

Portland Public Schools District-Wide Risk Assessment

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DRAFT



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District-Wide Risk Assessment

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Introduction



Introduction

Objectives, Scope and Methodology

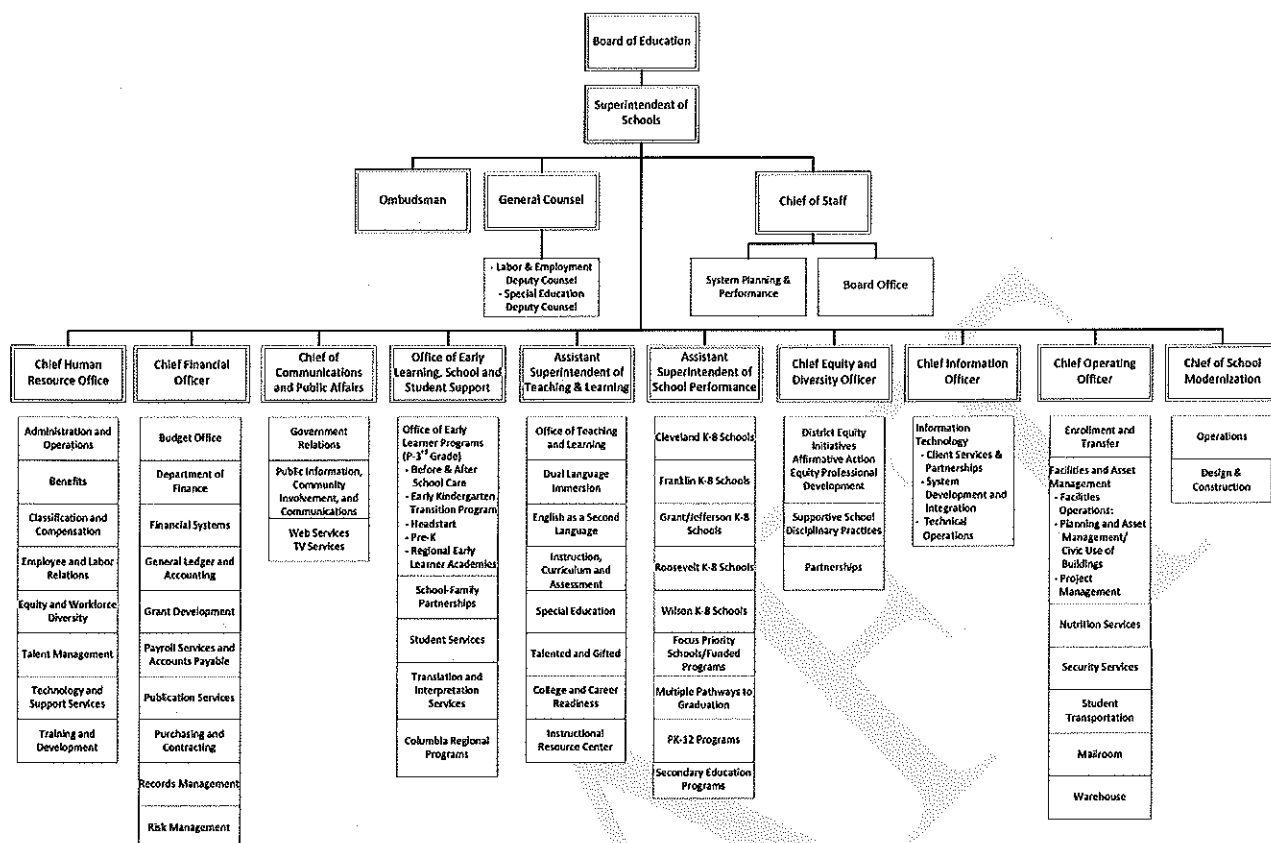
A District-wide risk assessment was conducted to identify the business/support operational programs, program components, activities, overlapping areas and specific internal and external functions that currently pose the greatest level of risk to Portland Public Schools in meeting its defined mission, goals, and objectives. The risk assessment allows an objective determination of topics to develop an annual audit plan for the Audit Committee.

Every organization faces a variety of risks from internal and external sources. Analyzing these risks, while considering the likelihood of occurrence and impact on the organization, establishes a basis for determining how they should be managed. The District-wide risk assessment includes the following primary areas:

1. Determining the relevant operational elements,
2. Identifying pertinent risks,
3. Analyzing each based on the significance of the risk and exposure associated with the activity and the likelihood of the risk occurring, and
4. Determining a "score" that defines the degree of risk associated with each element.

Operational Elements

Using the District's current service areas (based on its organizational chart), we identified the following operational elements:



Identifying Pertinent Risks

Risks were identified through interviews with identified process owners and by reviewing available documentation including:

- Mission statements, goals, objectives, performance measurement documentation, program documentation;
- Current policies and procedures;
- Laws, rules and regulations governing operations;
- Available budget, financial information and management reports, fact sheets, previous audit reports, planning documents, financial forecasts, quarterly and annual reports, budgets; and
- Previous reports and studies of any applicable process, function or systems used.

Process owners were requested to identify specific areas that they believed impacted the District in meeting its defined mission, goals, and objectives. Other topics were also pursued in various areas based on the review team's knowledge and experience. Additionally, specific items were identified by Board members and were discussed with those District personnel responsible for each. The Audit Committee also requested that other PPS stakeholders be interviewed to ascertain their perceived risks facing the District.





These identified areas became the basis for the determination of the impact each have on the District's ability to meet its defined mission, goals, and objectives. Each risk area was assessed on an inherent and control risk basis. *Inherent risk* is related to the nature of the activities.

Specific risks are basic to the actual operation:

- Inability to complete the activity in a timely manner
- Exceed established budget
- Waste dollars
- Non-compliance with established rules, regulations and laws
- Diminish or harm public perception
- Cause injury
- Result in poor quality
- Potential internal control issue
- Equity in Public Purchasing and Contracting

Control risk is the degree of risk associated with the ability of defined criteria to mitigate inherent risks. Criteria include:

- An identified owner
- Maturity of process (lessons learned, policies and procedures in place and experience)
- Implementation (following policies and procedures and historical knowledge)
- External monitoring
- Internal quality assurance or quality control
- Appropriate resources

Risk Analysis Rating/Degree

Based on the nature of the activities contained within the core operating and supporting processes, applicable risk factors were identified and rated using a rating scale of one to five as follows:

Low – 1

Management has established a process that takes into account lessons learned and industry best practices that are constantly being monitored, used, and updated. The organization uses integrated and updated tools, where appropriate, that allow effective assessment of critical information technology controls and rapid detection of information technology control monitoring incidents. Knowledge sharing specific to the information services function is formally implemented.

Low-Moderate – 2

Management has implemented a framework for control monitoring. Management has established a process that takes into account lessons learned and industry best practices that are being monitored, used and updated. Minimal risk exists.





Moderate – 3

Management supports and institutes internal control monitoring. Some policies and procedures are developed and some best practices are applied. Tools are being used, but are not necessarily integrated into all processes. Some level of risk and the potential for negative outcomes exist.

High – 4

The organization uses informal processes to initiate corrective action plans. Internal control assessment is dependent on the skill sets of key individuals. The organization has an increased awareness of internal control monitoring. Some methodologies and tools for monitoring internal controls are used, but the potential for serious incidents to occur is likely.

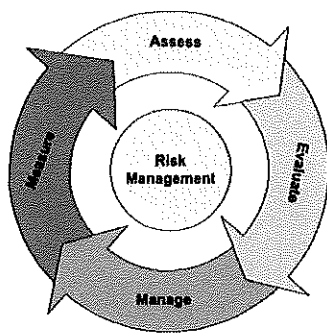
Very High – 5

Management has either not recognized the need to develop and implement practices, policies and procedures or has just begun to establish them. Individual expertise in assessing internal control adequacy is applied on an ad hoc basis. The organization lacks procedures to monitor internal control effectiveness. Management internal control reporting methods are absent.

Scoring

Both identified inherent and control risk factors associated with each component were scored based on interviews with key process owners and reviews of available documentation. Inherent risk is rated based on the significance and the likelihood and probability of it occurring. Each of the six control risks are weighted and individually scored based on the importance of the criteria as it relates to the element. The combination of the six scores results in a final mitigated rating.

It should be noted that the approach to this risk assessment was to identify risks based on process owners' (and others) perceptions and experience. Those perceptions, opinions, and comments were not validated or verified.



Risk Assessment Summary



Risk Assessment Summary

The District-wide risk assessment was designed to review the twelve relevant operational elements based on the significance of the risks associated with specific activities and the likelihood of those risks occurring. Our interviews and document review for each, identified 32 activities/areas that we believed pose the most risk to PPS. These risks were segregated into those areas that have a specific impact on all District functions and those specific to a service area or program. Activities with the highest *inherent risk* included:

Number	Area	Scoring	
		Inherent	Mitigated
1	Accountability	5	4.6
2	Business Continuity Planning (BCP)	5	5
3	District Perception	5	3.95
4	Facilities - Maintenance of Aging Infrastructure	5	4.2
5	Finance - Reserves	5	4.9
6	Finance - Student Body Funds	5	4.55
7	Governance	5	4.55
8	HR - Technology	5	4.5
9	IS - Information Usage Training	5	4.9
10	Modernization - Contingency Fund	5	3.15
11	Modernization - Unplanned Projects	5	3.15
12	Operations - Security (Schools)	5	3.4
13	Operations - Security (Other Buildings)	5	4.6
14	Operations - Transportation (Bus Accidents)	5	2.8
15	Program Prioritization	5	3.55
16	Records Management	5	4.5
17	Retention-Recruiting	5	4.5
18	Succession Planning - Central Office	5	4.7
19	Strategic Planning	5	4.9
20	Community Involvement - Communication	4	3.1
21	Finance - Grants Compliance	4	3.95
22	Finance - Professional Development (Non-Instructional)	4	4.3
23	Key Performance Indicators (KPI's)	4	4.25
24	Modernization - Use of MWESB's	4	3.7
25	Operations - Transportation (Supplemental Funding)	4	3.6
26	Partner Involvement	4	3.9
27	Priority Setting	4	3.8
28	Succession Planning - Licensed Administrators	4	3.35
29	Facilities - Space	3	3.6
30	Finance - Capturing Time and Effort	3	4.3
31	Finance - Purchasing Compliance v. Service	3	2.4
32	Finance -Purchases under \$2,000	3	3.25
33	Paperless Initiative	3	3.1





