



September 6, 2018

TO: David Szymanski, President
Paul McElroy, Chair, BOT Audit and Compliance Committee

FROM: Joann Campbell, Chief Compliance Officer

SUBJECT: 2017-18 Annual Report – Compliance Office

Good Afternoon, the 2017-18 Compliance Office annual report is attached, covering the twelve-month period July 1, 2017 through June 30, 2018 (Attachment 1).

A comprehensive compliance and ethics program promotes an organizational culture which encourages ethical conduct, a commitment to compliance with the laws and regulations, and detection of criminal conduct (Federal Sentencing Guidelines). Chapter 8 of the Guidelines outlines the following elements as critical to an effective compliance program:

- Effective Oversight
- Standards of Conduct/Policies and Procedures
- Effective Lines of Communication
- Education and Training
- Audit and Monitoring
- Enforcement and Discipline, and
- Response and Prevention.

A priority of the Compliance Office is to make compliance and ethical conduct relevant to each member of the UNF community. The UNF Compliance and Ethics Program outlines strategies to help ensure integrity, accountability and ethical conduct become embedded in all elements of our day-to-day operations. The attached annual report outlines the activities and initiatives engaged during the last year by the Compliance Office in support of those goals and elements.

Thank you for the opportunity to present this report and, more significantly, to lead the University's Compliance Office. I am available to address comments or questions at your convenience.

cc: Members, BOT Audit and Compliance Committee

UNIVERSITY OF NORTH FLORIDA

2017-18 COMPLIANCE OFFICE ANNUAL REPORT

BACKGROUND

The Florida Board of Governors (BOG) requires each University Board of Trustees (BOT) to implement university-wide compliance and ethics programs to promote ethical conduct and maximize compliance with applicable laws, rules, regulations and policies. The UNF BOT adopted the first UNF Compliance and Ethics Program at its October 2017 meeting (Attachment 2). The Program is modeled on the seven elements of an effective compliance and ethics program as outlined in Chapter 8 of the Federal Sentencing Guidelines and the UNF Mission, Vision and Values; the plan also conforms to requirements of BOG Regulation 4.003, SUS Compliance and Ethics Programs (Attachment 3). This report summarizes the activities and initiatives of the Compliance Office in support of the Program and its goals for the 2017-18 fiscal year.

1. Executive Oversight

- Board of Trustees Audit and Compliance Committee
 - In collaboration with the Chief Audit Executive, drafted the Committee Charter which was adopted in October 2017.
 - Quarterly updates to Committee on emerging and on-going compliance issues.
- Compliance Office
 - Prepared UNF Compliance and Ethics Program, which was approved by BOT in October 2017 (Attachment 2).
 - Drafted Compliance Office Charter, which was approved by BOT in October 2017.
 - Updated position description and organizational charts to reflect dual reports to the President and the BOT Audit and Compliance Chair.
 - Lead a monthly discussion forum bringing together compliance partners from across campus to engage on-going and emerging compliance issues.
 - Served as ex-officio member of various University-wide Compliance Committees, including the Title IX Committee, the Clery Act Committee, Campus Safety Advisory Committee, Financial Aid Policy Committee and the Intercollegiate Athletics Committee.
- Compliance, Ethics and Risk Oversight Committee (CEROC)
 - In collaboration with Chief Audit Executive, prepared Committee Bylaws.
 - Co-chaired monthly CEROC meetings with Chief Audit Executive.

