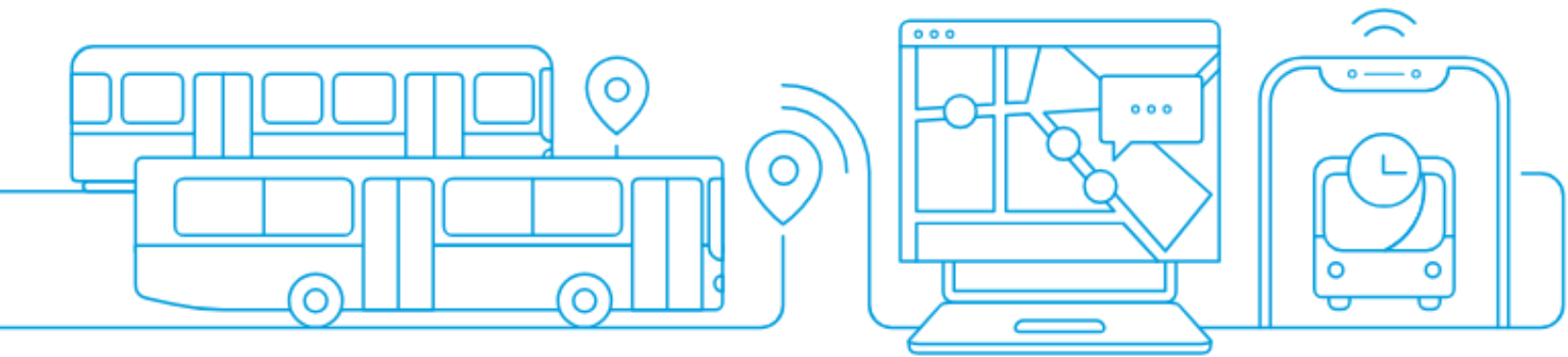


AGENCY RISK REPORT

Q4 2025



UTA conducted its fourth Agency Risk Assessment in 2025. The assessment captures perceived risks from UTA leaders without an accompanying validation process. It helps UTA identify areas to explore for deeper understanding and possible remediation to improve the Agency Enterprise Risk Management (ERM) posture.

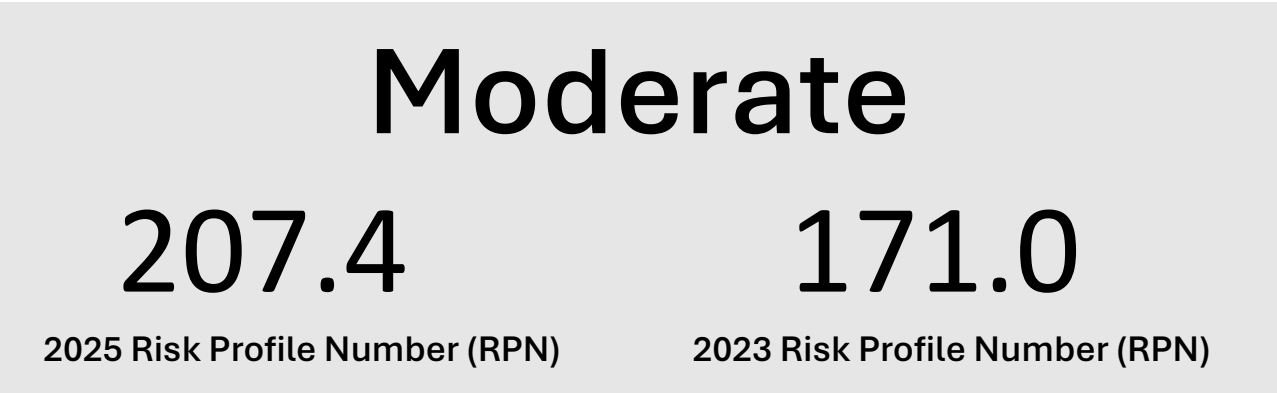
Key Results

- UTA risk levels are perceived as being 17% higher overall than in 2023. They are rated overall as “Moderate.” This exceeds UTA’s desired Low-moderate Risk Appetite.
- UTA risk controls are perceived as slightly less effective than in 2023. They are rated overall as “Partially or Moderately Effective.”

UTA Risk Profile Number

UTA has adopted the Failure Mode and Effects Analysis (FMEA) methodology developed by NASA as its risk assessment methodology. Risk Priority Numbers (RPNs) are calculated for perceived risks by multiplying Severity (SEV), Occurrence (OCC) and Detection (DET) ratings provided by leaders. To determine aggregated RPNs, individual RPNs are summed and averaged.

The overall perceived RPN for UTA increased slightly from 2023 to 2025 but still corresponds to a Moderate risk level.