Service area and program specific risks (based on *mitigated risk*) include:

Number	Area	Scoring	
		Inherent	Mitigated
2	Business Continuity Planning (BCP)	5	5
5	Finance - Reserves	5	4.9
9	IS - Information Usage Training	5	4.9
19	Strategic Planning	5	4.9
18	Succession Planning - Central Office	5	4.7
1	Accountability	5	4.6
13	Operations - Security (Other Buildings)	5	4.6
6	Finance - Student Body Funds	5	4.55
7	Governance	5	4.55
8	HR - Technology	5	4.5
16	Records Management	5	4.5
17	Retention-Recruiting	5	4.5
30	Finance - Capturing Time and Effort	3	4.3
22	Finance - Professional Development (Non-Instructional)	4	4.3
23	Key Performance Indicators (KPI's)	4	4.25
4	Facilities - Maintenance of Aging Infrastructure	5	4.2
3	District Perception	5	3.95
21	Finance - Grants Compliance	4	3.95
26	Partner Involvement	4	3.9
27	Priority Setting	4	3.8
24	Modernization - Use of MWESB's	4	3.7
29	Facilities - Space	3	3.6
25	Operations - Transportation (Supplemental Funding)	4	3.6
15	Program Prioritization	5	3.55
12	Operations - Security (Schools)	5	3.4
11	Modernization - Unplanned Projects	5	3.15
28	Succession Planning - Licensed Administrators	4	3.35
32	Finance - Purchases under \$2,000	3	3.25
10	Modernization - Contingency Fund	5	3.15
20	Community Involvement - Communication	4	3.1
33	Paperless Initiative	3	3.1
14	Operations - Transportation (Bus Accidents)	5	2.8
31	Finance - Purchasing Compliance v. Service	3	2.4

Service Area/Program Risks:

	Area	Scoring	
		Inherent	Mitigated
District-Wide			
1	Business Continuity Planning (BCP)	5	5
2	Strategic Planning	5	4.9
3	Succession Planning - Central Office	4	4.7
4	Accountability	5	4.6





	5	Governance	5	4.55
	6	Records Management	5	4.5
	7	Retention-Recruiting	5	4.5
	8	Key Performance Indicators (KPI's)	4	4.25
	9	District Perception	5	3.95
	10	Partner Involvement	4	3.9
	11	Priority Setting	4	3.8
	12	Program Prioritization	5	3.55
	13	Succession Planning - Licensed Administrators	4	3.35
	14	Paperless Initiative	3	3.1
Community Involvement				
	1	Community Involvement - Communication	4	3.1
Facilities				
	1	Facilities - Maintenance of Aging Infrastructure	5	4.2
	2	Facilities - Space	3	3.6
Finance				
	1	Finance - Reserves	5	4.9
	2	Finance - Student Body Funds	5	4.55
	3	Finance - Capturing Time and Effort	3	4.3
	4	Finance - Professional Development (Non-Instructional)	4	4.3
	5	Finance - Grants Compliance	4	3.95
	6	Finance - Purchases under \$2,000	3	3.25
	7	Finance - Purchasing Compliance v. Service	3	2.4
HR				
	1	HR - Technology	5	4.5
IS				
	1	IS - Information Usage Training	5	4.9
Modernization				
	1	Modernization - Use of MWESB's	4	3.7
	2	Modernization - Unplanned Projects	5	3.15
	3	Modernization - Contingency Fund	5	3.15
Operations				
	1	Operations - Security (Other Buildings)	5	4.6
	2	Operations - Transportation (Supplemental Funding)	4	3.6
	3	Operations - Security (Schools)	5	3.4

Current Risks



Although Portland Public Schools has established various processes to mitigate risk in specific areas, the assessment identified the following areas that pose the most current risk to the District:

Activity	Inherent Risk	Mitigated Risk
Business Continuity Planning (BCP)	5	5
Reserves	5	4.9
Information Usage Training	5	4.9
Strategic Planning	5	4.9
Succession Planning - Central Office	5	4.7
Accountability	5	4.6
Operations - Security (Other Buildings)	5	4.6
Student Body Funds	5	4.55
Governance	5	4.55
HR Technology	5	4.5
Records Management	5	4.5
Retention-Recruiting	5	4.5

Business Continuity Planning

Operating disruptions can occur with or without warning and the results may be predictable or unknown. Because the processing of information plays a crucial role in the daily operation of the District, it is important that all operations are resilient and the effects of disruptions in service are minimized. A Business Continuity Plan (BCP) provides a framework to identify and effectively react to system threats. Without a reliable, tested plan, adverse exposure is heightened. The likelihood that the loss of availability, integrity, and confidentiality of information is extensively increased.

An effective BCP establishes the basis to maintain and recover business processes when faced with adverse events such as natural disasters, technological failures, human error, or terrorism. The objectives of a BCP are to minimize financial loss; continue to serve users; and mitigate the negative effects disruptions can have on the District's strategic plans, reputation, operations, and ability to remain in compliance with applicable laws and regulations. Changing business processes (internally and externally) and new threat scenarios require PPS to maintain an updated and viable BCP.

Reserves

The District's current reserves (2-3%) are insufficient in light of best practices (10-12%).

Information Usage Training





Currently, limited training is provided to District personnel regarding the appropriate handling of sensitive/personnel information. Although some policies do exist, no annual updates occur nor does any specific training/education regarding what information can be collected, how it is protected, and what can be done with it (who sees it).

Strategic Planning

A formal strategic plan sets direction and assists the District in focusing its resources, strengthening its operations, ensuring its staff and other stakeholders are working toward common goals, establishing agreement around intended outcomes/results, and assesses and adjusts direction in response to a changing environment. PPS has developed a strategic framework to guide its educational planning. However, this framework focuses only on instructional elements and does not incorporate all aspects of the District's operations (people, support functions, facilities, stakeholders, etc.).

Succession Planning – Central Office

A loss of experienced personnel through retirements and improvement in the economy can create a shortage/gap in resources to provide various services. Transition plans, cross-training, and documented procedures have not been established. Additionally, the District is hampered by hiring requirements, limited funds for professional development, inability to hire into a position prior to a retirement, and salary ranges.

Accountability

An organization without accountability to stated processes, procedures, and policies intended to increase effectiveness and efficiency and achieve stated goals and objectives, is at significant risk in not meeting its core mission, as well as the risk of noncompliance and negative public perceptions when actions diverge from expectations.

Accountability is a top-down concept that starts with the Board and extends through the Superintendent to the District by the establishment of clear communications and a system of clear cause and effect. Although the District has articulated common attributes regarding instructional services, the development of silos within the District, the lack of communication of clear roles and responsibilities in certain areas, decentralization of some functions, lack of effective training and communications, turnover, and a lack of definite consequences for actions that do not align with the District's stated direction exist.

Security (Non-School Buildings)





Multiple locations, supporting a large population, results in difficulties in ensuring a quick and effective response that provides timely information to address a security situation or to ensure the safety of all on premises. PPS has limited security measures in place at its Central Administration building. Although access is limited in some areas, many areas are not restricted.

Student Body Funds

Student body funds represent monies held on behalf of students, resulting from a combination of fundraising and fees. Amounts are to be spent by students for students. Limited controls and little effective oversight coupled with significant reliance on school-based staff with potentially little or no capacity, training, or competence to adequately manage or account for these funds, increases the risk of theft or loss.

Governance

The District's many pressing needs, social and political influences, special interest groups, and various mandates create a pool of competing objectives for the Board and subsequently the District's leadership and staff. Without clear focus on direction change will be ineffective in meeting the District's goals.

The District's Board is relatively new and has yet to establish a collective approach to governance. The tendency for a new board is to initially react to operational aspects of the District instead of core functions such as: setting direction, providing support, ensuring accountability, and providing leadership as advocates for children and the District's schools.

Without the development and communication of a clear vision based on core values and beliefs of the District and community, uncertainty has developed amongst staff and stakeholders as to intent, philosophy, and decision making.

Human Resources Technology

An insufficient technological infrastructure results in a reliance on manual processes, spreadsheets, and paper to manage operations and increases the possibility of inherent risks. A concern that the inability to obtain information from PeopleSoft is a barrier to the effectiveness of the department and has impacted the ability to consistently provide accurate and timely information to stakeholders. There is a need to upgrade to enhance the overall functionality available to the department

Records Management





PPS records are primarily retained in hard copy and are sensitive to damage or loss. This places the District at significant risk on a number of levels, including but not limited to, the ability to respond efficiently and effectively to public records requests, management of and access to special education student records, physical damage and loss of sensitive or critical documents, compliance with applicable law, and efficiencies of access and retrieval of documents.

Retention-Recruiting

To ensure the success of PPS, it is important to properly manage knowledge gained during prior and current work and apply this to future and additional ongoing operations. The key to efficient and effective management lies within the retention of knowledgeable, experienced personnel. The loss of institutional knowledge due to potential retirements and an improving economy, coupled with non-market compensation and the inability to quickly hire, will result in a decrease in service, concerns with quality, and inability to meet timeframes. Limited resources can negatively impact the ability of the District to achieve its mission.

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Risk Assessment Scoring

Core Process: District-wide
Area: Accountability
Number: 1

Date: 4/6/2016

Objective/Goals:

To provide an environment of accountability to accomplish District goals and objectives and the processes necessary to achieve them.