2. Standards of Conduct/Policies and Procedures
 - Prepared the UNF Compliance and Ethics Program Plan which was approved by the BOT in October 2017.
 - Facilitated a review of the UNF the Code of Conduct – met with constituent groups and the Council for Diversity and Inclusion for input; final draft of new Statement of Ethical Conduct to be presented to BOT at its October 2018 meeting.
 - Provided oversight to the UNF Policy Review Process.
3. Effective Lines of Communication
 - Continued to enhance the Compliance and Ethics webpage.
 - Created compliance@unf.edu to assist with compliance and ethics questions.
 - In collaboration with the Chief Audit Executive, distributed posters and business cards to all University departments and offices to promote the UNF Ethics Hotline.
 - Prepared and distributed a quarterly Compliance and Ethics Newsletter.
 - Continued to be an open door to employees, students, and others to address questions and concerns regarding compliance and ethics issues.
4. Education and Training
 - Organized a BOT Ethics Training Seminar presented by Caroline Klancke, Senior Counsel with the Florida Commission on Ethics.
 - Provided funding for the University's Clery Act Coordinator to attend annual training sponsored by the Clery Center for Public Safety.
 - Issued annual memo to President's Executive Staff on Vulnerable Persons Act.
 - Hosted webinars and other workshops and seminars for the University community on a variety of compliance topics including: Ethical Conduct in the Workplace, Conflicts of Interest, Title IX and Sexual Misconduct, Data Privacy, ADA, European Union-General Data Protection Act, Risk Management, Athletics/NCAA, and Alcohol and Drugs on Campus.
 - Attended SUS Compliance and Ethics Consortium quarterly meetings.
 - Attended Northeast Florida Compliance and Ethics Group quarterly meetings.
 - Attended the Society of Corporate Compliance and Ethics annual meeting.
 - Participated in Whistleblower Refresher Training offered in conjunction with the State University Audit Council.
5. Audit and Monitoring
 - Provided quarterly compliance updates to BOT Audit and Compliance Committee.
 - Developed a compliance directory to identify federal higher education compliance requirements and the University's responsible party.

- Developed a compliance calendar to track federal and state compliance reporting requirements.
 - Assisted the Chief Audit Executive with initial activities to engage an Enterprise Risk Management approach to campus risk assessment.
 - Tracked compliance issues arising from internal and external audits, and other program reviews and monitored corrective action.
6. Enforcement and Discipline
- Facilitated review of the UNF Code of Conduct to make it more meaningful to the individual.
 - Promoted awareness of UNF policies and procedures and regulatory requirements.
7. Response and Prevention
- Served on the Ethics Hotline Triage workgroup.
 - Issued update notices and other alerts to compliance partners regarding regulatory changes.

In addition to responsibilities in implementing the Compliance and Ethics Program, the CCO also served as the University's Export Control Compliance Officer, is the University's signatory for faculty and staff immigration and visa processing and is Chair of the University's NIST-GDPR (Data Privacy) Workgroup.

Goals for 2018-19

1. Continue progress in meeting the elements of the UNF Compliance and Ethics Program.
2. Enhance compliance and ethics training, education, and awareness programs across campus.
3. Automate the policy review process; engage a comprehensive review of policies.
4. Continue to clarify the roles and responsibilities of compliance partners as they relate to University Compliance.
5. Engage Athletics Compliance more directly.

List Attachments

- 1) 2017-18 Compliance Office Annual Report.
- 2) UNF Compliance and Ethics Program, issued October 2017.
- 3) BOG Regulation 4.003.
- 4) BOG SUS Compliance Programs Checklist.



ATTACHMENT 2

UNF COMPLIANCE AND ETHICS PROGRAM

Approved by BOT October 2017



OFFICE OF THE PRESIDENT
Compliance Office



UNF COMPLIANCE AND ETHICS PROGRAM



Issued: October 2017

**By Joann N. Campbell
Chief Compliance Officer**

UNF COMPLIANCE AND ETHICS PROGRAM

INTRODUCTION

Higher Education is one of the most highly regulated industries in the country. At the federal level alone, there are over 200 laws regulating some aspect of our operations. Regulatory activity is directed at issues including, accessibility programs, services, and activities, accreditation, alcohol and drug prevention, athletics, campus safety and security, college cost and affordability, conflicts of interest, disability accommodation, distance learning, export control, hazardous waste and environmental concerns, human subjects protocols, IT security, lending, and records management. Regulatory compliance is a major university challenge and a source of financial, legal, and reputational risk.