UTA Risk Assessment Methodology

In 2025, leaders perceive UTA as being less effective at controlling risk. (Higher control effectiveness ratings correspond to lower control effectiveness levels.) Agency control effectiveness is rated as “Partially or Moderately Effective.”

Partially or Moderately Effective

4.88

2025 Control Effectiveness Rating

4.27

2023 Control Effectiveness Rating

Perceived Level 1 Risk Categories

All risks identified by UTA leaders are organized into eight Level 1 Risk categories. From 2023 to 2025, Technology Risk remained at the top of the list, representing the highest Level 1 Risk at UTA. Regulatory/Compliance Risk experienced the only RPN decrease in 2025, while Information Security experienced the greatest RPN increase.

Perceived Level 1 Negative Risk	Risk Appetite	Perceived Current Risk Level	Average RPN	% Change from 2023	Risk Owners
Technology	Moderate (144-359)	Moderate (144-359)	278.0	↑ 22.07%	Alisha Garrett
Infrastructure	Low (1-80)	Moderate (144-359)	231.70	↑ 15.54%	Andres Colman/Jon Larsen
Strategy/Planning	Moderate (144-359)	Moderate (144-359)	218.2	↑ 10.97%	Alisha Garrett/Nichol Bourdeaux
Financial	Low (1-80)	Moderate (144-359)	207.6	↑ 19.10%	Viola Miller
Information Security	Low (1-80)	Moderate (144-359)	193.1	↑ 26.84%	Alisha Garrett
Operational	Low (1-80)	Moderate (144-359)	192.4	↑ 21.14%	Ann Green-Barton/Andres Colman/Travis King
Regulatory/Compliance	Low (1-80)	Moderate (144-359)	161.6	↓ 21.84%	Alisha Garrett/Andres Colman
Reputational	Low (1-80)	Moderate (144-359)	157.8	↑ 16.70%	Annette Royle/Andres Colman/CCO

Perceived Top Level 2 Risk Categories

Identified risks were classified into 22 Level 2 Risk categories in 2025. The top eight are listed below.

Level 2 Risks that were present on the 2023 top eight list but are not included in 2025 top eight list are External Stakeholders, Nonadherence, and Communication.

Risk levels for Organizational Structure and Software decreased in 2025. Risk ratings for all other Level 2 Risk categories increased.

Perceived Level 2 Negative Risk	Risk Appetite	Perceived Current Risk Level	Average RPN	% Change from 2023
Hardware*	Moderate (144-359)	Moderate (144-359)	336.10	↑83.86%
Organizational Structure	Low (1-80)	Moderate (144-359)	284.45	↓12.83
Compensation and Benefits	Low (1-80)	Moderate (144-359)	280.38	↑7.48%
Unpleasant Customer Experience*	Low (1-80)	Moderate (144-359)	254.80	↑57.74%
Leadership	Moderate (144-359)	Moderate (144-359)	246.00	↑14.30%
Software	Moderate (144-359)	Moderate (144-359)	239.57	↓5.52%
Parts*	Low (1-80)	Moderate (144-359)	229.92	↑23.60%
People	Low (1-80)	Moderate (144-359)	220.59	↑10.45%

*New to top eight list in 2025

Perceived Top Level 3 Risk Categories

Identified risks were classified into Forty-seven Level 3 Risk categories in 2025. The top eight are listed below.

Several Level 3 Risks observed on the 2023 list are no longer present on the 2025 top eight list, including: Insufficient Knowledge of Regulations/Requirements, Not Following Known Regulations/Requirements, Disengaged Employees, Inadequate Communication Between Teams and Individuals, and Asset/Equipment Does Not Meet Needs.

Risk levels for Inefficient/Ineffective Organizational Design decreased in 2025. Risk ratings for all other Level 3 Risk categories increased.

Perceived Level 3 Negative Risk	Risk Appetite	Perceived Current Risk Level	Average RPN	% Change from 2023
Using old/unreliable technology	Moderate (144-359)	Moderate (144-359)	356.56	↑20.35%
Insufficient Behavioral Health*	Low (1-80)	Moderate (144-359)	345.75	↑35.03%
Position workload not balanced*	Low (1-80)	Moderate (144-359)	327.08	New Risk
Inefficient/ineffective organizational design*	Low (1-80)	Moderate (144-359)	317.94	↓18.37%
Lack of adequate space to perform job functions*	Low (1-80)	Moderate (144-359)	299.25	New Risk
Employee unsafe practices*	Low (1-80)	Moderate (144-359)	261.50	↑49.83%
Inadequate staff and/or resource allocation	Low (1-80)	Moderate (144-359)	255.55	↑ 13.76%
Inability to attract and retain qualified employees	Low (1-80)	Moderate (144-359)	250.06	↑18.49

*New to top eight list in 2025

Three-year Top Level 3 Risk Category Rankings

Over the past three years, Using Old/Unreliable Technology and Inability to Attract and/or Retain Qualified Employees are the only top Level 3 Risk categories that have consistently appeared in the Level 3 top eight risk rankings. However, the Inability to Attract and Retain Qualified Employees risk category was ranked No. 1 in 2023 and is ranked No. 8 in 2025, demonstrating that UTA's hiring practices are actively reducing this risk across UTA.

