

45th Annual Conference

Louisville, KY September 20-24, 2014



Higher Education Compliance: An Enterprise Approach

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Learning Objectives

- Describe how a higher education institution can centralize compliance without creating significant additional work
- Return to your institution with a model for assigning work to various departments while keeping tracking and accountability at senior levels
- Gain an understanding of the major areas of higher education compliance



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Ground to Cover

- Federal Sentencing Guidelines for Organizations
- Various Higher Education Compliance Models
- Decentralized Compliance with Centralized Oversight
- Administrative Tools
- Sample Enterprise Risk and Compliance Inventory
- Conclusion



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Federal Sentencing Guidelines for Organizations

- The FSG describe eight elements of an **effective** compliance program:
 - 1) Oversight by high-level personnel and direct reporting authority to governing board or appropriate subgroup such as audit committee
 - 2) Written policies and procedures
 - 3) Training and education
 - 4) Lines of communication
 - 5) Standards enforced through well-publicized disciplinary guidelines



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Federal Sentencing Guidelines for Organizations

- 6) Internal compliance monitoring
- 7) Response to detected offenses including remediation of harm, and corrective action including assessment and modification of the compliance and ethics program if needed
- 8) Periodic risk assessments



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Various Higher Education Compliance Models

| | | Oversight | |
|----------------|---------------|---|--|
| | | Centralized | Decentralized |
| Implementation | Centralized | Where some institutions have gone, but requires significant staff | This one wouldn't make much sense |
| | Decentralized | Oversight is at highest levels in compliance with FSG, but implementation is pushed out to subject matter experts | Where most institutions have been, but difficult to develop board-level reporting and accountability |



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Decentralized Compliance with Centralized Oversight (The KU Model)

- Risk Assessment
 - Identify Priorities
 - Create Plans
 - Rolling
 - Strategic
 - Action
- Establish Program Architecture
 - Value Subject Matter Expertise
 - Honor Culture of the Enterprise
- Begin ...



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Decentralized Compliance with Centralized Oversight (The KU Model)

- Horizontal Communication: **Partners Network**
 - Regulatory
 - Risk
 - Relationship
- Vertical Communication: **Executive Committee**
- Multidisciplinary Communication: **Throughout the Enterprise**
 - Compliance
 - Collaboration
 - Catalyst



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Decentralized Compliance with Centralized Oversight (The KU Model)

- Data = Lifeblood
 - Issues
 - Incidents
 - Investments
- Enterprise = Life
 - Independent
 - Interdisciplinary
 - Institutional



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Decentralized Compliance with Centralized Oversight (The KU Model)

- Enterprising Strategies:
 - Higher Education Compliance Alliance
 - Society of Corporate Compliance and Ethics
 - University of Minnesota (www.compliance.umn.edu)
 - University of Texas (www.utsystem.edu/compliance)
 - Washington and Lee University (www2.wlu.edu/x38495.xml)
 - The Catholic University of America
(counsel.cua.edu/thebasics/compliance.cfm)
- **Enterprising Solutions ...**



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Administrative Tools

- Spreadsheets
- Enterprise software
- Web-based administrative systems



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Sample Enterprise Risk and Compliance Inventory

- Tax and Finance
- Safety and Security
- Research and Healthcare
- Student Disclosure and Services
- Employment



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Questions, Comments ...

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