



Portland Public Schools District-Wide Operational and Business Services Risk Assessment

April 11, 2016



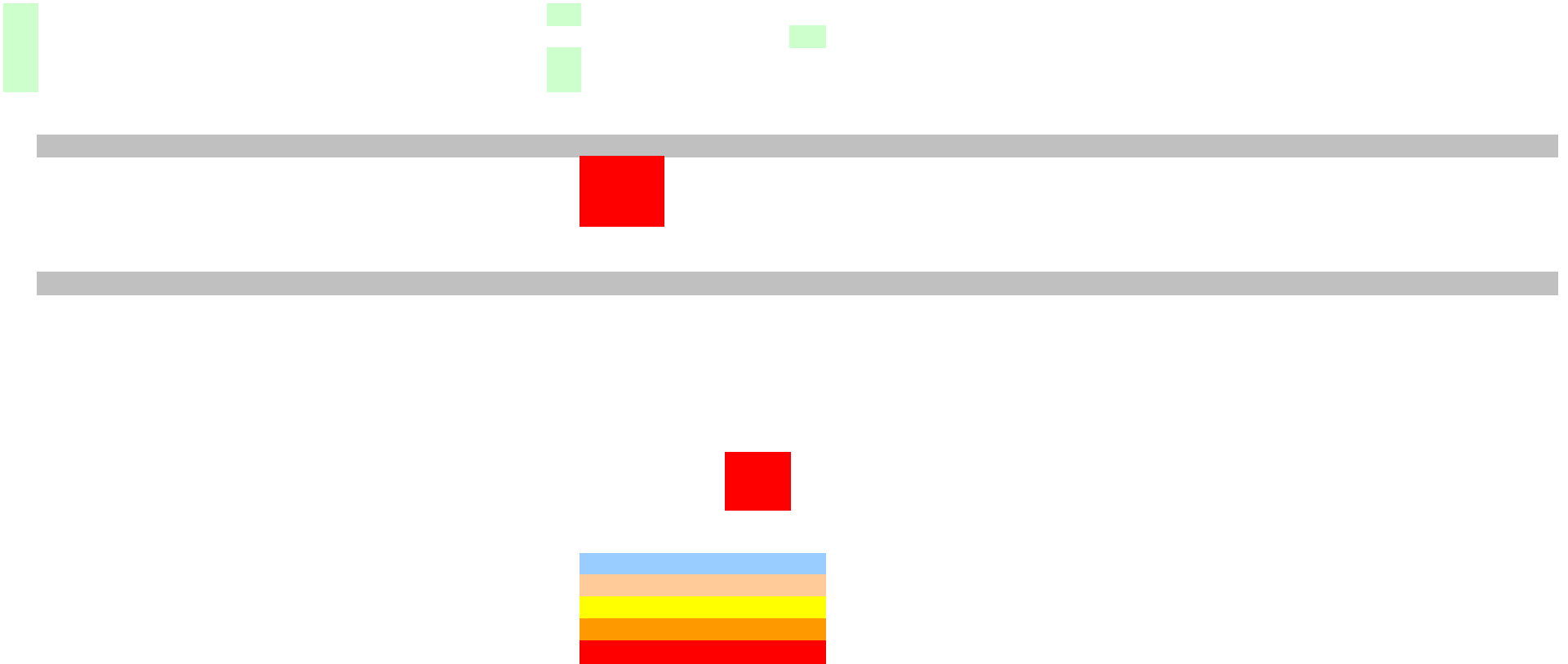
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Risk Assessment Scoring

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



District-Wide



Introduction



Introduction

Objectives, Scope and Methodology

A Districtwide risk assessment was conducted to identify the business/support operational programs, program components, activities, overlapping areas and specific internal and external functions that





These identified areas became the basis for the determination of the impact each have on the
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on an inherent and control risk basis inherent risks related to the nature of the activities
is specific





Moderate t3

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

High t4

The organization uses informal processes to initiate corrective action plans. Internal control assessment is dependent on the skill sets of key individuals. This 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 t5

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. This organization lacks procedures to monitor internal control effectiveness. Management internal control reporting methods are absent.

Scoring

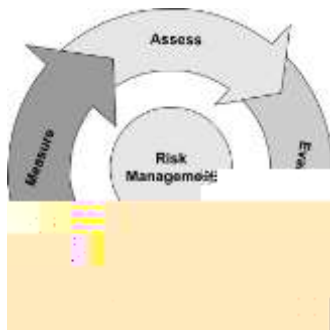
Both identified inherent and control risk factors associated with each component were scored based on interviews with key process owners and reviews of available documentation.