The University of North Florida's (UNF or University) mission, vision, and values set forth the ethical principles under which all members of the University community are expected to conduct themselves. They also form the basis, along with the State of Florida Code of Conduct and Ethics, the Federal Sentencing Guidelines and Board of Governors Regulation 4.003 (SUS Compliance and Ethics Programs), for the development of the University's Compliance and Ethics Program (C&E Program).

- **Mission** - At the University of North Florida, academically talented students receive individualized attention and opportunities to engage in transformational learning, community engagement, internships, and research. Dedicated faculty and staff create a rich learning environment on a beautiful campus that provides an inspiring setting for our diverse community. Through our efforts, we drive the economic and cultural development of our growing metropolitan region.

- **Vision** - The University of North Florida will be an institution of choice, nationally recognized for high-caliber students, faculty, and staff. We will be known for engaging students with experiential learning grounded in critical thinking, effective communication, and analytical skills. We will expand our reach and relevance through innovative programs and research that drive the economy, build upon our extensive partnerships, and position our students for life-long success. Students will develop the global perspectives and cultural understanding needed to address future challenges.
- **Values** – UNF is committed to values which promote the welfare and positive transformation of individuals, communities, and societies. We value: the pursuit of truth and knowledge carried out in the spirit of intellectual and artistic freedom; ethical conduct; community engagement; diversity; responsibility to the natural environment; and mutual respect and civility.

A comprehensive compliance and ethics program promotes an organizational culture that encourages ethical conduct, a commitment to compliance with the laws and regulations, and detection of criminal conduct (Federal Sentencing Guidelines). Chapter 8 of the Federal Sentencing Guidelines outlines elements for an effective compliance program, including

- Executive Oversight;
- Standards of Conduct/Policies and Procedures;
- Effective Lines of Communication;
- Education and Training;
- Audit and Monitoring;
- Enforcement and Discipline; and
- Response and Prevention;

Experts in the field of compliance and ethics suggest a culture of compliance and ethics can be distilled from the following three simple questions:

- Is it legal?
- Do these actions comply with university policy?
- Do these actions seem fair, honest, and ethical?

The benefits of a comprehensive Compliance and Ethics Program are significant, including a campus environment which is open, honest, and accountable. Additionally, a comprehensive Compliance and Ethics Program:

- Fosters a culture which encourages and supports ethical decision-making and does not tolerate illegal or unethical behavior;
- Addresses problems through collaboration, cooperation, and communication;
- Reduces risks of non-compliance while increasing the likelihood of early detection and correction;
- Enhances decision-making at all levels by raising awareness of requirements/expectations;
- Enhances employee engagement to report actual or perceived violations of law or policy; and
- Protects UNF's reputation by reducing the likelihood that damaging or negative events will happen and minimizing the consequences of such events if they do.

The consequences of non-compliance are similarly significant. Consequences of not doing the right thing include:

- Loss of accreditation
- Loss of federal funding, including student financial aid
- Fines and penalties,
- Federal and/or State monitoring activities,
- Litigation, and/or
- Reputational risk and bad press.

The UNF mission, vision, and values speak to a level of employee engagement which extends beyond mere compliance with laws, rules and policies. UNF's commitment, supported by this C&E Program, is to the highest standards of integrity, accountability, and ethical conduct.

Our challenge is not only to make compliance but ethical behavior relevant to each employee. This C&E Program and the UNF Code of Conduct and Ethics establish the tone for ethical decision-making and accountability in all University business operations and reinforces UNF's commitment to integrity and "doing the right thing." The C&E Program elements detailed below outline strategies to help ensure integrity, accountability, and ethical conduct become embedded in all elements of our day-to-day operations.

