

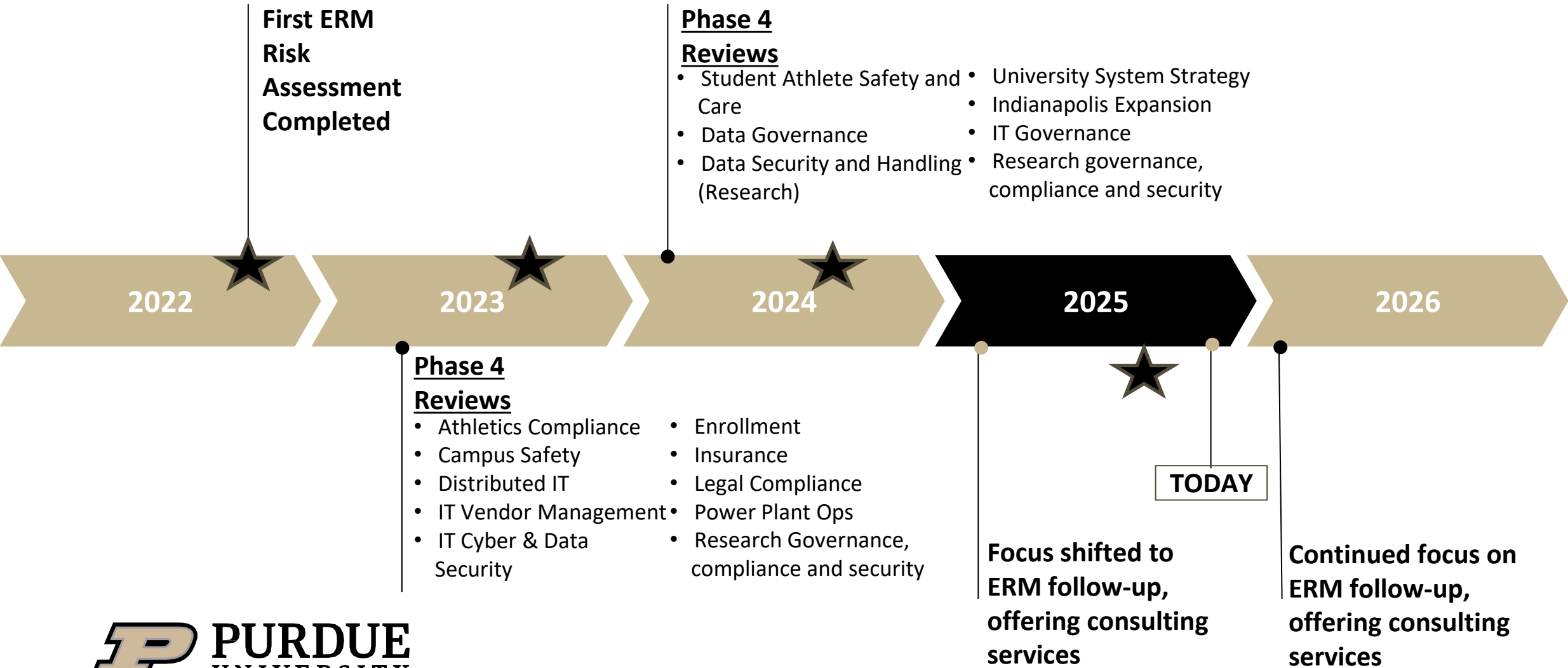
# *ERM Program Update*

December 2025

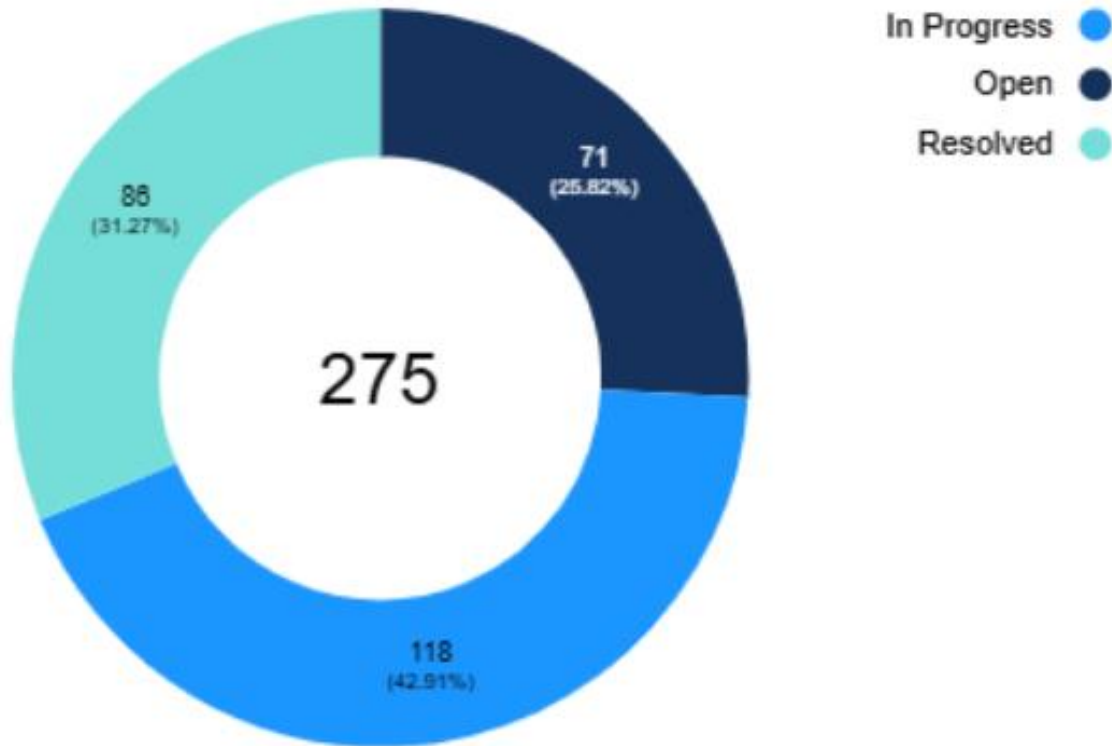
# *Agenda*

- ERM Phase 4 Follow-up Status
- 2025 Risk Assessment Preview

# ERM Timeline Overview



# ERM Phase 4 Follow-up Status



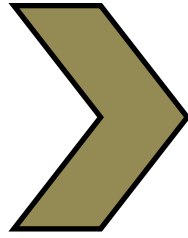
- 63 of 86 ERM observations/recommendations were validated for closure during 2025
- 57% timely remediation
- 16% past-due and 64% with anticipated remediation in 2026

- Residual risk reduction achieved for Power Plant: from 9 to 7
- Insurance coverage evaluation reduced risk for 5 High and 1 Moderate level risks

# *2025 Risk Assessment Preview*

# *2025 ERM Risk Assessment – Emerging Risk Topics Summary*

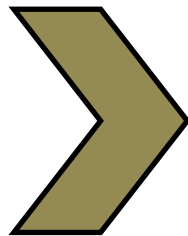
*Artificial Intelligence (AI) is reshaping the risk landscape across multiple areas of enterprise operations thus the impact of AI was captured this year across a variety of risks.*



**AI themes** captured across 7 risks (risk triggers and assessment criteria):

- Use/misuse of emerging technologies
- AI strategy, governance and policies
- The adoption pace/organizational agility

*The **federal/state regulatory environment** for higher education has and continues to experience significant transformation the impact of which has been captured across a variety of risks.*



**Federal/state regulatory environment** captured across 10 risks (risk triggers and assessment criteria):

- Government operational disruptions
- Funding sources
- Macro-operating environment
- Impeded autonomy due to regulatory interference
- Restrictions on international visas

# 2025 ERM Risk Assessment - What changed from 2024?

Risk Modifications			
Risk Title	Prior Score	New Score	Updates
● Marketing Asset Release & Modification	● 5	● 6	Changed from “Marketing Asset/Image Release” to “Marketing Asset Release & Modification” to include risk of inappropriately modified assets (AI modifications).
● Capital Programs incl. Future R & R	● 4	● 8	Changed from “Capital Programs” to “Capital Programs incl. Future Repair & Rehabilitation” to include risk of future R&R (i.e. deferred maintenance). Focus shifted from supplier relations to strategic capital program management.
● Faculty Partnership	● 6	● 4	Changed from “Shared Governance” to “Faculty Partnership” to align with regulatory updates contained in the Indiana Budget Bill
● International Travel Programs Management	● 7	● 8	Changes triggered by the 2025 visa/vetting changes and elevated chance of operational disruption.
● Research Funding	● 5	● 9	Significant shifts/volatility of federal funding, government shut-down/uncertainty

● High risk   ● Moderate risk   ● Low risk