



BUFFALO STATE

The State University of New York

Buffalo State College

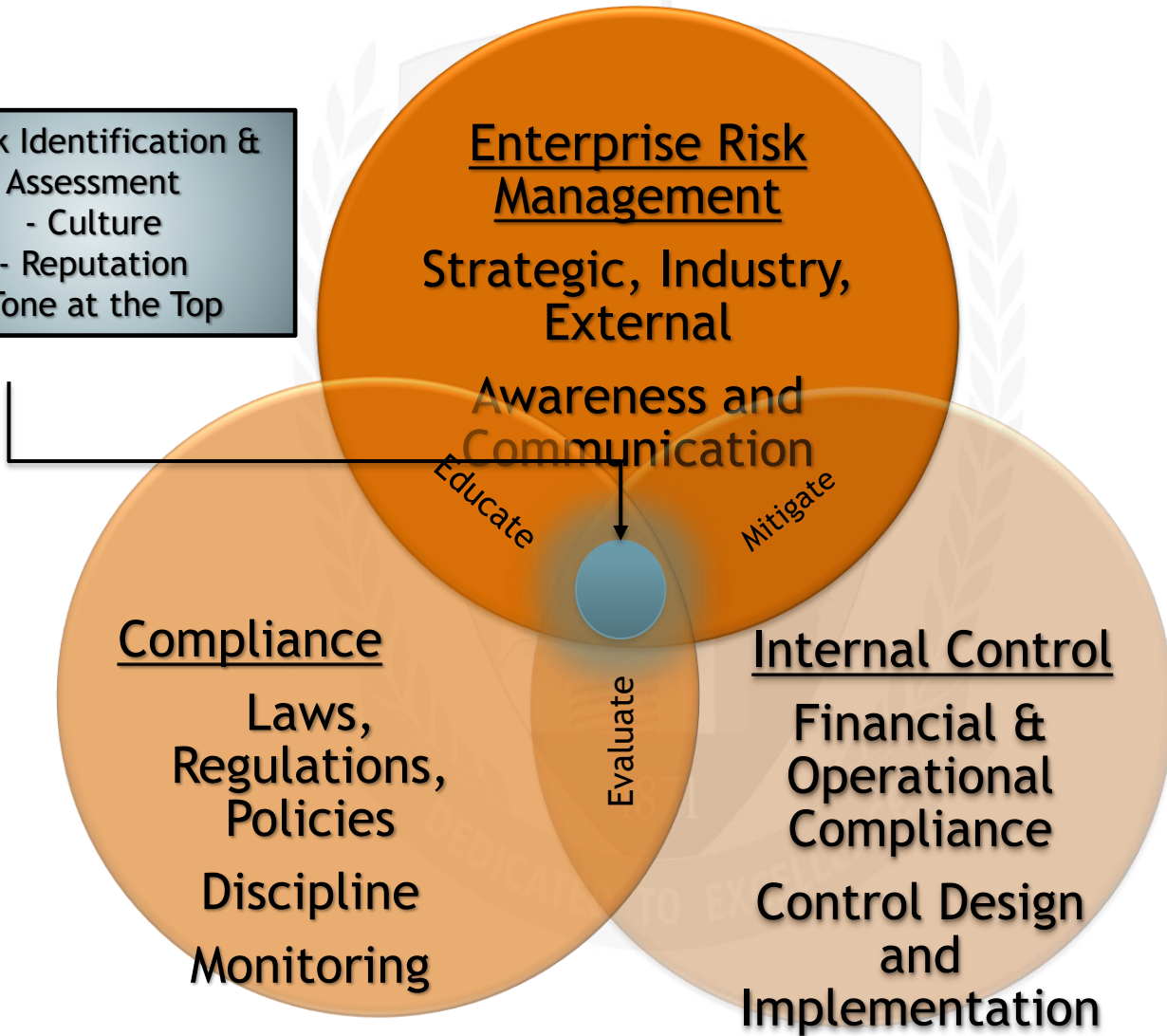
Enterprise Risk Management

Annual Meeting with Cabinet

Presenters: Laurie Barnum, Brenda Durfee, Jim Thor, Lisa Krieger, and Kelly D'Aloisio

March 9th, 2021

- Risk Identification & Assessment
- Culture
- Reputation
- Tone at the Top



Source:
SUNY ERM-
Compliance WebEx 6-
27-19

Defining ERM and Risk Management

- Enterprise Risk Management, ERM, is a formal and continuous process that is designed to identify, assess, prioritize, and manage all risks and opportunities for an institution, not just the risks that are insurable.
- Correctly implemented, ERM can help to ensure that Buffalo State is meeting its strategic goals and objectives by providing an opportunity to coordinate and focus the college's numerous risk management activities; creating a "risk-aware" culture; providing a formal mechanism for responding to significant events; and enhancing collaboration and communication throughout the campus.