Perceived Level 3 Negative Risk	2025 Rank	2023 Rank	2022 Rank
Using old/unreliable technology	1	1	2
Insufficient Behavioral Health*	2		
Position workload not balanced*	3		
Inefficient/ineffective organizational design*	4		
Lack of adequate space to perform job functions*	5		
Employee unsafe practices*	6	21	
Inadequate staff and/or resource allocation	7	2	
Inability to attract and retain qualified employees	8	5	1

*New to top eight list in 2025

2026-27 Agency Risk Priorities

Agency Risk Reports are used to inform UTA leadership priorities. During 2026-27, under the direction of the Executive Director, the Executive Team will place additional emphasis on implementing a coordinated approach to reduce the top risks impacting employee workload:

- Position Workload Not Balanced
- Inefficient/Ineffective Organizational Design
- Inadequate Staff and/or Resource Allocation

The top risk Insufficient Behavioral Health will also receive increased attention in 2026-27.

The following Executive Team strategic initiatives are currently planned in 2026 which will support the top risks and help UTA reduce risk and continue to elevate employee engagement and organizational performance:

- Continue Sustainable Service Delivery
- Deploy Workday and Trapeze Modules
- Improve Employee Voice Action Plan
- Improve Employee Safety in the System
- Mature UTA Organizational Excellence Systems

Appendix A – All 2023 Perceived Level 2 Risks

Perceived Level 2 Negative Risk	Risk Appetite	Perceived Risk Level	Average RPN	Percent Change from 2023	Respondents
Hardware	Moderate 144-359	Moderate 144-359	336.10	83.86%	21
Organizational structure	Low 1-80	Moderate 144-359	284.45	-12.83%	105
Compensation and benefits	Low 1-80	Moderate 144-359	280.38	7.48%	13
Unpleasant customer experience	Low 1-80	Moderate 144-359	254.80	57.74%	10
Leadership	Moderate 144-359	Moderate 144-359	246.00	14.30%	34
Software	Moderate 144-359	Moderate 144-359	239.57	-5.52%	42
Parts	Low 1-80	Moderate 144-359	229.92	23.60%	24
People	Low 1-80	Moderate 144-359	220.59	10.45%	202
Training	Low 1-80	Moderate 144-359	208.72	27.85%	96
Connectivity	Moderate 144-359	Moderate 144-359	200.90	100.00%	10
Data integrity	Low 1-80	Moderate 144-359	196.04	56.13%	23
Asset/equipment condition/performance	Low 1-80	Moderate 144-359	194.05	8.14%	114
Data confidentiality	Low 1-80	Moderate 144-359	193.48	34.36%	21
Physical safety/security	Low 1-80	Moderate 144-359	191.26	36.25%	144
Vendor/supplier/third party	Low 1-80	Moderate 144-359	188.84	-3.73%	25
Data availability	Low 1-80	Moderate 144-359	187.23	-93.52%	13
Process	Low 1-80	Moderate 144-359	182.72	34.70%	85
Low customer confidence	Low 1-80	Moderate 144-359	173.51	21.67%	37
Sustainable growth	Moderate 144-359	Moderate 144-359	165.70	24.13%	10
Nonadherence	Low 1-80	Moderate 144-359	162.85	-22.40%	67
Communication	Low 1-80	Moderate 144-359	153.66	-22.56%	32
Financial health	Low 1-80	Moderate 144-359	151.50	100.00%	16
Documentation	Low 1-80	Moderate 144-359	145.85	-15.36%	26
Business continuity/disaster recovery	Low 1-80	Mod-Low 81-143	140.83	-1.75%	42
Maintenance	Low 1-80	Mod-Low 81-143	139.00	40.26%	58
Projects	Low 1-80	Mod-Low 81-143	120.64	-16.51%	11
Tools	Low 1-80	Mod-Low 81-143	117.50	10.29%	24