COMPLIANCE AND ETHICS PROGRAM STRUCTURE

1) Executive Oversight

Primary oversight and direction for the University's C&E Program rests with the Board of Trustees Audit and Compliance Committee. The Committee's primary focus in this regard includes responsibility for the integrity of the University's annual financial statements, compliance with legal and regulatory requirements, and oversight of the University's internal control and risk assessment functions. The Committee will regularly report to the Board on Committee activities and issues with respect to: the University's compliance with legal or regulatory requirements or compliance programs, the performance of the University's external auditors, the internal audit and compliance programs, and any significant and credible allegations of waste, fraud, or financial mismanagement or repeat or significant audit or compliance issues.

The University Compliance, Ethics, and Risk Oversight Committee (CEROC) was established by the President to advise him on significant compliance and ethics issues and to provide leadership and oversight in the implementation and continuous improvement of the University's C&E Program. The Committee is a keystone to ensuring the University's compliance activities and programs are reasonably designed, implemented, and enforced. The Committee's focus includes: promoting excellence in all University compliance, ethics and risk activities; providing leadership to ensure integrity and compliance with legal, regulatory, policy and ethics responsibilities; providing leadership and oversight to reduce and mitigate University risks; and oversee the policy development and review process. CEROC is made up of the following individuals:

- Chief Compliance Officer, Co-Chair (Joann Campbell)
- Director, Office of Internal Auditing, Co-Chair (Julia Hann)
- Ethics Officer and Sr. General Counsel (Marc Snow)
- VP and General Counsel (Karen Stone)
- VP Human Resources (Rachelle Gottlieb)
- Director, Equal Opportunity and Diversity (Cheryl Gonzalez)
- VP Governmental Relations (Janet Owen)
- AVP for Enrollment Services (Albert Colom)
- AVP for Research and Sponsored Programs (John Kantner)
- Director of Planning and Executive Assistant to the Provost (Marianne Jaffee)
- AVP Administration and Finance (Scott Bennett)
- AVP Student Affairs (Lucy Croft)
- Chief Information Officer (Reggie Brinson)
- Faculty Association Representative (Judy Ochrietor)

The President has also appointed a Chief Compliance Officer (CCO), who is responsible for the implementation and administration of the C&E Program. The CCO serves as the central point for coordination, collaboration, and oversight of activities and initiatives to promote and encourage a culture of compliance and ethical behavior. The CCO also serves as a resource to the President's leadership team and to departmental compliance partners in making compliance management decisions. The CCO is responsible for the implementation of this C&E Program, providing oversight and monitoring of its implementation, and periodic review. The CCO is a direct report to the President and the Chair of the BOT Audit and Compliance Committee and, as such, can escalate critical and/or time-sensitive compliance issues as appropriate and necessary.

Finally, Compliance Officers/Partners in individual departments (e.g., Research Integrity Officer, Director of ADA, Title IX Administrator, Environmental Health and Safety) provide leadership in addressing compliance issues within their scope of responsibility. In support of our efforts to establish an effective, broad-based C&E Program, Compliance Officers/Partners will have a dotted line reporting relationship to the CCO. This approach recognizes the desire to maintain accountability for compliance at the department level, while also providing a structure for escalation of issues to the CCO as needed. Additionally, a Compliance Officers/Partners Discussion Group has been established to provide a regular forum for officers/partners to raise emerging compliance issues, and address areas of potential non-compliance.

Although compliance is a responsibility of each member of the UNF community, proactive engaged leadership by members of the BOT and University administration is critical to maintaining a strong culture of compliance and ethical conduct. The structure

for Executive Oversight of the C&E Program as outlined in this Plan provides a solid foundation for success.

Strategic Resources: BOG Regulation 4003, BOT Audit and Compliance Committee Bylaws, Presidential Delegations of Authority, Bylaws of the CEROC, Compliance Officer Charter, Chief Compliance Officer Position Description, Compliance Accountability Matrix

2) Standards of Conduct/Policies and Procedures

The University's Code of Conduct and Ethics (the Code) is the foundation of the C&E Program. The Code sets forth the expectation all employees perform their duties and responsibilities with integrity and accountability to the highest ethical standards. It also serves as a guide for employees to support day-to-day decision making, and can be used as a benchmark against which performance, both individual and organizational, can be evaluated.