Source:
SUNY Enterprise Risk Management Policy and
SUNY ERM Overview Power Point, 3-6-14, SUNY OUA

Enterprise Risk Management seeks to:

Help control and mitigate all risks—hazard, operational, compliance, financial and strategic—on a consistent basis;

STRATEGIC:
Risks that affect our ability to achieve goals

REPUTATIONAL:
Risks that affect Buffalo State's reputation or brand

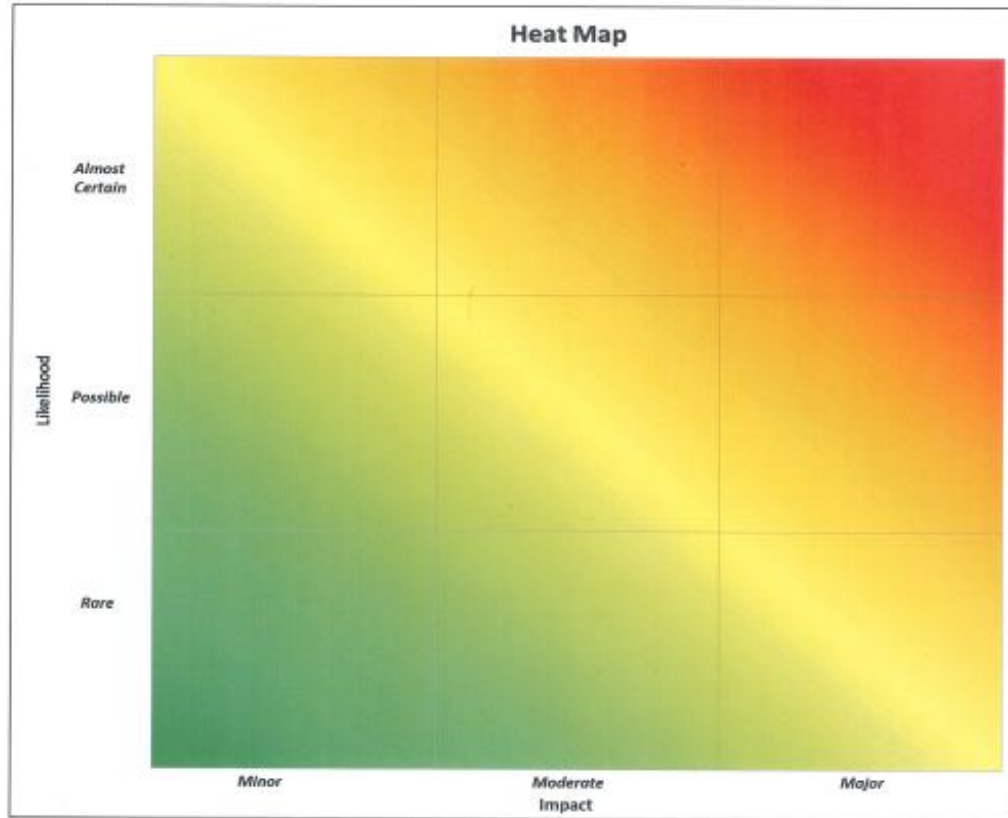
OPERATIONAL:
Risks that affect on-going management processes

COMPLIANCE:
Risks that affect compliance with laws, regulations, policies and procedures

FINANCIAL:
Risks that may result in loss of assets

Source:
SUNY Enterprise Risk Management Policy and SUNY ERM Overview Power Point, 3-6-14
SUNY OUA

Heat mapping to weigh likelihood and severity of risk



Risk Management Campus Designees

- **Enterprise Risk Management Designee:** Laura J. Barnum
Cabinet-level position, this individual guides and oversees implementation of the Campus ERM Program.
- **Internal Control Officer:** Laura J. Barnum
Cabinet-level position, this individual administers and guides the Campus Internal Control Program.
- **Internal Control Coordinator:** Lisa H. Krieger
Conducts/oversees internal control reviews, determines significance of identified risks, monitors implementation of corrective action plans.
- **Compliance Designee:** Brenda Durfee
Acts as a liaison to coordinate internal control review audits.

The background features a large, light gray watermark of the Buffalo State University crest. The crest is a shield-shaped emblem with a laurel wreath border. Inside the shield is a stylized building with a clock tower and a flag. Below the shield is a banner with the text "DEDICATED TO EXCELLENCE" and the year "1871" centered above it.

The SUNY Enterprise Risk Management Program Policy
can be found [here](#).

Risk Management Cautions to Campus Leaders

If you are poised to commit campus resources or otherwise obligate the college, please **STOP** to consider risk management implications.

Examples -- Please do not:

- Sign contracts or agreements
- Address legal papers served on the college
- Be the single signer in matters pertaining to yourself
- Overspend on food and beverages

Remember the Front Page Test

- Consider: How would I feel if the course of action I am considering were reported on the front page of the Buffalo News or New York Times?
- The front page test is analytically useful because it encourages a public official to think about how his or her actions might look to the outside world

Buffalo State College Foundation

SUNY Foundation Guidelines requires that Campuses must have written policies for all key business functions:

- The business policies were approved by the Foundation Board, April 2020.
- Additionally, the approved policies have been forwarded to SUNY.

PROCUREMENT CARD (“P’CARD”) POLICY

PURPOSE: Control over obtaining and usage of Foundation credit card.

