



## STATE UNIVERSITY SYSTEM OF FLORIDA BOARD OF GOVERNORS COMPLIANCE PROGRAM

### INTRODUCTION

The State University System of Florida Board of Governors (“Board”) Compliance Program (“compliance program”) is a structured and organized approach to promote and support a culture of compliance, risk mitigation, and accountability. The Office of Inspector General and Director of Compliance (OIGC) has developed its compliance program with a focus on the Board of Governors Office (“Board Office”).

The United States Sentencing Commission publishes the *Federal Sentencing Guidelines for Organizations* (“Guidelines”), which recommends that all organizations, including higher education institutions, have a comprehensive compliance program in place. Chapter 8 of the Guidelines lists and defines the seven elements required for an effective compliance program, which are incorporated in the “Compliance Program Structure” section of this document. The Guidelines continue to serve as the standards upon which compliance and ethics programs in all sectors are developed.

The benefits of a comprehensive compliance program within the Board Office are significant. The compliance program exists to:

- Foster a culture that encourages and supports compliance-based decision-making;
- Enhance decision-making by raising awareness of requirements/expectations;
- Reduce risks of non-compliance while increasing the likelihood of early detection and correction;
- Address concerns through collaboration, cooperation, and communication; and
- Enhance employee engagement to report actual or perceived violations of law or policy.

### COMPLIANCE PROGRAM STRUCTURE

#### 1) Executive Oversight

Primary oversight and direction for the Board of Governor’s compliance program rests with the Board’s Audit and Compliance Committee (“Committee”). In addition to the Committee’s duties and responsibilities enumerated in the *Audit and Compliance Committee Charter*, the Committee’s responsibilities related to compliance focus directly on the Board Office and on the State University System (SUS) through Board of Governors Regulation 4.003.

Proactive and engaged leadership by Board of Governors members and Board Office management is critical to maintaining a strong culture of compliance conduct. The Committee has designated the Board's Inspector General and Director of Compliance (DoC) to implement and administer the Board Office's compliance program.

The DoC serves as the central point for coordination, collaboration, and oversight of activities and initiatives to promote and encourage a culture of compliance behavior. The DoC also serves in an advisory capacity to the Chancellor and his leadership team in making compliance management decisions. Included in the DoC's responsibility for the compliance program implementation is providing oversight and monitoring along with periodic review. The DoC reports functionally to the Board's Audit and Compliance Committee Chair and administratively to the Chancellor. As such, the DoC can escalate critical and/or time-sensitive compliance issues as appropriate and necessary.

As an opportunity to learn from and contribute to compliance for the SUS, the DoC is directed to serve as the Board's liaison on the State University Compliance and Ethics Consortium. The Consortium is composed of compliance directors and representatives from each SUS institution. Its mission is to provide an avenue for SUS institutions to discuss the development and improvement of compliance and ethics programs, new federal and state regulations, best practices, and issues campuses may be facing.

## **2) Standards of Conduct/Policies and Procedures**

The Board Office has designated a separate Ethics Officer (EO), who also serves as the Board of Governors' General Counsel. The DoC will coordinate with the EO on activities that promote and encourage ethical behavior and compliance with laws, rules, regulations, policies, and procedures. Doing so can promote or enhance risk reduction and mitigation efforts.

The *Internal Operating Policies and Procedures Board of Governors' Office (IOPP)* includes guidance on appropriate employee conduct and behavior, which serves as the foundation of the compliance program. All employees are expected to perform their duties and responsibilities with integrity and accountability in compliance with the authoritative sources cited in the IOPP Manual, such as the Code of Ethics for Public Officers and Employees (Part III of Chapter 112, Florida Statutes). Additionally, the OIGC is governed by the *Office of Inspector General and Director of Compliance Charter*.

**3) Education and Training**

The DoC will coordinate with the Board of Governors, university leadership, and others as appropriate for outreach opportunities to educate them on the protocol for addressing concerns they may wish to voice without fear of retaliation. The objective will be for the DoC and the role of the Board of Governors OIGC to be more widely known both at the Board Office as well as on state university system campuses.

**4) Compliance Reviews and Issues Monitoring**

OIGC staff will conduct compliance reviews of statutes, Board of Governors regulations, policies, and procedures to evaluate Board Office as well as related SUS compliance. Identifying areas for review will be included in an annual OIGC risk assessment and scaled to available staff resources. The annual work plan will be presented to the Board of Governors through the Audit and Compliance Committee annually for their review and approval.

**5) Enforcement and Discipline**

An effective compliance program is one which incentivizes employees to engage in conduct in accordance with laws, regulations, rules, and policies. Conversely, it also applies appropriate disciplinary measures when employees engage in non-compliant conduct. The *Internal Operating Policies and Procedures of the Board of Governors' Office* describes what is required of employees as well as disciplinary measures for non-compliance.

**6) Effective Lines of Communication and 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. Employees are encouraged to share concerns and issues with their supervisor or other appropriate officials.

There are, however, situations when employees of either the Board Office or an SUS institution are not comfortable sharing a concern. In those cases, employees are encouraged to contact the OIGC by email, phone, or completing the "General Complaint Form" accessible via the "How to File a Complaint" section of the Office of Inspector General and Director of Compliance webpage:

<https://www.flbog.edu/board/office/ig/complaint.php>.

**7) Response and Reporting Results**

As described in the *Office of Inspector General and Director of Compliance Charter*, and in accordance with its internal procedures, the OIGC's implementation of its investigative responsibility is to deter, detect, and investigate fraud, waste, mismanagement, misconduct and other abuses.

For complaints concerning the SUS, the OIGC strives to promote accountability, efficiency, and effectiveness and to detect fraud and abuse within state universities. Upon receipt of any significant and credible allegations, OIGC staff are governed by the *Office of Inspector General and Director of Compliance Charter and Board of Governors Regulation 4.001, University System Processes for Complaints of Waste, Fraud, or Financial Mismanagement*. The former describes the process for conducting a preliminary inquiry and making a determination for any possible Board of Governors action through the OIGC. The latter describes the process for any OIGC role that may be required in evaluating and/or handling the matter.

Reporting results of reviews or investigations is critical to fostering an environment of integrity, trust, and accountability. Corrective actions as a result of an investigation can aid in the prevention of similar future issues.

#### **8) Program Design and Effectiveness Review**

Internal and external assessments of a program's design and effectiveness are a critical management tool for program improvement. The DoC, in coordination with the Chancellor and Board of Governors Audit and Compliance Committee Chair, will oversee the compliance program evaluation process.

The DoC will report annually to the Board of Governors through the Audit and Compliance Committee on the compliance program's effectiveness. This information will be included in the *Office of Inspector General and Director of Compliance Annual Report*, which is due by September 30<sup>th</sup> each year. Any changes to the compliance program or the Office of Inspector General and Director of Compliance Annual Work Plan will be presented to the Board of Governors through its Audit and Compliance Committee for review and approval consideration.

The compliance program will undergo an external review of the program's design and effectiveness at least once every five years and make recommendations for improvement. Review results will be reported to the Board of Governors Audit and Compliance Committee as well as to the Chancellor of the State University System of Florida Board of Governors.

**History:** Adopted 3-28-2019.