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 used. (l)1T BT ranimpom [()] TJ ET BT 1 0 0 1223(imp)-5(o)7(au)-4(la [(In)-2(ta051(in)5





RiskAssessment Summary



Risk Assessment Summary

The District-wide operational and business services 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 District functions and those specific to a service area or program. Activities with the highest inherent risk included

Number	Area	Scoring	
		Inherent	Control (Mitigated)
1	Accountability	5	4.6
2	Business Continuity Planning (BCP)	5	





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

Number	Area	Inherent	Scoring
			Control (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 (KPIs)	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:

District-Wide	Area	Inherent	Scoring
			Control (Mitigated)
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	





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, position out athg. ()6((n)







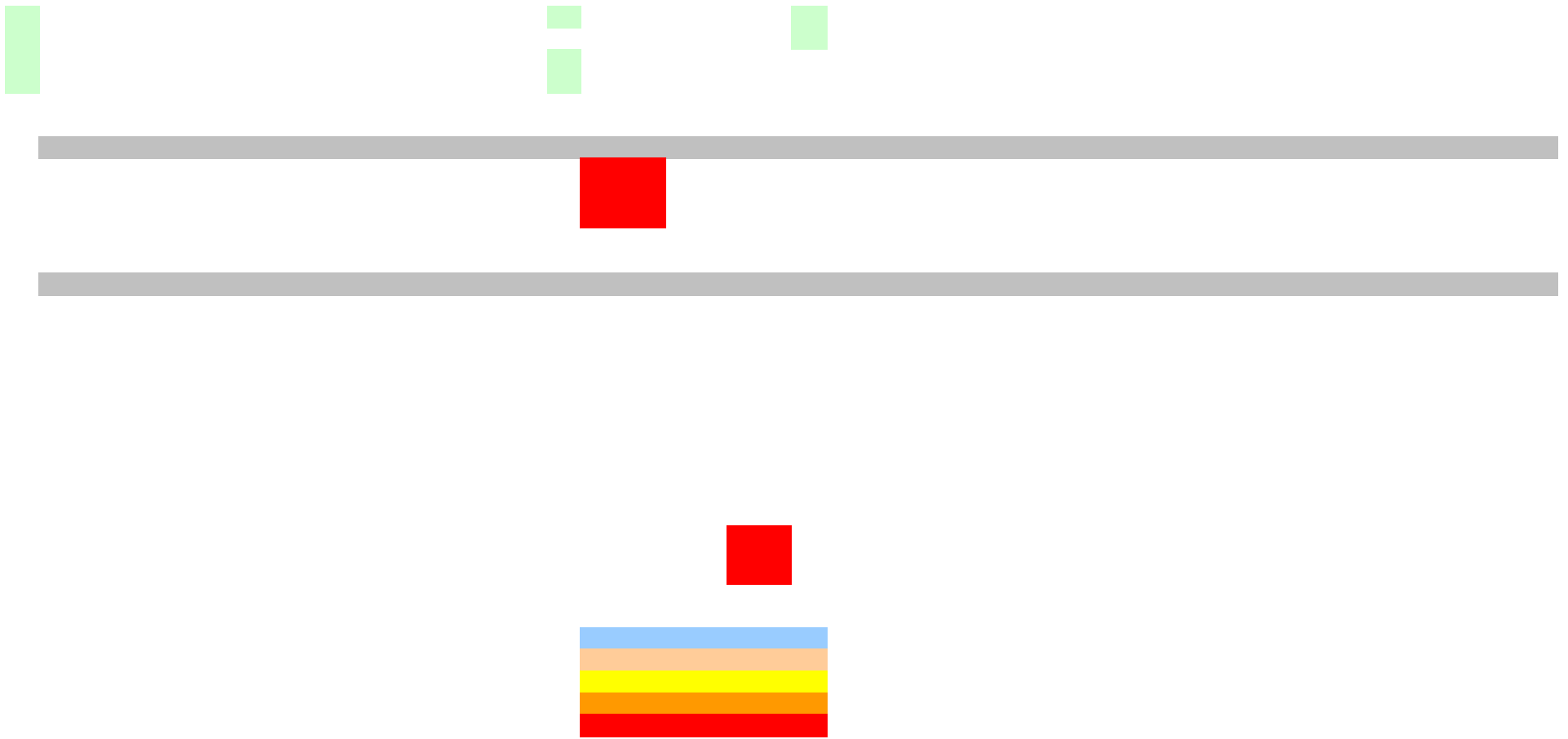
Records Management

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



Risk Assessment Scoring

Core Process:



Risk Assessment Scoring

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

Objective/Goals:

Inherent Risks:



Criteria	Rating	Comments
	5	

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

Criteria	Weighting	Rating	Score	Comments
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Rating Score

100%



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

Summary:

Risk Assessment Scoring

Core Process: Financial Services
 Area: Reserves
 Number: 5
 Date: 4/6/2016

Objective/Goals:

Inherent Risks:



Criteria	Rating	Comments
	5	

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

Criteria	Weighting	Rating	Score	Comments
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Rating Score



Rating/Degree of Risk	
1	Low
2	Low-Moderate
3	Moderate
4	High
5	Very High

Summary:

Risk Assessment Scoring

Core Process: District-wide
Element: Governance
Number: 7
Date: 4/6/2016

Objective/Goals:

Inherent Risks:

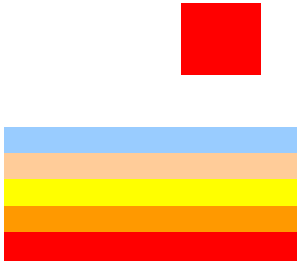


Rating



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

Weighting Rating Score





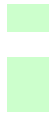
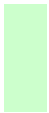
Risk Assessment Scoring

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

Date: 4/6/2016

Objective/Goals:

Inherent Risks:

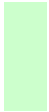


Risk Assessment Scoring

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

Objective/Goals:

Inherent Risks:



Rating



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

Weighting Rating Score

Rating Score

100%



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

Summary:

Risk Assessment Scoring

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

Objective/Goals:

Inherent Risks:

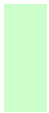


Risk Assessment Scoring

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

Objective/Goals:

Inherent Risks:



Criteria	Rating	Comments
	5	

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

Weighting	Rating	Score
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Rating Score

100%



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

Summary:

Risk Assessment Scoring

Core Process: Operations
Area: Transportation - Bus Accidents
Number: 14
Date: 4/6/2016

Objective/Goals:

Inherent Risks:

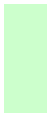


Risk Assessment Scoring

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

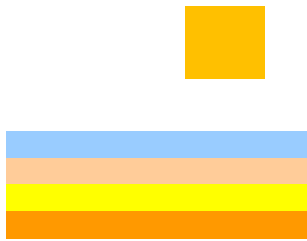
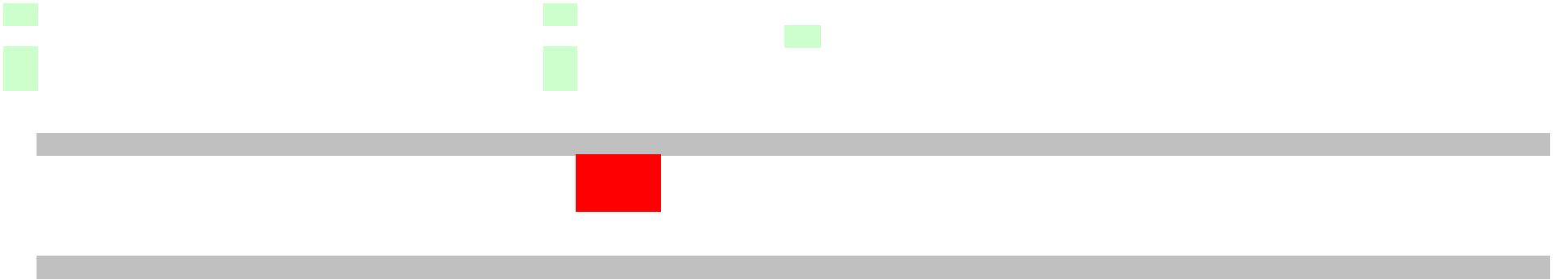
Objective/Goals:

Inherent Risks:



Rating





Risk Assessment Scoring

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

Objective/Goals:

Inherent Risks:



Rating



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

Weighting Rating Score

Rating Score

100%



	Low
2	Low-Moderate
3	Moderate

Risk Assessment Scoring

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

Objective/Goals:

Inherent Risks:



Criteria	Rating	Comments
	5	

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

Criteria	Weighting	Rating	Score	Comments
Rating Score	100%		4.90	

Rating/Degree of Risk	
	Low
	2 Low-Moderate
	3 Moderate
	4 High
	5 Very High

Summary:

Risk Assessment Scoring

Core Process: Community Involvement & Public Affairs

Area: Communication

Number: 20

Date: 4/6/2016

Objective/Goals:

Inherent Risks:

Criteria	Rating	Comments
	4	

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

Criteria	Weighting	Rating	Score	Comments

Rating Score

100%

3.10

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

Summary:

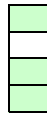
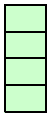


Risk Assessment Scoring

Core Process: Financial Services
 Area: Grants Compliance
 Number: 21
 Date: 4/6/2016

Objective/Goals:

Inherent Risks:



Criteria	Rating	Comments
	4	

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

Criteria	Weighting	Rating	Score	Comments
Rating Score	100%		3.95	

Rating/Degree of Risk	
	Low
2	Low-Moderate
3	Moderate
4	High
5	Very High

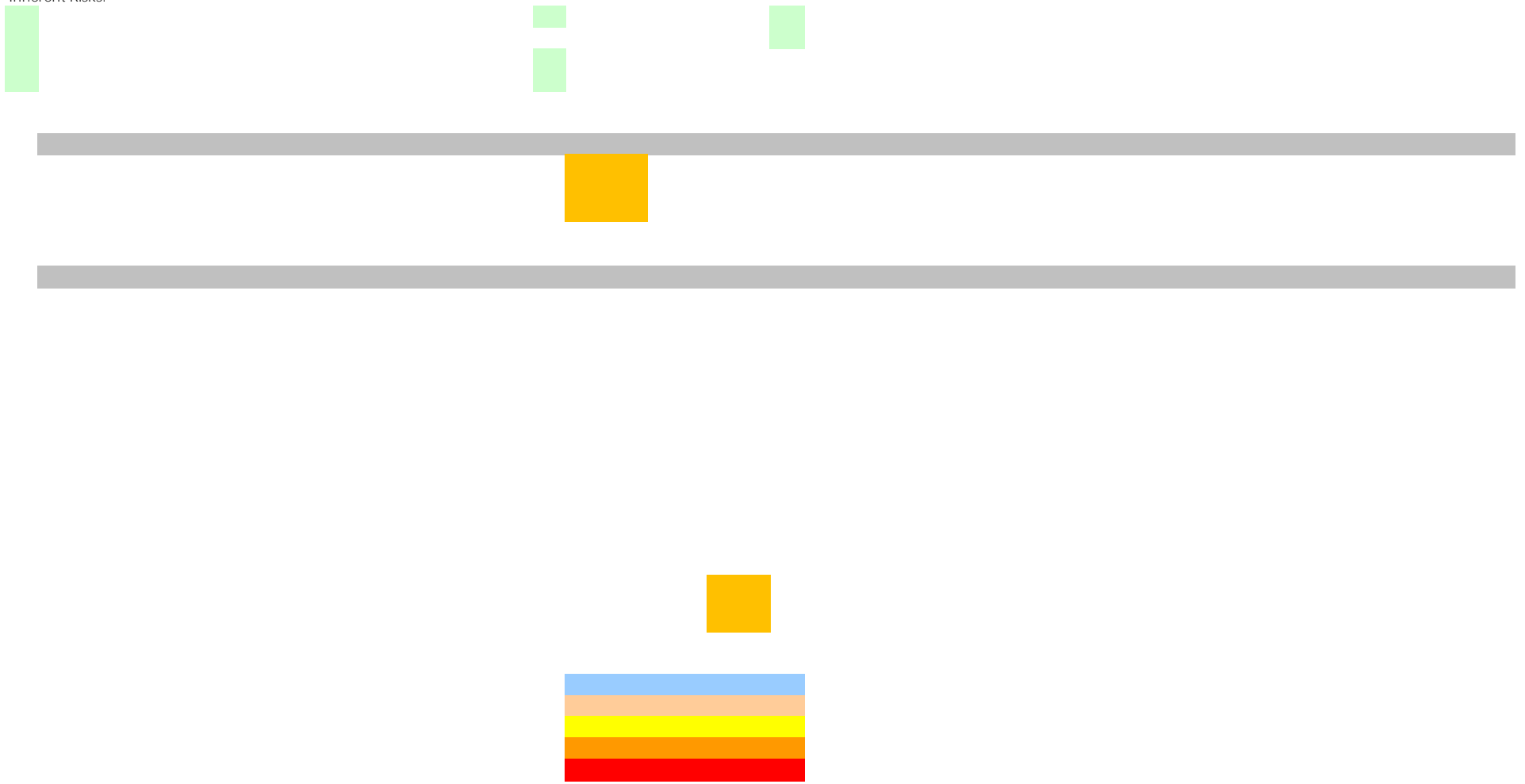
Summary:

Risk Assessment Scoring

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

Objective/Goals:

Inherent Risks:



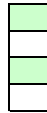


Risk Assessment Scoring

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

Objective/Goals:

Inherent Risks:



Criteria	Rating	Comments
	4	

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

Criteria	Weighting	Rating	Score	Comments
Rating Score	100%		3.70	

Rating/Degree of Risk	
1	Low
2	Low-Moderate
3	Moderate
4	High
5	Very High

Summary:



Risk Assessment Scoring

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

Objective/Goals:

Inherent Risks:

Criteria	Rating	Comments
	4	

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

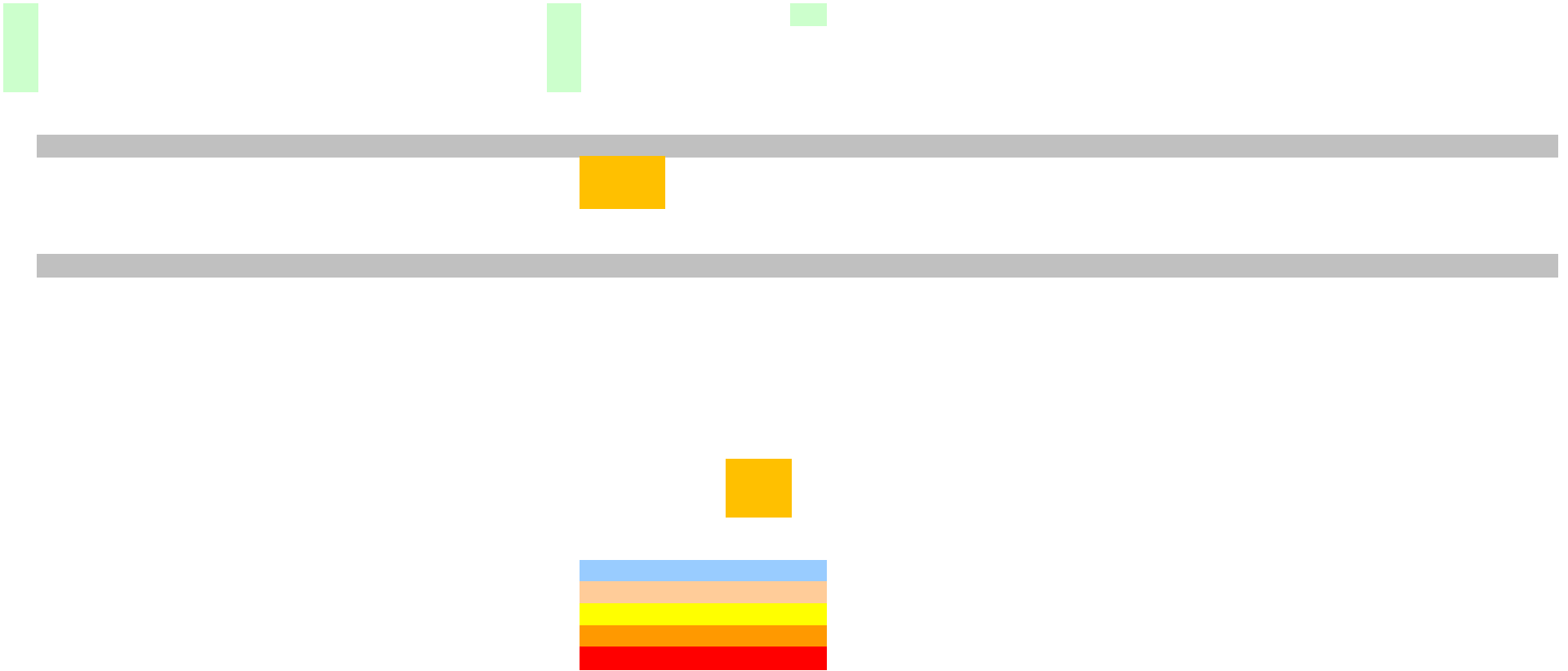
Criteria	Weighting	Rating	Score	Comments
Rating Score	100%		3.60	