In addition to the Code, other policies and procedures provide evidence to confirm an effective compliance and ethics program. This is the case for regulations and policies which are required to meet compliance and/or regulatory requirements, and to promote or enhance risk reduction and mitigation efforts.

Regular review of University regulations, policies and procedures is suggested as a best practice. A review of the UNF policy library indicates that many policies, including the Code, have not been reviewed in the past five-ten years. With the adoption of this C&E Program, the CCO, with the support and leadership of the CEROC, will initiate a comprehensive review of University policies and procedures, the policy review process and make recommendations for changes.

Strategic Resources: UNF Policy Library, UNF Code of Conduct and Ethics,
Presidential Delegations of Authority and Organizational Charts

3) Effective Lines of Communication (Reporting)

Open lines of communication are critical to early detection and identification of issues. Issue identification also points to areas or topics requiring additional monitoring or education. To those ends, employees are encouraged to share concerns and issues with their supervisor or other higher level administrators. Facilitating personal/face-to-face interactions is a priority for UNF as demonstrated by the training and awareness programs available through the Center for Professional Development and Training to educate and inform supervisors and employees regarding effective workplace communications and team building. Continued support for, and enhancement and expansion of, these programs is critical to ensuring open and effective lines of communication and thus an effective compliance and ethics program.

There are, however, situations when employees are not comfortable sharing a concern with their supervisor. In those cases, employees are encouraged to raise the issue through use of the UNF Ethics Hotline. The Ethics Hotline allows employees and any others to make anonymous reports at any time. The Director of Internal Auditing (Director), who is responsible for oversight of the hotline, has been actively marketing the Hotline across campus through e-mail communications and the distribution of Hotline posters and business cards. Additionally, the Director and the CCO are meeting with college and department leaders across campus to increase awareness of the Ethics Hotline and answer questions or comments supervisors may have regarding this communications tool. Research confirms when a Hotline is available the detection and identification of issues of concern are enhanced. Continued marketing and support of

the Ethics Hotline is required if an effective compliance and ethics program is to become a reality.

Additionally, information regarding specific reporting requirements on issues such as Clery Act reporting, Child Abuse reporting, Title IX and discrimination reporting are made available to the campus community through a variety of measures, including face-to-face and on-line training, targeted e-mails, Osprey updates, and poster presentations. Continued use of these communications tools helps foster an environment of open, honest, and effective communications, in other words, a culture of compliance.

Other initiatives to encourage and facilitate communications across campus are in various stages of planning or development including a compliance e-mail to allow employees and others to submit questions and comments directly to the CCO (compliance@unf.edu), a quarterly Compliance and Ethics Newsletter, tabling at appropriate University events to promote the C&E Program, and programming for October's Compliance and Ethics Week.

Strategic Resources: Duty to Report Requirements, including Form 1 filings, Hotline, Compliance Culture Survey, Other Campus Surveys

4) Education and Training

Compliance and ethics training is a foundational element of an effective compliance and ethics program. A university's commitment to general and specific compliance education and training programs cannot be overstated. "Do The Right Thing" is the slogan of the UNF Ethics Hotline marketing campaign. Describing what constitutes "the

right thing” and communicating those expectations to employees and others in the UNF community is a function of our education and training program.

Currently, UNF offers a broad range of compliance related education and training workshops and seminars. Those individual programs form a good nucleus for the development of a comprehensive Compliance and Ethics Education and Training Program. In the short term, the CCO will coordinate with the Center for Professional Development and Training and the Office of Faculty Enhancement to develop an inventory of programs falling under the compliance and ethics umbrella. The long-term goal is the development and implementation of an integrated, coordinated program of employee training and development on compliance and ethics issues and topics. The CCO will also focus specific efforts on the development of education and awareness programs regarding the UNF C&E Program, the UNF Code of Conduct and Ethics, and Conflicts of Interest.

