

2019-2021 Biennium Internal Budget Proposal Narrative

Division: Business & Financial Affairs

Evaluation Criteria: Proposals will be evaluated on every aspect of this template. It is highly recommended that the narrative portion touch on each area. Proposals forwarded to UPRC by unit leaders will be discussed at UPRC and authors are encouraged to attend so that they may answer questions and provide clarification.

Enterprise Risk Management and Compliance Initiative

- This is a revised version of a previously submitted budget proposal.
If box is checked please briefly outline any significant changes and/or indicate why it is being resubmitted.

[Click here to enter text](#)

Statement of Purpose: *(What is the challenge or opportunity being addressed? How does the proposal address this challenge or opportunity? Limit response to 1 page – please link to any existing reports, data, supplemental materials, etc.)*

This position is necessary to support the continued development and implementation of the University's ERM and compliance programs.

Anticipated Outcome(s):

The successful development and implementation of the University's ERM and compliance programs aligns with the Board of Trustees (BOT) objectives, and will support the University's ability to achieve its strategic plan, including its current and anticipated growth.

ERM will improve the University's governance, decision-making, planning and budgeting processes and reduce risk. Leadership is responsible for achieving the University's strategic plan will find that risk is an unavoidable part of the decision-making process and that risk-taking should be informed and intentional, which is an important outcome for ERM.

Higher education is one of the most regulated industries in the nation where requirements are continuously increasing and changing, creating a challenge for institutions with limited resources. A mature compliance program focuses on following requirements, detecting and correcting non-compliance, and mitigating the risk of penalties, litigation, or other action such as investigations. The recent challenges faced by the University regarding compliance with the Clery Act, Health Insurance Portability and Accountability Act (HIPAA) and Title IX shows a need for a mature compliance program.

Metrics: *(How will outcomes be measured? Please include current data points and goals. If this proposal will have any impact on the [Overall Metrics](#) included in the university's strategic plan, please indicate which specific ones here.)*

Satisfaction of BOT objectives, and monitoring of the University's key enterprise risks and enhancing the compliance program in support of the University's strategic plan and budgeting process.

How does this proposal align with your departmental/divisional strategic priorities? *(Please reference specific items from the recently completed departmental/divisional strategic plan and attach a copy.)*

- BFA: Develop, support, and empower BFA teams and staff (including RCPS) to achieve excellent status.
- BFA: Continually improve and innovate business practices and systems.
- RCPS: Deliver advice and services that effectively helps resolve client problems and concerns.

How does this proposal support the University Mission and Strategic Objectives? *(Please refer to the [2018-2025 Strategic Plan](#) and indicate which core theme(s) this proposal will help achieve.)*

Supports the value of integrity, responsibility and accountability in all our work.

What are the consequences of not funding this proposal?

Not funding this proposal will hinder the successful development of ERM and the University Compliance Program. As such, the University may be less prepared to address high-priority risks that may challenge its ability to realize its mission and strategic plan. With respect to the compliance program, higher education institutions are regularly in the news for compliance violations with substantial financial penalties, and potential liability. Not funding this proposal places the University at potential risk of similar non-compliance consequences.

What alternatives were explored?

Explored the possibility of expanding the responsibilities of the current staff in RCPS to accommodate the expansion and growth of RCPS services. However, the existing workload of RCPS staff is already exceeding capacity. There is no room for current staff to absorb these additional responsibilities.

Which units (departments, colleges, etc.) will be involved?

All departments that have operational and enterprise risk management needs, and regulatory and policy compliance efforts.

Equipment needed:

None

For major (>\$25k) purchases, please provide the following information.

Item:

Click here to enter text

Purpose:

Click here to enter text

Cost:

Click here to enter text

Anticipated Useful Life:

Click here to enter text

Replacement Cost if any:

Click here to enter text

Human Resources (Complete the table below adding additional rows if necessary):

<i>Position Title</i>	<i>Total Headcount</i>	<i>Total FTE</i>	<i>Salary and Benefits per FTE</i>	<i>Total Cost</i>
<i>Risk Management Compliance Specialist</i>	<i>1</i>	<i>.5</i>	<i>\$55,396</i>	<i>\$55,396</i>

Table above should match data on budget spreadsheets submitted with this proposal. Complete the spreadsheet to get salary, benefit, and total cost amounts. Contact your division budget officer with questions.

Operating & Maintenance Costs (include service contracts, installation costs, etc.):

FY20

Operating expenses \$1,500

Space Requirements:

What type of space is needed for this proposal? (e.g., private office, lab space, group work/study space, etc.)

Office

What features must this space have? (e.g., fume hoods, plumbing, 3-phase power, etc.)

Click here to enter text

What needs can be accommodated within your existing space?

Click here to enter text

How much new space will be required?

Click here to enter text