Rating/Degree of Risk	
	Low
2	Low-Moderate
3	Moderate
4	High
5	Very High

Summary:

Risk Assessment Scoring

Core Process: District-wide
Area:





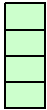
Risk Assessment Scoring

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

Date: 4/6/2016

Objective/Goals:

Inherent Risks:



Criteria	Rating	Comments
	4	

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

Criteria	Weighting	Rating	Score	Comments
Rating Score	100%		3.80	

Rating/Degree of Risk

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

Summary:



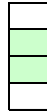


Risk Assessment Scoring

Core Process: District - Wide
 Area: Facilities - Space
 Number: 29
 Date: 4/6/2016

Objective/Goals:

Inherent Risks:



Criteria	Rating	Comments
	3	

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

Criteria	Weighting	Rating	Score	Comments
Rating Score	100%		3.60	

Rating/Degree of Risk	
1	Low
2	Low-Moderate
3	Moderate
4	High
5	Very High

Summary:

Risk Assessment Scoring

Core Process: Financial Services
Area: Capturing Time and Effort
Number: 30

Date: 4/6/2016

Objective/Goals:

Inherent Risks:



Rating

3

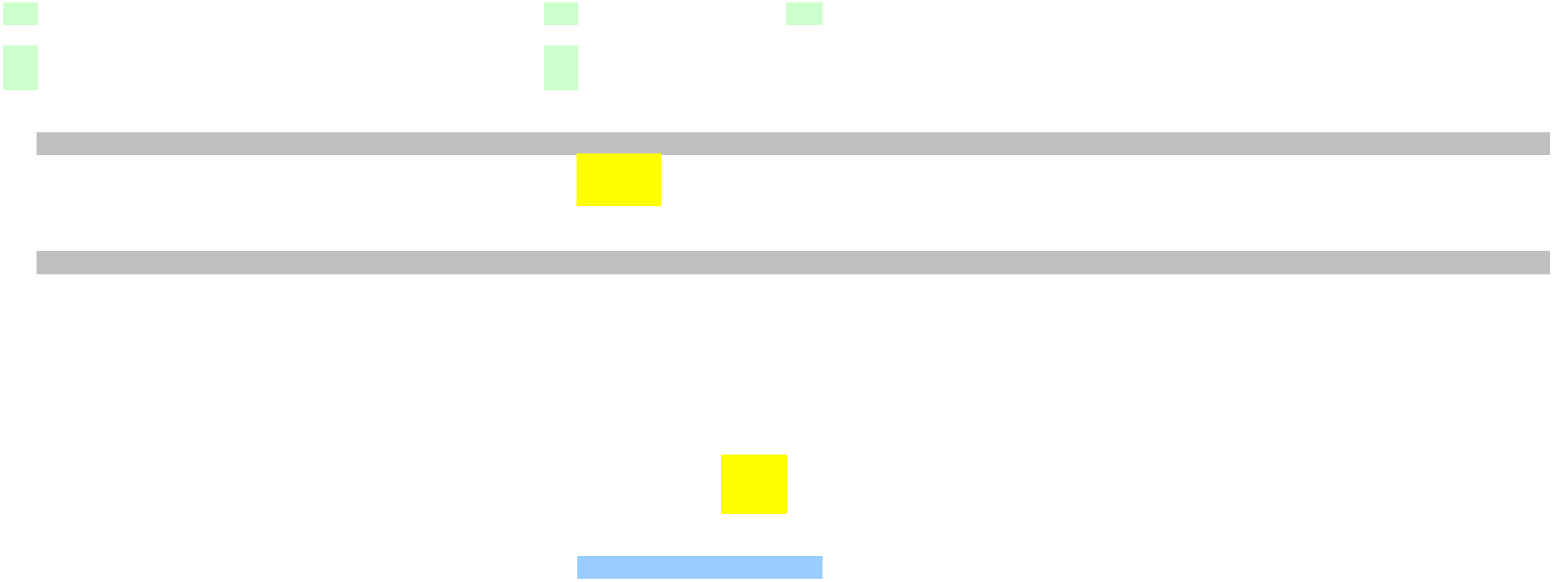


Risk Assessment Scoring

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

Objective/Goals:







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