Inherent Risks:

☒	Unable to complete in a timely manner
☒	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☒	Injury
☒	Poor quality
☒	Potential internal control issue

☒	Equity in Public Purchasing and Contracting
☒	Other - access to critical information

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	An organization without accountability to stated processes, procedures, and policies intended to increase effectiveness and efficiency and achieve stated goals and objectives, is at significant risk in meeting its core mission, as well as risk of noncompliance and negative public perceptions when actions diverge from expectations.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	25%	5	1.25	Because of identified silos and decentralization of functions between departments, between schools, and within District Administration, there is no single point from which accountability can emanate.
Process Maturity (Lessons Learned, Policies/Procedures In Place, Experience)	25%	4	1.00	Although formal policies and procedures, as well as administrative directives have been developed within the District, some documents are not current or people are not aware of their existence.
Implementation (Following Policies/Procedures, Historical Knowledge)	40%	5	2.00	School principals operate as autonomous entities much of the time and, without consistent information, training, and consequences, their actions are in effect reinforced. Over time, silos have formed within Central Administration.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	5%	3	0.15	Board of Education.
Appropriate Resources	5%	4	0.20	Unclear if budget resources exist to support efforts.
Rating Score	100%		6.50	

Rating/Degree of Risk

1	Low
2	Low-Moderate
3	Moderate
4	High
5	Very High

Best Practices constantly being monitored, used, and updated.
Best Practices being monitored, used, and updated. Minimal risk.
Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
Potential serious risks likely to occur.
No recognition of any risk, or any procedures in place.



Risk Assessment Scoring

Core Process: District-Wide
Area: Business Continuity Planning
Number: 2

Date: 4/6/2016

Objective/Goals:

To ensure the District has the ability to identify its exposure to internal and external threats and prevent and recover from any adverse situation.

Inherent Risks:

☒	Unable to complete in a timely manner
☒	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☐	Injury
☒	Poor quality
☒	Potential internal control issue

☐	Equity in Public Purchasing and Contracting
☐	Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	A Business Continuity Plan provides a framework to identify and effectively react to system threats. Without a reliable, tested plan, adverse exposure is heightened. The likelihood that the disruption of daily activities; long-term impacts on service delivery; and the loss of availability, integrity, and confidentiality of information is extensively increased.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	10%	5	0.50	No individual has been designated.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	40%	5	2.00	No formal plan, no established prioritization, no data classifications.
Implementation (Following Policies/Procedures, Historical Knowledge)	40%	5	2.00	No formal plan, no established prioritization, no data classifications.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	10%	5	0.50	Resources are not available as development is time consuming.
Rating Score	100%		5.00	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

Business Continuity Planning is an organization-wide process to create systems to prevent and recover from varying degrees of potential threats. A BCP follows a "life cycle" consisting of analysis, design, implementation, testing, and maintenance. Although the District has emergency plans for its schools, no comprehensive, formal plan exists, nor has it conducted an analysis identifying its critical (and non-critical) functions; determined potential threats; assessed resources needed to recover from various scenarios; or identified key personnel.



Risk Assessment Scoring

Core Process: District-wide
Area: District Perception
Number: 3

Date: 4/6/2016

Objective/Goals:

To ensure PPS adequately obtains and manages input from the community, educational partners, advisory committees, etc.

Inherent Risks:

☒	Unable to complete in a timely manner
☒	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☐	Injury
☒	Poor quality
☒	Potential internal control issue

☒	Equity in Public Purchasing and Contracting
☐	Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	The inability of an organization to develop positive relations and successfully negotiate agreements could jeopardize the ability to meet its mission and accomplish stated goals and objectives. This can also have an adverse impact on efficient and effective operations and accountability with its stakeholders.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	25%	4	1.00	District Leadership (Board, Superintendent).
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	35%	4	1.40	PPS communicates with various stakeholders to inform each as to the status of its programs.
Implementation (Following Policies/Procedures, Historical Knowledge)	35%	4	1.40	PPS communicates with various stakeholders to inform each as to the status of its programs.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	5%	3	0.15	Yes.
Rating Score	100%		3.95	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

Serving many diverse groups with varying interests and opinions as to how to provide service results in increased public scrutiny and, in some instances, more polarization. Advisory committees are apt to have differing agendas and don't always reach consensus. There is extensive interest and awareness by the general public but there is also increased miscommunication. Media can direct opinion by the way a "story is told." PPS may face a credibility problem created because of how its approach is reported. Political agendas pose problems for policy implementation. Although PPS works with other agencies, it has its own mission which can be in conflict. Coordination with other agencies is challenging.



Risk Assessment Scoring

Core Process: Operations
Facilities & Asset Management (FAM) - Maintenance of Aging Infrastructure
Area:
Number: 4
Date: 4/6/2016

Objective/Goals:

To ensure PPS' aging facilities are maintained at a level that meets regulatory requirements and standards while ensuring the health and safety of the public that utilizes the facilities.

Inherent Risks:

☒ Unable to complete in a timely manner	☒ Hurt public perception	☒ Equity in Public Purchasing and Contracting
☒ Exceed budget	☒ Injury	☐ Other (Describe)
☒ Inefficient use of dollars	☒ Poor quality	
☒ Non-compliance	☐ Potential internal control issue	

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	PPS owns approximately 9 million sq. ft of building space in over 100 different locations. Deferred maintenance has resulted in aged buildings in extensive need of upgrade to meet current code requirements. Failure to ensure District facilities are safe and secure can result in loss of dollars leading to poor public perception and loss of money due to potential litigation.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	10%	3	0.30	Senior Director of FAM; project managers.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	10%	3	0.30	Processes are in place for PPS staff to submit work order requests to FAM for evaluation.
Implementation (Following Policies/Procedures, Historical Knowledge)	10%	3	0.30	Project staff are knowledgeable about maintenance and purchasing policies and procedures; the PPS website provides guidance and contact information to PPS staff to complete work order requests.
External Monitoring?	5%	3	0.15	When applicable, city/state permits and inspections are required for certain types of projects.
Internal Q/A or O/C	5%	3	0.15	Chief Operating Officer; Board of Education.
Appropriate Resources	60%	5	3.00	Maintenance budget has been flat for almost a decade, while maintenance needs and costs continue to increase. There are about 85 workers available to assist with maintenance needs.

Rating Score

100%	4.20
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Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

Portland Public School Buildings are aging - buildings average approximately 65 years, with only two buildings being built since 1975. Decades of deferred maintenance and lack of capital funding for school facilities has created a \$230m deferred maintenance backlog. The plan to address the backlog is a 30 year plan. While there has been some one-time funding, the maintenance budget has been flat for almost a decade, even though maintenance needs continue to increase.

Construction Excise Tax collected by the City of Portland as part of its permitting costs, brings in approximately \$6m annually - half of these funds go to the capital asset renewal fund (set aside for the newest district assets i.e., Forest Park and Roosevelt), with flexibility for the other half of the funds. The flexible money is often used for system failures and emergencies, i.e., sink holes in a school playground, septic system failure, plumbing in old buildings. PPS often waits for equipment to break before replacing items because they don't have the budget to fix old equipment.

FAM utilizes a work order system for maintenance requests. School staff can submit work orders as needed. Projects are approved, assigned a technician and completed. School staff and community members can also submit Project Development Requests, although currently, the department is only accepting requests that meet the following criteria: a) emergency (fire/life hazards or water intrusion issues), b) self-funded (non-Facilities funded), and c) infrastructure (water, electrical, and heating/cooling) provided by maintenance or operations.



Risk Assessment Scoring

Core Process: Financial Services
Area: Reserves
Number: 5

Date: 4/6/2016

Objective/Goals:

Provide for sufficient reserves such that the District can smoothly transition through an economic downturn, and to provide stability in funding for required services.

Inherent Risks:

☒	Unable to complete in a timely manner	☒	Hurt public perception	☒	Equity in Public Purchasing and Contracting
☒	Exceed budget	☒	Injury	☒	Other - negative impact on service levels
☒	Inefficient use of dollars	☒	Poor quality	☒	
☒	Non-compliance	☒	Potential internal control issue	☒	

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	Insufficient financial reserves will impact the ability of the District to ensure continued delivery of services to address emergencies, address temporary revenue shortfalls, or provide stability during economic cycles.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner identified?	10%	4	0.40	Board has ultimate authority over setting and maintaining District reserves through policy and budget process.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	35%	5	1.75	The District's most recent goal (2005) established a reserve of 3%. A formal policy, consistent with GFOA best practices is currently in development/discussion and is expected to be presented to the Board this fiscal year.
Implementation (Following Policies/Procedures, Historical Knowledge)	40%	5	2.00	Current practices appear reactive through the budget process rather than proactive to generate sufficient reserves. The ability to generate reserves sufficient to the District and in accordance with proposed policy will need to occur over time, throughout which the District will continue to be at significant risk due to volatility of school funding and economic factors.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	15%	5	0.75	The District currently does not have ability to fund reserves at desired levels.
Rating Score	100%		4.85	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

The District's current reserves (2-3%) are insufficient in light of best practices (10-12%). The District is moving toward policies in alignment with best practices for reserves in the operating funds. However, differing perspectives as to what level and what services need to be modified to achieve identified levels exists.



Risk Assessment Scoring

Core Process: Financial Services
Area: Student Body Funds
Number: 6

Date: 4/6/2016

Objective/Goals:

To provide for complete and accurate accounting, tracking and safeguarding of student body funds.

Inherent Risks:

☐	Unable to complete in a timely manner
☐	Exceed budget
☐	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☐	Injury
☐	Poor quality
☒	Potential internal control issue

☐	Equity in Public Purchasing and Contracting
☒	Other - misuse/misappropriation of student funds

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	Limited controls and minimal effective oversight coupled with significant reliance on school-based staff with potentially little or no capacity, training, or competence to adequately manage or account for these funds, increases the risk of theft or loss.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	10%	5	0.50	School principals have the ultimate responsibility for the complete and accurate accounting of funds. They may or may not have capability or capacity to appropriately exercise that responsibility.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	35%	4	1.40	Policies/procedures are in place. Communication and training is annual, but considered ineffective with rates of turnover in positions at schools and inadequate monitoring.
Implementation (Following Policies/Procedures, Historical Knowledge)	40%	5	2.00	Inadequate oversight and monitoring leads to lack of accountability to the policies and procedures, and subsequently a divergence in practices. Those with responsibility are ill-prepared and lack capacity and capability to effectively handle the requirements of student body fund accounting and reporting, and the accompanying stewardship responsibilities.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	10%	4	0.40	District has two employees with responsibility to "audit" and monitor student funds. Insufficient allocation of time and staff resources to adequately monitor 80 plus schools and their respective funds.
Appropriate Resources	5%	5	0.25	The District has not allocated sufficient resources in terms of time, training, communication, oversight, or monitoring.
Rating Score	100%		6.55	

Rating/Degree of Risk

1	Low
2	Low-Moderate
3	Moderate
4	High
5	Very High

Best Practices constantly being monitored, used, and updated.
Best Practices being monitored, used, and updated. Minimal risk.
Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
Potential serious risks likely to occur.
No recognition of any risk, or any procedures in place.

