

Table 1: Risk Categories

Category	Description
Compliance & Legal	Risks related to violations of federal, state or local law, regulation, or university policy, that create exposure to fines, penalties, lawsuits, reduced future funding, imposed compliance settlements, agency scrutiny, injury, etc. Consider both organizational and personal liability for RIT senior leadership.
Financial	Risks related to physical assets or financial resources, such as: tuition government support, gifts, research funding, endowment, budget, accounting and reporting, investments, credit rating, fraud, cash management, insurance, audit, financial exigency plan, long- term debt, deferred maintenance.
Reputational	A threat or danger to the good name or standing of a business or entity.
Operational	Risks related to management of day-to-day university programs, processes, activities, and facilities, and the effective, efficient, and prudent use of the university’s resources. Examples including business continuity, health and safety, technology.
Strategic	Risks related to RIT's ability to achieve its strategic goals and objectives, including competitive market risks and positioning, and risks related to mission, values; diversity; academic quality; research; student experience; business model; enrollment management; ethical conduct; accreditation.

Table 2. Risk Measurement Scale: Impact

IMPACT	Description	SEVERE	HIGH	MODERATE	LOW	INCONSEQUENTIAL
		5	4	3	2	1
Financial	\$ impact on operating revenue	>\$25M	\$15-25M	\$5-14.9M	\$1-4.9M	<\$1M
Legal/Compliance	Legal and/or regulatory ramifications	Cessation of programs/operations by regulatory body Significant lawsuits and/or criminal charges and penalties for the university <i>and leadership</i>	Operations under surveillance by external regulatory body Significant lawsuits and/or criminal charges and penalties for the university	Moderate legal penalties; operations under surveillance internally	Low legal penalties	Minor legal penalties
Reputational	Negative media attention Public criticism (from any cause, i.e. compliance, reliability, environmental, safety, etc.) Reduction of support from funding agencies	Event prevents achievement of specific objectives and financial plan Sustained, serious loss in market share, brand value, and/or public confidence Significant attrition in student and/or faculty retention/attraction	Event has a major impact on strategic objectives and/or financial plan Serious decline in market share, brand value, and/or public confidence Noticeable attrition in student and/or faculty retention/attraction	Event has a moderate impact on strategic objectives and/or financial plan Market share, brand value and/or public confidence will be affected in the short term Some attrition in student and/or faculty retention/attraction	Event has a minor impact on strategic objectives and/or financial plan There is a potential impact on market share, brand value and/or public confidence Consequences can be absorbed under normal operating conditions Potential attrition in student and/or faculty retention/attraction	Event has limited local damage with no wider impact – likely to be no impact on financial plan No material impact on market share, brand value and/or public confidence Limited-to-no attrition in student and/or faculty retention/attraction
Operational	Compromise of operational efficiency and effectiveness	Widespread or long-term shut down of operations Inability to properly market and operate all university offerings Threat of severe market share loss Significant and sustained attrition in staff and/or faculty retention	Significant internal and/or external resources needed/committed to address operational issues Deep and/or sustained operational interruptions Noticeable attrition in staff and/or faculty retention	Escalating internal and/or external resources needed/committed to address operational challenges Larger, or multiple operational inefficiency(s) Some attrition in staff and/or faculty retention	Escalation of internal resources needed/committed to address operational issue Minor operational inefficiency Potential for attrition of staff and faculty retention	Modest internal resources needed/committed to internal operational issue Insignificant operational inefficiency Limited-to-no attrition in staff and/or faculty retention
Strategic	Impact related to RIT’s ability to achieve its strategic goals and objectives	Reverses progress on one or more RIT strategic goal or threatens strategic plan failure	Stop progress on more than one strategic goal	Stops progress on one RIT strategic goal	Slows progress on more than one RIT strategic goal	Slows progress on one RIT strategic goals

Table 3. Risk Measurement Scale: Likelihood

LIKELIHOOD	EXPECTED (90 – 100%)	LIKELY (60 – 90%)	POSSIBLE (35 – 60%)	UNLIKELY (10 – 35%)	REMOTE (0 – 10%)
	5	4	3	2	1
Description	Event is expected to occur in most circumstances	Event will probably occur in most circumstances	Event is as likely to occur as not to occur	Event could occur at some point in time	Event may only occur in exceptional circumstances

Quantifying the Risk: Impact x Likelihood = Risk Score

- > **Risk Scores between 12 and 25** are elevated to the **University Risk and Compliance Committee (“URCC”)** for review, reevaluation of the risk, and confirmation of the Risk Score.
- > **Risk Scores between 16 and 25**, as confirmed by the URCC, are elevated to the **Executive Risk and Compliance Committee (“ERCC”)** for review, reevaluation of the risk, and confirmation of the Risk Score.
- > **Risk Scores between 20 and 25**, as confirmed by the ERCC, are elevated to the **Risk and Audit Committee of the BOT in the Institute Risk Map**, along with other identified risks deemed appropriate by the ERCC.