Additionally, compliance and ethics training is not limited to our employees. More specifically, the CCO, in collaboration with the VP for Governmental Affairs and the General Counsel, is working with representatives from the State Commission on Ethics and the Board of Governors to provide training for our Board of Trustees on compliance and ethics issues, including the Code of Ethics for Public Employees, Conflicts of Interest and Gifts and Honoraria. A regular schedule of BOT training on compliance and ethics issues is critical to our success in implementing this C&E Program since the tone at the top sets the tone for all.

Strategic Resources: Center for Professional Development and Training, Office of Faculty Enhancement, UNF Website, Newsletters

5) Audit and Monitoring

Regular, rigorous review of University programs and operations allow issues to be identified early and remedied quickly. The University engages in frequent self-assessment, beginning with the continuous improvement processes required to meet accreditation standards through the Southern Association of Colleges and Schools, to departmental program reviews, to campus culture and satisfaction surveys. Continuous assessment of this nature is critical to ensuring an efficient, effective, and compliant work environment.

Additionally, the Office of Internal Auditing serves management as an integral part of the system of control. The Office provides independent, objective assurance and consulting activities to improve University operations and promote accountability. Whether through regularly scheduled audits or ad hoc management accountability reviews, IA staff serve to assist and coach administrators and employees in areas needing attention. An active, engaged audit function contributes to the overall health of the compliance and ethics culture.

The University also enters into contracts with third-parties for the assessment of programs which require greater scrutiny due to the complexity and/or nature of the issue, or when there is no in-house expertise for the initiative. Continued use of third-parties for such purposes should continue to be embraced as a best business practice.

CEROC is charged with the responsibility for providing leadership and oversight to assess and mitigate (as appropriate) University risks. The Committee's review of University risk assessments, internal and external audit reports, and other management reviews will be

an integral element to improving University operations and enhancing compliance and accountability across campus.

Strategic Resources: Internal Audit and Management Consulting Services,
Compliance Accountability Matrix and Calendar, Conflicts of Interest reporting

6) Enforcement and Discipline

An effective compliance and ethics program is one which provides incentives for employees to engage in conduct in accordance with laws, rules, and policies, and, conversely, applies appropriate disciplinary measures when employees engage in conduct which is non-compliant. The Federal Sentencing Guidelines specifically state that “adequate discipline of individuals responsible for an offense is a necessary component of enforcement” with the form of discipline determined on a case by case basis.

The University’s preferred approach is to engage programs and processes which incentivize employees to do the right thing. The University’s Presidential Excellence Awards Program provides an opportunity to recognize employee contributions and services consistent with specified criteria. Whether this program is an appropriate vehicle by which to recognize employees for compliance related acts and actions is a question CEROC should explore in consultation with the Office of Human Resources. Other means by which to incentivize employees should also be explored to support, and enhance, this element of the C&E Program.

With respect to discipline, it is contemplated CEROC will review, at least annually, reports of confirmed non-compliance, including information regarding the nature of the discipline imposed, to ensure the University’s approach to enforcement and discipline is

consistent and defensible. This review should also include information regarding instances when employees were found to have known of an act of non-compliance but failed to report, since all employees are required to report acts of non-compliance.