Summary:

Student body funds represent monies held on behalf of students, resulting from a combination of fundraising and fees. Amounts are to be spent by students for students. There is high risk/opportunity for fraud in this area due to lack of competent accounting skills and lack of effective controls in the schools.



Risk Assessment Scoring

Core Process: District-wide Governance
Element: 7
Number: 7

Date: 4/6/2016

Objective/Goals:

To establish policy, direction, and accountability to enable PPS personnel to accomplish the District's established core mission.

Inherent Risks:

- ☒ Unable to complete in a timely manner
- ☒ Exceed budget
- ☒ Inefficient use of dollars
- ☒ Non-compliance

- ☒ Hurt public perception
- ☒ Injury
- ☒ Poor quality
- ☒ Potential internal control issue

- ☒ Equity in Public Purchasing and Contracting
- ☐ Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	The District's many pressing needs, social and political influences, special interest groups, and various mandates create a pool of competing objectives for the Board, and subsequently the District's leadership and staff. Without clear direction communicated to all, the probability of inherent risks occurring is enhanced.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	5%	4	0.20	The Board establishes mission and purpose, ensures adequate resources, and maintains accountability. The superintendent administers and implements Board policies, provides strategic direction, and manages overall operations.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	40%	5	2.00	Many factors, some with divergent interests, influence the Board's development of clear direction and impact the ability to reach collaborative decisions.
Implementation (Following Policies/Procedures, Historical Knowledge)	40%	5	2.00	The challenge for establishing direction and setting policy for the District is that with limited resources, establishing one area as a priority diverts resources from another area (a "takeaway") that likely negatively impacts another group.
External Monitoring?	5%	4	0.20	Active constituency.
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	5%	3	0.15	It is unclear where resources come from to implement changes except to draw from other areas with lesser priorities.
Rating Score	95%		4.55	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

The District's Board is relatively new and has yet to establish a collective approach to governance. The tendency for a new board is to initially react to operational aspects of the District instead of core functions such as: setting direction, providing support, ensuring accountability, and providing leadership as advocates for children and the District's schools. Authority is granted to the Board as a whole, not each member individually. Therefore, Board members fulfill these responsibilities by working together as a governance team with the superintendent to make decisions that will best serve all students in the District.

The District is impacted by numerous competing priorities. Without the development and communication of a clear vision based on core values and beliefs of the District and community, uncertainty will develop amongst staff and stakeholders as to intent, philosophy, and decision making. Many District employees do not believe the Board is supportive of their efforts and, as a result, believe they are not getting the tools and resources they need to ensure the academic and individual success of the children entrusted to the District.



Risk Assessment Scoring

Core Process: HR
Area: Technology
Number: 8
Date: 4/6/2016

Objective/Goals:

To ensure the District has adequate technology to provide users with reliable, timely information in order to make informed decisions.

Inherent Risks:

☒	Unable to complete in a timely manner
☒	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☐	Injury
☒	Poor quality
☒	Potential internal control issue

☐	Equity in Public Purchasing and Contracting
☐	Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	An insufficient technological infrastructure results in a reliance on manual processes, spreadsheets, and paper to manage operations and increases the possibility of inherent risks.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	20%	4	0.80	Although HR is owner, no emphasis on technology enhancements have occurred.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	50%	5	2.50	Supplementing PeopleSoft with manual and/or paper processes.
Implementation (Following Policies/Procedures, Historical Knowledge)	30%	4	1.20	There is a lack of knowledge or policies to obtain necessary HR information.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	0%	0	0.00	N/A

Rating Score

100%	4.50
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Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

A concern exists that the inability to ascertain information from PeopleSoft is a barrier to the effectiveness of the HR function. There is a need to upgrade the system to enhance the overall functionality available to HR. Has impacted the ability to provide accurate information to stakeholders.



Risk Assessment Scoring

Core Process: Information Services
Area: Information Usage Training
Number: 9

Date: 4/6/2016

Objective/Goals:

To ensure the District has a defined practice to educate users as to how to protect against the unauthorized access, use, disclosure, disruption, modification, and destruction of information.

Inherent Risks:

- ☒ Unable to complete in a timely manner
- ☒ Exceed budget
- ☒ Inefficient use of dollars
- ☒ Non-compliance

- ☒ Hurt public perception
- ☐ Injury
- ☒ Poor quality
- ☒ Potential internal control issue

- ☐ Equity in Public Purchasing and Contracting
- ☐ Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	Limited or inadequate training will enhance the likelihood of all inherent risks.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	10%	5	0.50	Information Services is the subject matter expert.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	35%	5	1.75	Some policies. No formal process in place to provide end-user training regarding information that can be collected, how it is protected, and what can be done with it.
Implementation (Following Policies/Procedures, Historical Knowledge)	40%	5	2.00	No end-user training. Central office has had some but none for other staff. Unknown as to whether Family Educational Rights and Privacy Act (FERPA) requirements are being met. Is no mandate/ requirement for training. Staff are not annually told what can/can't be done with student data, what software requires parental permission or a contract, etc.
External Monitoring?	5%	3	0.15	Federal Government (FERPA).
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	10%	5	0.50	Resources are not available.
Rating Score	100%		4.90	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

Limited training currently is provided to District personnel regarding the appropriate handling of sensitive/personnel information. Although some policies do exist, no annual updates occur nor does any specific training/education regarding what information can be collected, how it is protected, and what can be done with it (who sees it).



Risk Assessment Scoring

Core Process: Modernization
Area: Contingency Fund
Number: 10
Date: 4/6/2016

Objective/Goals:

Uncertainty in construction estimates including quantities assumed, scope changes, unanticipated market conditions, scheduling delays and acceleration issues, lack of bidding competition, cost escalation, labor issues, and subcontractor defaults, require the establishment of a contingency to ensure a capital project is completed within total anticipated costs.

Inherent Risks:

☒	Unable to complete in a timely manner
☒	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☒	Injury
☒	Poor quality
☐	Potential internal control issue

☐	Equity in Public Purchasing and Contracting
☐	Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	Without a realistic contingency for construction and renovation projects and maintaining a reasonable level of contingency throughout the project, the District's ability to complete projects on time or as communicated to stakeholders will be impacted.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	5%	3	0.15	Chief of Modernization, Operations Manager, and Project Managers.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	30%	3	0.90	Use Long-Range Master Plan as overall guidance, along with a Project Management Plan and Standard Operating Procedures for daily guidance have been developed. Also use E-Builder software for approvals and payment management.
Implementation (Following Policies/Procedures, Historical Knowledge)	30%	3	0.90	Project Managers follow standard operating procedures and the Project Management Plan to assist with daily operations. In addition, the project managers are experienced.
External Monitoring?	5%	2	0.10	Bond Accountability Committee. Projects funded using federal/state grant money are monitored by the granting agency. City/state permits and inspections are required for construction projects to move forward.
Internal Q/A or Q/C	5%	2	0.10	Report Monthly to PPS' Board of Education discussing budget, schedule, safety and status.
Appropriate Resources	25%	4	1.00	Although the district has established a contingency for its plan, it is difficult to gauge how much unforeseen expenses or emergencies could cost when implementing the plan.
Rating Score	100%		3.15	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

The District, to ensure unforeseen risks could be addressed (e.g.: price escalations, design changes due to errors and omissions, unforeseen conditions, labor issues, etc.), built a contingency into its Long-Range Master Plan based on an analysis that was performed when the bond document was being developed. The modernization plan is in year 3 of an 8 year construction timeframe. Maintaining a level of contingency until the project is complete is necessary to ensure that there are no delays in the schedule. Delays could hinder the district's ability to have space available for relocating students while school buildings are being renovated.



Risk Assessment Scoring

Core Process: Modernization
Area: Unplanned Projects
Number: 11
Date: 4/6/2016

Objective/Goals:

To ensure the long-range master plan is implemented to the best of the District's ability to ensure public trust and support do not diminish.

Inherent Risks:

☒	Unable to complete in a timely manner
☒	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☐	Injury
☒	Poor quality
☒	Potential internal control issue

☐	Equity in Public Purchasing and Contracting
☐	Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	When an entity goes through a public process to identify future construction projects to be completed and obtains voter approval for implementing and paying for the plan, it can erode public trust and support when projects are added to the schedule, potentially delaying, and/or taking funding from a public-approved project.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	5%	3	0.15	Chief of Modernization, Operations Manager, and Project Managers.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	30%	3	0.90	Long-Range Master Plan is used as overall guidance along with a Project Management Plan and Standard Operating Procedures for daily guidance to help identify what needs to be completed and when to stay on schedule.
Implementation (Following Policies/Procedures, Historical Knowledge)	30%	3	0.90	Project Managers follow standard operating procedures and the Project Management Plan to assist with daily operations. In addition, the project managers are experienced.
External Monitoring?	5%	2	0.10	Bond Accountability Committee. Projects funded using federal/state grant money are monitored by the granting agency. City/state permits and inspections are required for construction projects to move forward.
Internal Q/A or Q/C	5%	2	0.10	Report Monthly to PPS' Board of Education discussing budget, schedule, safety and status.
Appropriate Resources	25%	4	1.00	PPS has resources to complete the current plan, however, if major projects were added, it could jeopardize available resources as well as impact the schedule.
Rating Score	100%		3.15	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

The District used a community-based process to develop a long-range master plan. Based on that plan, a bond measure was defined and brought to and approved by voters. Every month, progress is reported to the School Board. In addition, the District is considering requesting another bond measure to continue its efforts in decreasing its maintenance log. When unvetted construction projects are added to the schedule, it can disrupt the plan, redirect resources meant for other projects, jeopardize the schedule, and erode public trust (not spending money as indicated). Any delay could hinder the District's ability to have space available for relocating students while school buildings are being renovated. This could also impact how taxpayers vote when considering whether to support another bond measure.