Appendix B – All 2025 Perceived Level 3 Risks

Perceived Level 3 Negative Risk	Risk Appetite	Perceived Risk Level	Average RPN	Percent Change from 2023	Respondents
Using old/unreliable technology	Moderate 144-359	Moderate 144-359	356.56	20.35%	34
Employees unfit for duty	Low 1-80	Moderate 144-359	345.75	35.03%	8
Position workload not balanced	Low 1-80	Moderate 144-359	327.08	100.00%	13
Inefficient/ineffective organizational design	Low 1-80	Moderate 144-359	317.94	-18.37%	16
Lack of adequate space to perform job functions	Low 1-80	Moderate 144-359	299.25	100.00%	16
Employee unsafe practices	Low 1-80	Moderate 144-359	261.50	49.83%	20
Inadequate staff and/or resource allocation	Low 1-80	Moderate 144-359	255.55	13.76%	58
Inability to attract and retain qualified employees	Low 1-80	Moderate 144-359	250.06	18.49%	64
Parts needed for equipment not available in time	Low 1-80	Moderate 144-359	245.73	-82.32%	22
Network/server failure	Moderate 144-359	Moderate 144-359	242.38	100.00%	8
Conflict between employees and/or teams	Low 1-80	Moderate 144-359	238.21	-4.32%	14
Key roles not present at UTA	Low 1-80	Moderate 144-359	235.44	17.82%	9
Single points of knowledge	Low 1-80	Moderate 144-359	223.44	13.63%	18
Employees not showing up for work or not available to work	Low 1-80	Moderate 144-359	218.40	39.58%	20
Software does not work as planned/designed	Moderate 144-359	Moderate 144-359	210.42	100.00%	12
Violence against employees	Low 1-80	Moderate 144-359	210.07	33.90%	15
Serious accident in system	Low 1-80	Moderate 144-359	207.52	42.59%	21
Insufficient knowledge of regulations/requirements	Low 1-80	Moderate 144-359	204.44	0.22%	18
Lack of consistent direction from leadership	Moderate 144-359	Moderate 144-359	203.44	24.30%	9
Insufficient or ineffective training	Low 1-80	Moderate 144-359	203.19	21.60%	80
Inaccurate or incomplete data	Low 1-80	Moderate 144-359	198.88	53.74%	26
Lack of technical expertise	Low 1-80	Moderate 144-359	195.40	19.77%	15
Lack of a needed software solution	Moderate 144-359	Moderate 144-359	195.25	28.08%	8
Low service reliability	Low 1-80	Moderate 144-359	191.55	22.62%	20
Employees not completing provided/required training	Low 1-80	Moderate 144-359	188.64	50.96%	11
Difficulty finding needed data	Low 1-80	Moderate 144-359	187.23	-93.52%	13
Disengaged employees	Low 1-80	Moderate 144-359	186.14	-2.06%	28
Poor process and/or execution	Low 1-80	Moderate 144-359	183.49	38.02%	70
Poor succession planning and development	Moderate 144-359	Moderate 144-359	182.36	3.65%	11
Worn out asset/equipment failure	Low 1-80	Moderate 144-359	181.47	8.12%	43
Asset/equipment does not meet needs	Low 1-80	Moderate 144-359	175.98	-5.06%	54
Employee injury	Low 1-80	Moderate 144-359	170.08	42.33%	37
Unable to sustain expanded service levels and assets	Moderate 144-359	Moderate 144-359	165.70	24.13%	10
Employees not feeling seen/heard by leadership	Low 1-80	Moderate 144-359	164.88	80.89%	8
Untrustworthy or confusing customer information	Low 1-80	Moderate 144-359	163.14	24.24%	21
Missed preventative maintenance	Low 1-80	Moderate 144-359	162.67	36.99%	9
Not enough revenue to meet organizational needs	Low 1-80	Moderate 144-359	161.11	-23.25%	18
Inadequate communication between teams and individuals	Low 1-80	Moderate 144-359	153.66	100.00%	32
Outdated or missing policies, SOPs and/or job descriptions	Low 1-80	Moderate 144-359	152.63	6.55%	16
Not following known regulations/requirements	Low 1-80	Moderate 144-359	147.02	-36.21%	50
Vulnerability to cybersecurity threat	Low 1-80	Moderate 144-359	143.67	13.49%	12
Inadequate business continuity/disaster recovery capability	Low 1-80	Mod-Low 81-143	140.83	-1.75%	42
Fraud	Low 1-80	Mod-Low 81-143	138.22	-46.14%	9
Broken equipment needs repair	Low 1-80	Mod-Low 81-143	128.32	37.48%	41
Needed tools not provided, not functional, or worn out	Low 1-80	Mod-Low 81-143	115.95	100.00%	19
Unsecured facilities	Low 1-80	Mod-Low 81-143	114.00	-40.25%	12
Snow/ice not removed timely	Low 1-80	Mod-Low 81-143	104.00	-29.37%	13