Strategic Resources: Office of Academic Affairs, Office of Human Resources, Policy Library, Code of Conduct and Ethics

7) Response and Prevention

Ensuring reasonable steps are taken to respond to complaints, especially complaints of compliance violations and/or unethical conduct, is critical to fostering an environment of integrity, trust, and accountability. Corrective action also helps prevent similar issues from occurring in the future. Failure to respond creates doubt about the University's commitment to addressing misconduct, which has the effect of reducing employee morale and engagement. The University has multiple processes by which to investigate and address reports of questionable actions or behaviors. However, decentralized departmental decision-making can have University-wide implications which can create substantial institutional risk. To limit such risk, the CCO will coordinate with those persons responsible for investigations to compile an annual report of such activity for review by CEROC. CEROC's oversight helps ensure a cohesive approach to addressing complaints across the campus, which is critical to an effective centralized compliance function.

Strategic Resources: New and/or changes to education/training and awareness programs, internal investigations, background checks

C&E PROGRAM EVALUATION

A rigorous process of evaluation answers basic questions about a program’s effectiveness and is a critical management tool for program improvement. CEROC will be responsible for overseeing the C&E Program evaluation process and for determining the evaluation cycle (annual, biennial, or other). Metrics available for assessing the C&E Program include: helpline statistics, compliance training statistics, policy attestation rates, investigation reports, risk assessment reports, culture surveys, and timely implementation of important changes or rulings in compliance law.

Additionally, Board of Governors regulation 4.003 requires the university president and the board of trustees to engage “an external review of the Program’s design and effectiveness” at least once every five (5) years and make recommendations for improvement. The first such external review will be engaged in FY 2021- 2022, the fifth year of the C&E Program.

Approved: (signatures on original, 10/24/17/)

John A. Delaney, President

Date

Paul McElroy, Chair
Audit and Compliance Committee

Date

Joy G. Korman, Chair
Board of Trustees

Date



ATTACHMENT 3

BOG Regulation 4.001, SUS Compliance and Ethics Programs

4.003 State University System Compliance and Ethics Programs

- (1) Each board of trustees shall implement a university-wide compliance and ethics program (Program) as a point for coordination of and responsibility for activities that promote ethical conduct and maximize compliance with applicable laws, regulations, rules, policies, and procedures.
- (2) The Program shall be:
 - (a) Reasonably designed to optimize its effectiveness in preventing or detecting non-compliance, unethical behavior, and criminal conduct, as appropriate to the institution's mission, size, activities, and unique risk profile;
 - (b) Developed consistent with the Code of Ethics for Public Officers and Employees contained in Part III, Chapter 112, Florida Statutes; other applicable codes of ethics; and the Federal Sentencing Guidelines Manual, Chapter 8, Part B, Section 2.1(b); and
 - (c) Implemented within two (2) years of the effective date of this regulation.
- (3) Each board of trustees shall assign responsibility for providing governance oversight of the Program to the committee of the board responsible for audit and compliance. The charter required by Board of Governors Regulation 4.002(2) shall address governance oversight for the Program.
- (4) Each university, in coordination with its board of trustees, shall designate a senior-level administrator as the chief compliance officer. The chief compliance officer is the individual responsible for managing or coordinating the Program. Universities may have multiple compliance officers; however, the highest ranking compliance officer shall be designated the chief compliance officer. Nothing in this regulation shall be construed to conflict with the General Counsel's responsibility to provide legal advice on ethics laws. The chief compliance officer shall not be the same individual as the chief audit executive with the exception of New College of Florida and Florida Polytechnic University who may, due to fiscal and workload considerations, name the same individual as both chief audit executive and chief compliance officer.
- (5) The chief compliance officer shall report functionally to the board of trustees and administratively to the president. If the university has an established compliance program in which the chief compliance officer reports either administratively or functionally to the chief audit executive, then the university shall have five (5) years from the effective date of this regulation to transition the reporting relationship of the chief compliance officer to report functionally to the board of

trustees and administratively to the president.