Risk Assessment Scoring

Core Process: Operations
Area: Security (Schools)
Number: 12
Date: 2/25/2016

Objective/Goals:

To ensure that PPS is prepared to address situations that ensure buildings, technology, and students, staff, and others remain safe during natural and human-caused emergency situations.

Inherent Risks:

☒	Unable to complete in a timely manner
☒	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☒	Injury
☒	Poor quality
☐	Potential internal control issue

☐	Equity in Public Purchasing and Contracting
☐	Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	Multiple locations, supporting a large population, results in difficulties in ensuring a quick and effective response that provides timely information to address a security situation or to ensure the safety of all on premises.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	5%	2	0.10	Security Director, Security Managers.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	30%	3	0.90	Fingerprinting/background check policy/procedure for staff/contractors. Onsite protocols for securing school premises. Guidelines for school sites to develop a crisis management plan, and an emergency response plan is being updated. A School Emergency Response Plan (SERP) has been developed.
Implementation (Following Policies/Procedures, Historical Knowledge)	35%	4	1.40	Although an Emergency Response Plan is in place, not everyone within the district is aware of it and it has not been tested.
External Monitoring?	5%	2	0.10	OAR 581-053-0210 (safety instructions to be followed).
Internal Q/A or Q/C	5%	2	0.10	Chief Operating Officer.
Appropriate Resources	20%	4	0.80	Planning for emergency situations is an ongoing and time consuming process.
Rating Score	100%		3.40	

Rating/Degree of Risk

1	Low
2	Low-Moderate
3	Moderate
4	High
5	Very High

Best Practices constantly being monitored, used, and updated.
Best Practices being monitored, used, and updated. Minimal risk.
Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
Potential serious risks likely to occur.
No recognition of any risk, or any procedures in place.

Summary:

PPS has taken several steps to help secure its environment including: ensuring fingerprinting and background checks occur for all staff and contractors with access to students and staff; wearing of visible ID cards for all employees and contractors; conducting emergency planning and training (monthly fire drills at all schools, bus safety practice); ensuring all outside doors except the main entrance are locked during normal business hours; having sign-in requirements for all school visitors; requiring visitors to wear name tags; having multiple mechanisms in place to ensure lines of communication stay open; providing parents and other stakeholders the ability to access public alerts and emergency notifications on the District's website; and providing a spokesperson to coordinate communications of emergencies to parents and the community when an event occurs.

The District has established a School Emergency Response Plan (SERP) to address its responsibilities in emergencies associated with natural disaster, human-caused emergencies, and technological incidents. It assists with coordinating with other entities, including City of Portland, Multnomah County, and the State of Oregon and is intended to address crimes committed on campus, hazardous materials emergencies, weather emergencies, and fire, and identifies when the School Emergency Team should be fully or partially activated. This plan addresses six actions: Lockout, Lockdown, Lockdown Team Response, Evacuate, Duck-Cover-Hold On, and Shelter-in Place.

The district provides templates for school administrators to use to update each facility's crisis management response, and offers checklists and other guidelines for addressing emergency situations.



Risk Assessment Scoring

Core Process: Operations
Area: Security (Other Buildings)
Number: 13
Date: 4/6/2016

Objective/Goals:

To ensure that PPS is prepared to address situations that ensures buildings, technology, and students, staff, and others remain safe during natural and human-caused emergency situations.

Inherent Risks:

☒	Unable to complete in a timely manner
☒	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☒	Injury
☒	Poor quality
☐	Potential internal control issue

☐	Equity in Public Purchasing and Contracting
☐	Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	Multiple locations, supporting a large population, results in difficulties in ensuring a quick and effective response that provides timely information to address a security situation or to ensure the safety of all on premises.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	5%	2	0.10	Security Director; Security Managers.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	40%	5	2.00	No formal process/procedures in place.
Implementation (Following Policies/Procedures, Historical Knowledge)	40%	5	2.00	No formal process/procedures in place.
External Monitoring?	0%	0	0.00	External Monitoring not a mitigating factor.
Internal Q/A or Q/C	5%	2	0.10	Chief Operating Officer.
Appropriate Resources	10%	4	0.40	Planning for emergency situations is an ongoing and time consuming process.

Rating Score

100%	4.50
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Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

PPS has limited security measures or plan in place at its Central Administration building. Although access is limited in some areas, many areas are not restricted. The warehouse is unlocked at 4:00am each morning with no monitoring (security cameras, security personnel, etc.) as to who enters the building at that time.



Risk Assessment Scoring

Core Process: Operations
Area: Transportation - Bus Accidents
Number: 14

Date: 4/6/2016

Objective/Goals:

To ensure students and district personnel are safe while being transported to and from school using school-provided transportation.

Inherent Risks:

☒	Unable to complete in a timely manner
☐	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☒	Injury
☒	Poor quality
☐	Potential internal control issue

☐	Equity in Public Purchasing and Contracting
☐	Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	When an entity is responsible for transporting a large number of students, it is important to be prepared to address emergency situations that can arise, such as bus accidents, to minimize injury or damage to an entity's property.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	10%	2	0.20	Senior Director, Transportation; COO
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	30%	3	0.90	Bus safety protocols have been established in addition to having a district-wide emergency plan that is used to manage bus accidents.
Implementation (Following Policies/Procedures, Historical Knowledge)	30%	3	0.90	Driver safety training in addition to having regularly established protocols in place.
External Monitoring?	20%	3	0.60	Bus safety checks occur regularly.
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	10%	2	0.20	Staffed sufficiently, good equipment.
Rating Score	100%		2.80	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

PPS holds driver safety trainings regularly and has regularly established protocols for various emergencies, i.e., bus catches on fire. There is a district-wide emergency plan that is used to manage bus accidents. During field trips, volunteers and teachers (supervisors) also ride the bus, which provides more adult supervision in case of an emergency. In addition, routine bus safety checks occur. Students are also versed on bus safety through drills and videos that are viewed during class.



Risk Assessment Scoring

Core Process: District-Wide
Area: Program Prioritization
Number: 15
Date: 4/6/2016

Objective/Goals:

To provide sufficient resources to meet the objectives for each student within the district.

Inherent Risks:

☒	Unable to complete in a timely manner
☒	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☒	Injury
☒	Poor quality
☒	Potential internal control issue

☒	Equity in Public Purchasing and Contracting
☒	Other - Programs compete for funds

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	Prioritization of resources due to limited funding, has made it difficult to meet certain responsibilities and have increased the opportunity for various risks to occur.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	10%	3	0.30	All managers have specific responsibilities - the Board allocates resources.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	25%	3	0.75	The District's budget process allows department requests for enhancements, changes, etc., goals and objectives, and established responsibilities to be determined and prioritized.
Implementation (Following Policies/Procedures, Historical Knowledge)	45%	4	1.80	At times, difficult funding decisions are made without an understanding of the consequences/impacts on programs, service delivery, and personnel.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	5%	2	0.10	Superintendent and staff prepare budget, Board reviews and approves.
Appropriate Resources	15%	4	0.60	A lack of available resources decreases potential for optimized budget.
Rating Score	100%		3.55	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

Limited resources results in District programs competing with each other for available funding. Programs are having to pull funds from other areas, while trying to make sure using the funds today won't adversely affect the students by taking it from programs that will benefit them in the future. Various pressures and expectations exist on Board members and staff to provide certain services and, with limited dollars, difficult decisions have to be made. However, expectations should be commensurate with resources.



Risk Assessment Scoring

Core Process: District-wide
Area: Records Management
Number: 16

Date: 4/6/2016

Objective/Goals:

To provide a safe, consistent, effective system for document storage, management, retention, destruction, and retrieval.

Inherent Risks:

☒	Unable to complete in a timely manner
☐	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☐	Injury
☒	Poor quality
☒	Potential internal control issue

☐	Equity in Public Purchasing and Contracting
☒	Other - access to critical information

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	Without an effective, centralized approach to document inventory, management, retention, destruction, and retrieval consistent with best practices, the potential for increased risk and exposure occur.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	10%	2	0.20	There is an identified records manager who understands the challenges and has the capabilities to address them.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	40%	5	2.00	Records are maintained at individual schools and in departments throughout the District in physical form, and many without any backup in event of loss or damage. The District lacks formal policies and practices for records retention and destruction. There are no standards for document management in terms of inventorying, archiving, indexing or retrieval. The District primarily retains hardcopy of documents at the cost of tremendous space usage and subjecting records to manual search as well as damage or loss.
Implementation (Following Policies/Procedures, Historical Knowledge)	40%	5	2.00	Without formal policies, procedures and practices to provide a sound, consistent basis for records management, practices are widely varied and lack accountability. The District is at significant risk, especially with respect to Special Education Student records, specifically regarding retention, access and destruction of those records.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	10%	3	0.30	Unclear if budget resources exist to support efforts.
Rating Score	100%		4.50	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

The District is at significant risk on a number of levels, including but not limited to, the ability to continue to respond efficiently and effectively to public records requests, management of and access to special education student records, physical damage and loss of sensitive or critical documents, and efficiencies of access and retrieval of documents.
Records are primarily retained in hard copy and are sensitive to damage or loss.



Risk Assessment Scoring

Core Process: District-Wide
Area: Retention/Recruiting
Number: 17
Date: 4/6/2016

Objective/Goals:

To ensure PPS has personnel with the appropriate level of knowledge, skills, and abilities to adequately provide required services.

