strategic direction to the University's risk and internal control program in the course of implementing any strategic action plans.
- Craft and align high-level response plans with the University's strategic objectives, risk philosophy and resources (budgetary or human capital), to tackle immediate and projected risks and/or opportunities campus wide.
- Develop a Responsible Party (RP) document utilized to designate key stakeholders and/or departments in charge of addressing crucial institutional risk inventory and/or opportunities portfolio at the departmental levels.
- Develop semi-annual ERM and IC progress reports to be provided to the ERMO for review and submittal to the President.

The ERMAC shall evaluate its performance on an annual basis based on the responsibilities defined in its charter and report to the President on the outcome of the evaluation.

University Risk Mitigation Coordinator (CRMC)

Similar to SUNY's Internal Control Coordinator (ICC), the role of the University Risk Mitigation Coordinator (URMC) is to improve the communication and relationship between the ERMAC and ERMO through specific risk management goals, deliberations, and action items which are mutually established and periodically reviewed by the affected committees.

With the assistance of the University Internal Control Coordinator and the Compliance Designee (i.e., the Campus Risk Liaison – CRL), the ultimate goal of the URMC is to eliminate undesirable duplication of efforts and, where committee's interests converge, to provide an efficient means to link their efforts for more productive outcomes.

The URMC shall:

- Monitor and evaluate the university's overall risk management program
- Support the University's ERM and IC goals.
- Promote a risk averse culture throughout the campus community.
- Oversee the development of risk management performance metrics and targets.
- Support and coordinate the implementation of campus wide risk mitigation.
- Monitor, identify, and report on changes in risk structures and circumstances.
- Work with both the ERMO and ERMAC to design departmental risk priorities with committees in developing the campus risk management policy and periodically review policy to ensure it is current.
- Monitor the implementation of specific strategic projects throughout the enterprise.

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- Collaborate with the ERMAC to prepare various risk assessment outcome reports for review and consideration by the ERMO.

Campus Risk Liaison (CRL)

The CRL is charged with supporting the CRMC regarding all aspects of the ERM and IC programs. The CRL works directly with the CRMC to ensure the campus risk management systems are functioning according to established SUNY and campus policies and procedures.

The CRL assist the CRMC in ensuring all identified weaknesses and required corrective action directives are followed accordingly. The CRL works directly with department heads to thoroughly evaluate and manage daily operational risks when developing or implementing new programs, services, or projects. The CRL closely monitors and documents the campus internal control structures and policies to ensure they align with SUNY's approved control objectives and risk management methodology.

Individual Faculty and Staff

It is the responsibility of each faculty and staff member to understand and adapt the University's risk management plan into their immediate work areas and processes wherever possible, and to identify any new risk factors and report them to their supervisor.

Each faculty and staff member should do the following regarding the ERM and Internal Control Program:

- Adopt a risk assessment and management culture.
- Understand potential risk associated to their roles, and their responsibility for managing such risk.
- How risk management is instrumental to the overall success of the University's strategic plan.
- How risk management can help them achieve their respective individual goals and objectives.
- How their adaptation of a risk-aware and risk averse culture can contribute to continuous improvement of university operations.
- Their responsibility to report in a systematic and timely way to their supervisor any perceived new or emerging risks and any near misses or failures of existing control measures.

APPLICABILITY

This policy applies to all employees of Buffalo State University.

APPENDIX/AUTHORITY

[SUNY's Enterprise Risk Management Program Policy.](#)

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