- (6) The office of the chief compliance officer shall be governed by a charter approved by the board of trustees and reviewed at least every three (3) years for consistency with applicable Board of Governors and university regulations, professional standards, and best practices. A copy of the approved charter and any subsequent changes shall be provided to the Board of Governors.
- (7) The Program shall address the following components:
 - (a) The president and board of trustees shall be knowledgeable about the Program and shall exercise oversight with respect to its implementation and effectiveness. The board of trustees shall approve a Program plan and any subsequent changes.
A copy of the approved plan shall be provided to the Board of Governors.
 - (b) University employees and board of trustees' members shall receive training regarding their responsibility and accountability for ethical conduct and compliance with applicable laws, regulations, rules, policies, and procedures. The Program plan shall specify when and how often this training shall occur.
 - (c) At least once every five (5) years, the president and board of trustees shall be provided with an external review of the Program's design and effectiveness and any recommendations for improvement, as appropriate. The first external review shall be initiated within five (5) years from the effective date of this regulation. The assessment shall be approved by the board of trustees and a copy provided to the Board of Governors.
 - (d) The Program may designate compliance officers for various program areas throughout the university based on an assessment of risk in any particular program or area. If so designated, the individual shall coordinate and communicate with the chief compliance officer on matters relating to the Program.
 - (e) The Program shall require the university, in a manner which promotes visibility, to publicize a mechanism for individuals to report potential or actual misconduct and violations of university policy, regulations, or law, and to ensure that no individual faces retaliation for reporting a potential or actual violation when such report is made in good faith. If the chief compliance officer determines the reporting process is being abused by an individual, he or she may recommend actions to prevent such abuse.
 - (f) The Program shall articulate the steps for reporting and escalating matters of

alleged misconduct, including criminal conduct, when there are reasonable grounds to believe such conduct has occurred.

(g) The chief compliance officer shall:

1. Have the independence and objectivity to perform the responsibilities of the chief compliance officer function;
2. Have adequate resources and appropriate authority;
3. Communicate routinely to the president and board of trustees regarding Program activities;
4. Conduct and report on compliance and ethics activities and inquiries free of actual or perceived impairment to the independence of the chief compliance officer;
5. Have timely access to any records, data, and other information in possession or control of the university, including information reported to the university's hotline/helpline;
6. Coordinate or request compliance activity information or assistance as may be necessary from any university, federal, state, or local government entity;
7. Notify the president, or the administrative supervisor of the chief compliance officer, of any unresolved restriction or barrier imposed by any individual on the scope of any inquiry, or the failure to provide access to necessary information or people for the purposes of such inquiry. In such circumstances, the chief compliance officer shall request the president remedy the restrictions. If unresolved by the president or if the president is imposing the inappropriate restrictions, the chief compliance officer shall notify the chair of the board of trustees committee charged with governance oversight of the Program. If the matter is not resolved by the board of trustees, the chief compliance officer shall notify the Board of Governors through the Office of Inspector General and Director of Compliance (OIGC);
8. Report at least annually on the effectiveness of the Program. Any Program plan revisions, based on the chief compliance officer's report shall be approved by the board of trustees. A copy of the report and revised plan shall be provided to the Board of Governors;
9. Promote and enforce the Program, in consultation with the president and board of trustees, consistently through appropriate incentives and disciplinary measures to encourage a culture of compliance and ethics. Failures in compliance or ethics shall be addressed through appropriate measures, including education or disciplinary action;

10. Initiate, conduct, supervise, coordinate, or refer to other appropriate offices (such as human resources, audit, Title IX, or general counsel) such inquiries, investigations, or reviews as deemed appropriate and in accordance with university regulations and policies; and
11. Submit final reports to appropriate action officials.

(h) When non-compliance, unethical behavior, or criminal conduct has been detected, the university shall take reasonable steps to prevent further similar behavior, including making any necessary modifications to the Program.

(8) The university shall use reasonable efforts not to include within the university and its affiliated organizations individuals whom it knew, or should have known (through the exercise of due diligence), to have engaged in conduct not consistent with an effective Program.

Authority: Section 7(d), Art. IX, Fla. Const.; History: New 11-3-16.

ATTACHMENT 4

BOG SUS Compliance Programs Checklist