Inherent Risks:

☒	Unable to complete in a timely manner
☒	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☒	Injury
☒	Poor quality
☒	Potential internal control issue

☐	Equity in Public Purchasing and Contracting
☐	Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	The loss of staff due to an improving economy, retirements, non-market compensation, or organizational issues will result in a decrease in service, concerns with quality, and inability to meet time frames. Limited resources can negatively impact the ability of an organization to achieve its mission. The impact of inadequate staffing levels can be mitigated by improvements in technology or an increase in process efficiency. Without changes in either, there may be increase in the likelihood of identified risks occurring.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	10%	4	0.40	Operations - Superintendent, Policy - Board, Recruitment - H/R, Retention - all.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	40%	4	1.60	Processes in place.
Implementation (Following Policies/Procedures, Historical Knowledge)	35%	5	1.75	Current wage freeze, market conditions impact.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	15%	5	0.75	Resource needs.
Rating Score	100%		4.50	

Rating/Degree of Risk

1	Low
2	Low-Moderate
3	Moderate
4	High
5	Very High

Best Practices constantly being monitored, used, and updated.
Best Practices being monitored, used, and updated. Minimal risk.
Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
Potential serious risks likely to occur.
No recognition of any risk, or any procedures in place.

Summary:

Many departments are currently impacted by the inability of the District to hire and/or retain qualified staff due to such factors as:

- High turnover
- Losing to the private sector - specific positions are in demand
- Not competitive in today's market
- Large investment in training and then loose
- Limited pool based on available compensation
- Retirements are occurring and limited interested in applying for vacancies exists



Risk Assessment Scoring

Core Process: District-Wide
Area: Succession Planning - Central Office
Number: 18

Date: 4/6/2016

Objective/Goals:

To ensure roles and responsibilities are transitioned to qualified individuals and institutional knowledge is shared in preparation of key individuals leaving the District.

Inherent Risks:

☒	Unable to complete in a timely manner
☒	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☐	Injury
☒	Poor quality
☒	Potential internal control issue

☐	Equity in Public Purchasing and Contracting
☒	Other - Loss institutional knowledge

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	The lack of documented succession plans for central office positions within the District creates the potential for ineffective transitioning of programs, limiting the ability to meet core objectives. Without a documented plan in place before an individual leaves the district, the likelihood of loss of key information is greatly increased and the potential for a smooth transition is greatly decreased.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	20%	4	0.80	Individual departments:
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	40%	5	2.00	A formal district-wide process is not in place or documented. Is department-specific.
Implementation (Following Policies/Procedures, Historical Knowledge)	35%	5	1.75	Individual plans are typically created once an employee has given notice. Some departments have identified need for formal planning, most have not.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	5%	3	0.15	It is unclear whether appropriate resources are in place.
Rating Score	100%		4.76	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

A loss of experienced personnel through retirements and improvement in the economy can create a shortage/gap in resources to provide various services. Transition plans, cross-training, and documented procedures have not been established. Additionally, the District is hampered by hiring requirements, inability to hire into a position prior to a retirement, and salary ranges.



Risk Assessment Scoring

Core Process: District-Wide
Area: Strategic Planning
Number: 19
Date: 4/6/2016

Objective/Goals:

To ensure PPS has defined a framework to efficiently and effectively allocate its resources across the District and align its direction with its established core mission.

Inherent Risks:

☒ Unable to complete in a timely manner	☒ Hurt public perception	☒ Equity in Public Purchasing and Contracting
☒ Exceed budget	☒ Injury	☐ Other (Describe)
☒ Inefficient use of dollars	☒ Poor quality	
☒ Non-compliance	☒ Potential internal control issue	

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	5	A formal strategic plan sets direction and assists the District in focusing its total resources, strengthening its operations, ensuring its staff and other stakeholders are working toward common goals, establishing agreement around intended outcomes/results, and assesses and adjusts direction in response to a changing environment.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	10%	4	0.40	Board, Superintendent.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	40%	5	2.00	Although instructional priorities are established, no long-term plan incorporating all aspects (business operations, academics, etc.) has been developed.
Implementation (Following Policies/Procedures, Historical Knowledge)	40%	5	2.00	Although instructional priorities are established, no long-term plan incorporating all aspects (business operations, academics, etc.) has been developed.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	10%	5	0.50	None allocated.
Rating Score	100%		4.90	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

PPS has developed a strategic framework to guide its educational planning. However, this framework focuses primarily on instructional elements and does not incorporate all aspects of the District's operations (people, support functions, facilities, stakeholders, etc.). A comprehensive strategic plan integrating all elements of operating the District would allow PPS to establish long-term priorities, define and articulate objectives, determine measurements of "success," and focus on new solutions to continuing problems. Formalizing and communicating a plan would allow District employees to work towards common goals.



Risk Assessment Scoring

Core Process: Community Involvement & Public Affairs

Area: Communication

Number: 20

Date: 4/6/2016

Objective/Goals:

To ensure messages delivered to internal and external stakeholders are consistent with District policy.

Inherent Risks:

☒	Unable to complete in a timely manner
☐	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☐	Injury
☒	Poor quality
☐	Potential internal control issue

☐	Equity in Public Purchasing and Contracting
☐	Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	4	Multiple personnel in varying positions and with differing points of view make it difficult to ensure a message consistent with the District's policies and core mission is provided to internal and external stakeholders.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	10%	4	0.40	Chief of Communications & Public Affairs.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	30%	2	0.60	Policies and procedures are in place.
Implementation (Following Policies/Procedures, Historical Knowledge)	30%	2	0.60	Policies and procedures within the department are followed and staff are knowledgeable about practices and expectations of the department.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	30%	5	1.50	Understaffed/under budget to address all communications/public affairs needs.
Rating Score	100%		3.10	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

To ensure that a consistent, accurate, timely, and forthcoming message is provided internally as well as externally, and to provide advice to assist with sharing and distributing information, district leaders and other personnel should utilize the support of the Communications and Public Affairs Department. The Department works to improve public perception by ensuring a consistent message that is aligned with PPS policies, that provide stakeholders and the public with factual, timely information. It is important to strike the right balance to ensure that the District is answering questions without compromising the District's mission, goals, and objectives.



Risk Assessment Scoring

Core Process: Financial Services
Area: Grants Compliance
Number: 21

Date: 4/6/2016

Objective/Goals:

Provide for an effective, efficient means to ensure compliance with requirements of grant programs providing funding to the District.

Inherent Risks:

- ☒ Unable to complete in a timely manner
- ☒ Exceed budget
- ☒ Inefficient use of dollars
- ☒ Non-compliance

- ☒ Hurt public perception
- ☐ Injury
- ☒ Poor quality
- ☒ Potential internal control issue

- ☒ Equity in Public Purchasing and Contracting
- ☐ Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	4	Grants provide a significant level of funding to District programs. The lack of systems associated with grant monitoring elevate the risk of noncompliance with financial and programmatic outcomes and can result in significant issues, both financially and in terms of service levels, if funding is reduced or lost.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	10%	4	0.40	A Grants Team has been established within Finance and has the ultimate responsibility for grant-related reporting and compliance.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	35%	4	1.40	Some policies and procedures exist but can be strengthened. District program staff lack sufficient experience with grants, and in some cases the capacity (time, competence, training) to effectively meet requirements.
Implementation (Following Policies/Procedures, Historical Knowledge)	40%	4	1.60	With silos and decentralization (schools vs. admin, across departments), there is significant opportunity for divergence and potential noncompliance with requirements due to unfamiliarity, lack of resources, and historical practices.
External Monitoring?	5%	3	0.15	External monitoring of grant compliance is after-the-fact and at a level that may not be considered effective to the District's needs. District has received findings in past.
Internal Q/A or Q/C	5%	4	0.20	Lack of effective, internal monitoring of grant requirements at detail level due to lack of sufficient resources (personnel, time, money).
Appropriate Resources	5%	4	0.20	Should be appropriate resources to deal with these purchases.
Rating Score	100%		3.95	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

The District is at risk of noncompliance with federal, state, and local grant requirements as a result of a number of factors, including but not limited to: insufficient systems to calculate and track matching requirements, varied information systems that are not integrated and require manual translation of information from one to another, silos and decentralized processes, lack of sufficient training and competencies in program staff, lack of accountability to stated compliance requirements, insufficient systems to track, monitor and report personal services costs and requirements to the grants, general lack of familiarity outside of Finance with general or specific compliance requirements attached to grants, insufficient policies and procedures in the area of compliance with grant requirements, and lack of resources (time, money and personnel) to ensure compliance.



Risk Assessment Scoring

Core Process: Financial Services
Area: Professional Development - Non-Instructional
Number: 22
Date: 4/6/2016

Objective/Goals:

To provide for effective on-boarding and continuing professional development for District staff in the areas of basic financial practices and related compliance.

Inherent Risks:

- ☒ Unable to complete in a timely manner
☐ Exceed budget
☒ Inefficient use of dollars
☒ Non-compliance

- ☒ Hurt public perception
☐ Injury
☒ Poor quality
☒ Potential internal control issue

- ☒ Equity in Public Purchasing and Contracting
☐ Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	4	Without complete and accurate financial information communicated to the Finance Department, the ability to ensure compliance with an array of financial requirements related to grants, laws and regulations, and Board directives is compromised.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	10%	4	0.40	No single point of contact for the evaluation, design, or implementation of basic financial training for District staff has currently been identified.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	35%	4	1.40	No set policies or procedures to drive training in basic financial processes outside of the Finance Department currently are in place. The "Learning Center" provides a medium with which professional development programs could be administered.
Implementation (Following Policies/Procedures, Historical Knowledge)	30%	5	1.50	Without stated policies in place and priority placed on implementation, it is unreasonable to expect any effective implementation of training programs.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	0%	4	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	25%	4	1.00	The implementation of effective training will require dedication of staff, time and money resources to design/develop and implement.
Rating Score	100%		4.30	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

There is currently limited effective training for non-Finance Department staff on basic financial practices including but not limited to: ethics, internal controls, grant and other compliance, and competitive purchasing.



Risk Assessment Scoring

Core Process: District-wide
Area: Business Operations Key Performance Indicators (KPI's)
Number: 23
Date: 4/6/2016

Objective/Goals:

To ensure the District has a performance management system that identifies expectations and promotes staff and management accountability to the District.