Unit Responsibility

College Accounts Payable and Travel Services

Key Elements of the Policy

Monthly transaction & spending limits. Monthly reconciliation of transactions, including supervisor review. Non-allowable transactions. Tax exempt form must be provided to vendor. Addresses misuse & abuse of credit card privileges.

Risk Mitigation

Approval from Program area and F&M; Cardholder personally liable for charges & card safety; thorough review of monthly statement. Monthly reconciliations require approval by the cardholder and supervisor.

MOBILE COMMUNICATION DEVICE POLICY

PURPOSE: Control over obtaining allowance for reimbursement of business use of cell phone service and device costs.

Unit
Responsibility

College Financial
Management

Key
Elements of
the Policy

Eligibility requirements.
Safeguarding information and
device, as personal content
may be requested under FOIL
and may be subject to
release

Risk
Mitigation

President, VPs, Deans,
or Designee recommends
& annually approves who
receives allowances; unit
controls allowance amount;
employee complies with all
requirements.

TRAVEL POLICY

PURPOSE: Controls over payment or reimbursement for business-related travel expenses.

Unit Responsibility

College Accounts Payable and Travel Services

Key Elements of the Policy

Traveler is responsible for providing adequate supporting documentation and explanations. Traveler is responsible for personal portion of travel. Prevents unnecessary and excessive non-business related travel expenses.

Risk Mitigation

Traveler must obtain prior approval; department reviews and approves Foundation Expense Report; Accounts Payable ofc. reviews docs and approves reimbursement

CASH DISBURSEMENTS POLICY

PURPOSE: Provides guidance over payment processing.

Unit
Responsibility

College Financial
Management

Key Elements
of the Policy

Disbursement controls,
2nd signatures are required
for payment made to account
administrator. Gifts to faculty, staff
and students for special occasions
of a personal nature are non-
allowable. IRS accountable plan
rules for reimbursements.

Risk
Mitigation

Separation of duties;
designated staff to perform
reconciliations on a regular,
timely basis, two signatory
for payment request approval

CASH RECEIPT POLICY

PURPOSE: Controls for receiving, holding, and depositing cash receipts.

Unit
Responsibility

College Accounts
Payable and Travel
Services

Key Elements
of the Policy

Check acceptance
procedures. Timely delivery
of cash receipts to the business
office and to the bank.
Securing cash receipts.

Risk
Mitigation

In-person deposits
with the Fin. Mtmgt. Office
is required (intercampus mail
not allow); Faculty/staff are
prohibited from opening bank
accounts on behalf of the
College; separation of duties;
deposits security; & daily
cash receipt logs.

PAYROLL PROCESSING POLICY

PURPOSE: Controls over administration of Foundation payroll operations and finance.

Unit
Responsibility

College Payroll
Payroll Processor: ADP

Key Elements
of the Policy

New hires and payment
procedures, including payment
of federal and state withholdings.
Compliance with applicable
federal and state laws and
regulations.

Risk
Mitigation

College Payroll Office
charge with recordkeeping
and personnel files, Dir. of Fin.
Mngt. ensures adequate
resources availability to fund
payroll expenditures; third-
party vendor executes
core payroll operations

PROCUREMENT POLICY

PURPOSE: Controls over the procurement of goods and services.

Unit
Responsibility

College Procurement
Services

Key Elements
of the Policy

Code of conduct
related to the procurement
process, including requirements
by price threshold, and other
relevant factors in selecting a
vendor for procurement of
goods and services.

Risk
Mitigation

Conflict of interest;
supplier invoices must be
reviewed for accuracy; verify
receipt of goods and services
against contract/purchase order
and invoice; approval levels
based on price thresholds.

AGENCY ACCOUNTS POLICY

PURPOSE: Controls over agency accounts as fiscal agent.

Unit
Responsibility

College Financial
Management

Key Elements
of the Policy

Compliance with SUNY
Agency Account Guidelines.
Ensures proper agency accounts
types. Establishing agency
accounts & maintaining the
responsibilities of the fiscal
agent, i.e. the
Foundation.

Risk
Mitigation

Separation of account
types by purpose, funding
source, & scope of activities;
Comptroller or designee to
approve all account scope
& purpose changes.
inactive accounts
closed

ACCEPTANCE OF GIFTS POLICY

PURPOSE: Controls over accepting gifts to the Foundation.

Unit
Responsibility

College Institutional
Advancement

Key Elements
of the Policy

Covers gifts of goods, services, and real and personal property. Requires input from appropriate campus units to review requirements and costs associated with accepting and maintaining the gifts.

Risk
Mitigation

In-Kind Acceptance Form completed, reviewed /approved prior to gift acceptance. Faculty/staff are prohibited from soliciting or accepting gifts/services from individuals/entities that do business with the State.

ENDOWMENT MANAGEMENT POLICY

PURPOSE: Controls over the accounting and administration of endowment funds

Unit
Responsibility

College Financial
Management

Key Elements
of the Policy

Administration of endowment
funds.
Applicability of specific funds
held by the Foundation.
Policy objectives

Risk
Mitigation

Ensure that the Foundation
upholds its fiduciary
responsibility to donors and
sponsors by implementing
procedures for properly
handling donor-
restricted gifts.