Inherent Risks:

☒ Unable to complete in a timely manner	☒ Hurt public perception	☒ Equity in Public Purchasing and Contracting
☒ Exceed budget	☒ Injury	☒ Other - ability to measure and report effective performance/success
☒ Inefficient use of dollars	☒ Poor quality	
☒ Non-compliance	☒ Potential internal control issue	

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	4	Entities that do not track and measure staff, management, and department performance cannot ensure that business operations that support core missions, goals, and objectives are being met and that those responsible for specific tasks are being held accountable.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	20%	4	0.80	Superintendent and management team are primarily responsible for establishing and implementing a system of performance measurement and management in alignment with the Board's goals and objectives. This is a top-down initiative that must be fully supported to be successful.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	40%	4	1.60	Some business operations areas within the District have established some KPI's as part of the budget process and for management purposes. There does not appear to be alignment of mission, goals, and objectives to departmental KPI's and efforts that can be measured, reported, and held accountable to success.
Implementation (Following Policies/Procedures, Historical Knowledge)	25%	5	1.25	Without systems in place, it appears unreasonable to expect any meaningful implementation of KPI's and performance-based management/evaluation of the District's goals and direction.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	5%	4	0.20	Board of Education.
Appropriate Resources	10%	4	0.40	Implementation of performance measurement and management requires dedication of a champion and budget resources, as well as time and effort by all levels of the District.
Rating Score	100%		4.25	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

The District has no formal, consistent, broad-based system of performance measurement or management for its business operational areas that integrates the use of KPI's with performance evaluation and budgetary priorities. Without some system/method of performance measurement and management, it is difficult to determine if the District is making effective/efficient progress on stated goals, objectives or initiatives.



Risk Assessment Scoring

Core Process: Modernization
Area: Ability to meet MWESBs and Apprentices usage goals
Number: 24
Date: 4/6/2016

Objective/Goals:

To ensure MWESB and apprenticeship utilization goals are met on construction projects.

Inherent Risks:

☒	Unable to complete in a timely manner	☒	Hurt public perception
☒	Exceed budget	☒	Injury
☒	Inefficient use of dollars	☒	Poor quality
☒	Non-compliance	☒	Potential internal control issue

☒ Equity in Public Purchasing and Contracting
☐ Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	4	When many local governmental entities are building construction projects, it can affect the number of MWESB firms and apprentices available to work on the districts projects, making it difficult for the district to meet its utilization goals.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	5%	2	0.10	Chief of Modernization, Operations Manager, and Project Managers.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	25%	2	0.50	Use Long-Range Master Plan as overall guidance, along with a Project Management Plan and Standard Operating Procedures for daily guidance have been developed. Also use E-Builder software for approvals and payment management. This can also track MWESB and apprenticeship usage.
Implementation (Following Policies/Procedures, Historical Knowledge)	25%	4	1.00	Managers make every attempt to comply with MWESB and apprenticeship utilization goals for all construction projects; difficult to compete with other entities that also have utilization goals.
External Monitoring?	0%		0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	5%	2	0.10	Report monthly to PPS' Board of Education discussing budget, schedule, safety, status, and MWESB/Apprenticeship utilization goals.
Appropriate Resources	40%	5	2.00	Availability of MWESB firms and apprentices may be minimal in the future, depending upon the number of local governments that pass construction bond measures (that also have utilization goals).
Rating Score	100%		3.70	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

PPS, like many other organizations, have aspirational goals for utilizing MWESB's and apprentices on construction projects. When governments are contracting for construction labor jobs, many have similar utilization goals to PPS, making the demand for MWESB and apprentices high. When the market becomes saturated with projects from governmental entities that have bond money to spend, meeting MWESB and apprenticeship goals will be difficult.

PPS uses escalation to monitor costs such as materials and labor. Escalation reviews the national construction cost index to compare what labor and materials are costing owners, looking at the most current data available. When the demand in a specific community for labor and materials is high, costs tend to go up for owners. With so many entities going out for bond measures for capital construction projects over the next year, including PPS, the demand for labor, MWESB's, apprentices, and materials will be high, making it difficult to meet MWESB/apprenticeship goals, as well as to stay on schedule and budget.



Risk Assessment Scoring

Core Process: Operations
Area: Transportation - Supplemental Funding
Number: 25
Date: 4/6/2016

Objective/Goals:

To ensure PPS high school students are able to get to and from school in a timely, safe, and reliable manner.

Inherent Risks:

☒	Unable to complete in a timely manner
☒	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☐	Injury
☒	Poor quality
☒	Potential internal control issue

☐	Equity in Public Purchasing and Contracting
☐	Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	4	PPS relies on other public entities to help fund its transportation needs by offering high school students annual bus passes. Discontinuing this support would result in PPS spending more of its resources on the program to keep it as is, or to modify the scope to allow only students that meet certain criteria to qualify for the program.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	20%	2	0.40	Senior Director, Transportation; COO.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	0%	0	0.00	N/A
Implementation (Following Policies/Procedures, Historical Knowledge)	0%	0	0.00	N/A
External Monitoring?	0%	0	0.00	External monitoring not a mitigating factor.
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C not a mitigating factor.
Appropriate Resources	80%	4	3.20	Since this program is negotiated annually, future funding from the other two parties is uncertain.
Rating Score	100%		3.60	

Rating/Degree of Risk

1	Low
2	Low-Moderate
3	Moderate
4	High
5	Very High

Best Practices constantly being monitored, used, and updated.
Best Practices being monitored, used, and updated. Minimal risk.
Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
Potential serious risks likely to occur.
No recognition of any risk, or any procedures in place.

Summary:

PPS has a waiver from the Department of Education that allows them to use public transportation instead of providing yellow bus service to its high school students, since there is an alternative service available. At one time, the District only provided Tri-Met bus passes to students that went to their neighborhood schools and were on the free and reduced meal program. PPS was looking for a way to provide transportation to all high school students; local businesses responded by giving the district their BETC credits to pay to have Tri-Met bus passes for all high school students. When the BETC program ended in 2012, PPS worked with Tri-Met and the City of Portland to fund the program. Since then, negotiations to continue the program occur annually. If Tri-Met, and/or the City of Portland were to discontinue its support, PPS would either try to fund the program themselves, or go back to only supporting students that go to their neighborhood schools and are on the free and reduced meal program.

It should be noted that PPS is reimbursed by the State of Oregon for 70% of its annual transportation costs.



Risk Assessment Scoring

Core Process: District-wide
Area: Partner Involvement
Number: 26
Date: 4/6/2016

Objective/Goals:

To ensure PPS adequately obtains and manages input from the community, educational partners, advisory committees, etc.

Inherent Risks:

- ☒ Unable to complete in a timely manner
- ☒ Exceed budget
- ☒ Inefficient use of dollars
- ☒ Non-compliance

- ☒ Hurt public perception
- ☒ Injury
- ☒ Poor quality
- ☒ Potential internal control issue

- ☒ Equity in Public Purchasing and Contracting
- ☐ Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	4	When an organization serves a large, varied population center, if it does not equitably obtain public input and involve the community, miscommunication, project delays, lack of public support, protests, and in some cases, costly litigation can occur.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	10%	3	0.30	Communications and Public Affairs, Equity and Diversity Departments, specific programs.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	40%	3	1.20	PPS works with diverse partners including non-profits and community organizations. Has stated a desire and focus on the inclusion of partners.
Implementation (Following Policies/Procedures, Historical Knowledge)	45%	5	2.25	Is a disconnect between desiring public engagement and actually receiving input. Partners believe they are not being included in conversations that they have a major interest in.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	5%	3	0.15	Limited resources to facilitate conversations potentially exists.
Rating Score	100%		3.90	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

PPS appears to believe in the inclusion of its many partners (non-profits, community groups, contractors, etc.) in the shaping of its plan to meet its core mission. However, it appears that some organizations representing certain groups are either not included in conversations or are contacted very late in the process limiting the ability to provide meaningful input.



Risk Assessment Scoring

Core Process: District-Wide
Element: Priority Setting
Number: 27

Date: 4/6/2016

Objective/Goals:

To establish a framework within which the District can clearly set and communicate priorities, and manage to those priorities, in accordance with stated goals and objectives.

Inherent Risks:

☒	Unable to complete in a timely manner
☒	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☐	Injury
☒	Poor quality
☒	Potential internal control issue

☐	Equity in Public Purchasing and Contracting
☐	Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	4	Without the development of realistic, achievable priorities the District will have difficulty in accomplishing each increasing the potential for identified inherent risks to occur.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	20%	3	0.60	Board - establishes mission and purpose, ensures adequate resources, maintains accountability; Superintendent - administers and implements Board policies, provides strategic direction, manages overall operations.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	35%	3	1.05	Board has adopted specific priorities to move towards the District's vision.
Implementation (Following Policies/Procedures, Historical Knowledge)	35%	5	1.75	Multiple priorities. Measurements not criteria, etc.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	5%	3	0.15	Board required reporting.
Appropriate Resources	5%	5	0.25	Resources will be required for success but allocation is unknown.
Rating Score	100%		3.80	

Rating/Degrees of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

The Board has established seven priorities for the 2015-16 and 2016-17 schools years to move towards meeting the District's Mission:

Ensure a strong principal and vice/assistant principal in every building who is well-matched to the school community.

Create an environment in which supports are in place for teachers to thrive and have a voice in district-wide decision making.

Every student prepared for life, college and career, and to meaningfully contribute to their communities.

Create a system of quality instruction to increase literacy rates for all children.

Create a system of behavior supports that will reduce disproportionality in expulsions and suspensions.

Ensure that the School Building Improvement Bond continues tracking on time and on budget and delivers innovative, 21st century schools.

Create a successful enrollment balancing framework that creates a foundation of equitable core programming across schools.

Research (FranklinCovey) shows that organizations should have two, or at the very most, three priorities (goals):

If a team has 2-3 three primary goals, they are likely to achieve 2-3 of them.

If a team has 3-10 primary goals, they are likely to achieve 1 or 2 of them.

If a team has 11 or more goals, they are likely to achieve none of them.



Risk Assessment Scoring

Core Process: District-Wide
Area: Succession Planning - Licensed Administrators
Number: 28
Date: 4/6/2016

Objective/Goals:

To ensure roles and responsibilities are transitioned to qualified individuals and institutional knowledge is shared in preparation of key individuals leaving the District.

Inherent Risks:

☒	Unable to complete in a timely manner
☒	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☐	Injury
☒	Poor quality
☒	Potential internal control issue

☐	Equity in Public Purchasing and Contracting
☒	Other - Loss of institutional knowledge

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	4	The lack of documented succession plans for leadership positions within the District creates the potential for ineffective transitioning of programs, limiting the ability to meet core objectives. Without a documented plan in place before an individual leaves the district, the likelihood of loss of key information is greatly increased and the potential for a smooth transition is greatly decreased.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	25%	3	0.75	HR Department.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	35%	3	1.05	No formal process but have an Aspiring PPS Leaders program in place. Use mentors for new building administrators.
Implementation (Following Policies/Procedures, Historical Knowledge)	35%	4	1.40	Administrator Career Interests & Planning survey in place.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	5%	3	0.15	It is unclear whether appropriate resources are in place.
Rating Score	100%		3.35	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

Although the District does not have a formal succession planning document, HR has created an Administrator Career Interests & Planning survey to assist in determining anticipated vacancies as well as identify career interests for its licensed building administrators. It is designed to inform the senior directors of possible career plans, interests and aspirations to ensure a pool of potential administrators exists as needed. An aspiring leader program for teachers interested in becoming building administrators has been developed and part-time retired administrators serve as mentors to first and second year building administrators (i.e., principal, vice principal and assistant principal).



Risk Assessment Scoring

Core Process: District - Wide
Area: Facilities - Space
Number: 29

Date: 4/6/2016

Objective/Goals:

To ensure sufficient space is available to efficiently and effectively achieve objectives.

Inherent Risks:

☐	Unable to complete in a timely manner
☐	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☐	Hurt public perception
☒	Injury
☒	Poor quality
☐	Potential internal control issue

☐	Equity in Public Purchasing and Contracting
☒	Other - Loss of aspects of programs

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	3	The lack of available space for various academic programs reduces the number of programs and activities that can be provided to District students/families and limits its abilities to meet the its core mission. Inadequate space and/or design can impact performance and service delivery.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	20%	4	0.80	No defined owner. Superintendent, program directors, and principals have input.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	20%	3	0.60	No formalized process in place.
Implementation (Following Policies/Procedures, Historical Knowledge)	20%	3	0.60	No formalized process in place.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	40%	4	1.60	Due to lack of available resources, programs are competing for space. Programs that are not obtaining space are seeing an impact on their effectiveness and meeting their objectives.
Rating Score	100%		3.60	

Rating/Degree of Risk

1	Low
2	Low-Moderate
3	Moderate
4	High
5	Very High

Best Practices constantly being monitored, used, and updated.
Best Practices being monitored, used, and updated. Minimal risk.
Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
Potential serious risks likely to occur.
No recognition of any risk, or any procedures in place.

Summary:

Many District programs (e.g.: Special Education, Early Learners, and Counselors) require specific locations (easily accessible, first floor, etc.) and/or space sizes. There are also additional space requirements as the programs strive to provide wraparound support from the time students enter school through additional grades. As programs compete for available space, those with the highest priority are awarded the space, often times supplanting other programs. Programs losing space are experiencing an impact in the number of students and families they are able to support which is limiting the ability to be effective and meet established objectives.



Risk Assessment Scoring

Core Process: Financial Services
Area: Capturing Time and Effort
Number: 30
Date: 4/6/2016

Objective/Goals:

To provide an effective, efficient means of capturing and reporting time and effort related to payroll expense and related compliance.

Inherent Risks:

☒	Unable to complete in a timely manner
☐	Exceed budget
☐	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☐	Injury
☐	Poor quality
☒	Potential internal control issue

☐	Equity in Public Purchasing and Contracting
☒	Other - completeness and accuracy of payroll information as of point in time

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	3	The District's current system for capturing time and effort information is inadequate to efficiently and effectively meet the requirements for timely, complete, and accurate payroll information, as well as provide necessary documentation in support of grant compliance for payroll costs charged to Federal programs.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	10%	3	0.30	The District's CFO or designee is responsible for the District's time and effort systems and their effectiveness/efficiency.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	40%	4	1.60	The system in place is outdated and inadequate to provide real-time data capture and communication of time and attendance to Finance for purposes of payroll. The current system does not support time and effort certification necessary for Federal grant compliance - an issue for which the District has been previously cited in its financial audit.
Implementation (Following Policies/Procedures, Historical Knowledge)	40%	5	2.00	The current system requires payroll from a given school be "sent" to Finance without appropriate review and approval by the principal if the principal is not available - in order to meet payroll processing deadlines. This results in risks with completeness and accuracy that may result in additional inefficiencies to correct errors later.
External Monitoring?	0%	0	0.00	External monitoring is not a significant factor.
Internal Q/A or Q/C	5%	4	0.20	Finance spends considerable time on manual processes related to the quality (completeness and accuracy) of payroll information, compensating for limitations of the current system (efficiency issue).
Appropriate Resources	5%	4	0.20	Upgrade of the current system will require dedication of District resources.
Rating Score	100%		4.30	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

There is currently limited training for non-Finance Department staff on basic financial practices such as internal controls, grant and other compliance, and competitive purchasing. The District must currently rely on manual inputs and workarounds to process payroll and demonstrate compliance.



Risk Assessment Scoring

Core Process: Financial Services
Area: Purchasing Compliance vs. Service
Number: 31
Date: 4/6/2016

Objective/Goals:

To provide for a balance of customer service and compliance with requirements in the area of procurement.

Inherent Risks:

☒	Unable to complete in a timely manner
☐	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☐	Injury
☒	Poor quality
☒	Potential internal control issue

☒	Equity in Public Purchasing and Contracting
☐	Other (Describe)

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	3	An imbalance between customer services and compliance can enhance the possibility of inherent risks to occur.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	10%	2	0.20	Purchasing Manager.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	40%	2	0.80	Established practices exist and rules/regulations are clear.
Implementation (Following Policies/Procedures, Historical Knowledge)	40%	3	1.20	There appears to be solid and consistent compliance with stated procedures and controls; what is less clear is the satisfaction of customers with respect to timeliness and level of support in the process.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	10%	2	0.20	Appear to have adequate resources within the Purchasing function.
Rating Score				2.40

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

Previous concerns with contract/purchasing compliance have been a focus. The "tightening" of controls may have swung the balance too far toward compliance and less toward customer service/ability to quickly meet student needs.



Risk Assessment Scoring

Core Process: Financial Services
Area: Purchases Under \$2,000
Number: 32
Date: 4/6/2016

Objective/Goals:
Provide for efficient and effective procurement process in compliance with all relevant rules and regulations.

Inherent Risks:

☒ Unable to complete in a timely manner	☒ Hurt public perception	☒ Equity in Public Purchasing and Contracting
☐ Exceed budget	☐ Injury	☐ Other (Describe)
☒ Inefficient use of dollars	☒ Poor quality	
☒ Non-compliance	☒ Potential internal control issue	

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	3	The ability of departments and schools to purchase and contract independently for amounts <\$2000, without any requirements for competitive process or requirements to work through District Purchasing, can result in various inherent risks to occur.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	10%	2	0.20	Principals and department heads.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	35%	3	1.05	Purchases under \$2,000 have no formal requirements under procurement rules; great deal of latitude for purchasing and contracting.
Implementation (Following Policies/Procedures, Historical Knowledge)	45%	4	1.80	Little training, and thus little consistent understanding of best practices or procedures for ensuring solid purchasing practices followed.
External Monitoring?	0%		0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	0%		0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	10%	2	0.20	Should be appropriate resources to deal with these purchases.
Rating Score	100%		3.25	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

Risk is that purchases under \$2,000 could be poorly managed and to the ultimate detriment of the District in terms of compliance.



Risk Assessment Scoring

Core Process: District-wide
Area: Paperless Initiative
Number: 33
Date: 4/6/2016

Objective/Goals:

To support effective and efficient transactional processing of District business, as well as appropriate storage and retrieval of key documents and supporting evidential matter.

Inherent Risks:

☒	Unable to complete in a timely manner
☒	Exceed budget
☒	Inefficient use of dollars
☒	Non-compliance

☒	Hurt public perception
☐	Injury
☒	Poor quality
☒	Potential internal control issue

☒	Equity in Public Purchasing and Contracting
☒	Other - effective/efficient document management

Criteria	Rating	Comments
Likelihood/probability of identified inherent risks occurring	3	The District's transactions are currently supported by a mix of manual/paper and electronic data and processes. Manual processing of transactions (vs. automated or electronic means) is more prone to risk of error, damage and loss. Manual processes are less efficient in terms of scarce resources (staff and time) and require greater physical storage.

Risk Mitigation: Degree of Risk associated with the ability of defined criteria to mitigate identified inherent risks

Criteria	Weighting	Rating	Score	Comments
Owner Identified?	10%	3	0.30	An initiative to adopt full paperless processing would require support and communication from the Board and highest levels of the District, and a champion such as the Records Manager.
Process Maturity (Lessons Learned, Policies/Procedures in Place, Experience)	40%	3	1.20	Currently the District operates in a mix of manual and electronic environments. There are no formal policies or directives that drive or support a shift to a primarily paperless processing environment.
Implementation (Following Policies/Procedures, Historical Knowledge)	40%	3	1.20	Without formal policies or systems in place, it is unreasonable to expect a significant shift to a paperless environment.
External Monitoring?	0%	0	0.00	External monitoring is not a mitigating factor.
Internal Q/A or Q/C	0%	0	0.00	Internal Q/A or Q/C is not a mitigating factor.
Appropriate Resources	10%	4	0.40	The implementation of a paperless initiative will require considerable budgetary, staff and time resources.
Rating Score	100%		3.10	

Rating/Degree of Risk

1	Low	Best Practices constantly being monitored, used, and updated.
2	Low-Moderate	Best Practices being monitored, used, and updated. Minimal risk.
3	Moderate	Some level of risk. Some Best Practices not in place. Potential for negative outcomes.
4	High	Potential serious risks likely to occur.
5	Very High	No recognition of any risk, or any procedures in place.

Summary:

The District is currently operating in a mix of manual and electronic environments.