UNCW’s Coordinated Compliance, Policy, and Ethics Program

Jim Koebel
Assistant General Counsel for Compliance
Respond to ARCC Charter:

- “Adequacy of the university’s process to ensure regulatory compliance”
- “Annually review management’s processes with respect to compliance and meet with the individual(s) responsible for compliance as needed”
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- “Annually review management’s processes with respect to compliance and meet with the individual(s) responsible for compliance as needed”

Reflect System-wide preference for coordinated compliance function:

- Revisions to Board of Governors’ Audit Committee jurisdiction to include risk management and compliance
- UNC Policy 1300.7 promotes the “establishment of and collaboration among the risk management, ethics, and compliance programs at the constituent institutions” and “a culture that supports board goals for risk management and compliance”
Align with Federal Sentencing Guidelines’ seven elements of effective compliance program:

1. Standards and procedures in place to prevent and deter violations of law;
2. Overall responsibility assigned to personnel with appropriate resources and authority, with the governing body knowledgeable about the program and exercising reasonable oversight and persons with operational authority for the program having authority for personal communications with the governing body or a subgroup;
3. Personnel with substantial authority for the program are of high integrity and chosen with due diligence;
4. Effective training programs and dissemination of information;
5. Monitoring of compliance activities, reporting mechanisms for concerns of unlawful conduct, and effective follow up and investigation of reports;
6. Consistent enforcement of standards through incentive and discipline; and
7. Appropriate responses to violation of law, including necessary modification of the compliance program.
1. Address external compliance obligations
Program Goals

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2. Employ industry best practices & tailor to UNCW management and ownership structure
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3. Support IRM and IA, yet serve a distinct purpose
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3. Support IRM and IA, yet serve a distinct purpose

4. Quantify new and existing compliance efforts
1. Monitor and encourage compliance efforts
   - Fortify existing decentralized model
2. Add to holistic risk reduction
   - Risk Management – Compliance – Internal Audit
Purpose and Scope

1. Monitor and encourage compliance efforts
   • Fortify existing decentralized model
2. Add to holistic risk reduction
   • Risk Management – Compliance – Internal Audit

1. **Compliance**
   • Legal obligations with a reporting or filing deadline
2. Policies
   • Obligations requiring ongoing compliance and institutional stance
3. Ethics
   • Training and reporting
Purpose and Scope

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Roles

Board of Trustees
(Audit, Risk, and Compliance Committee)
Roles

Board of Trustees
(Audit, Risk, and Compliance Committee)

Chancellor
Roles

Board of Trustees
(Audit, Risk, and Compliance Committee)

Chancellor

Cabinet

Individual Vice Chancellors
Roles

Board of Trustees
(Audit, Risk, and Compliance Committee)

Chancellor

Cabinet

Individual Vice Chancellors

Internal Audit/IRM

General Counsel

Ass’t General Counsel for Compliance

(UNCW University of North Carolina Wilmington)
Roles

Board of Trustees
(Audit, Risk, and Compliance Committee)

Chancellor

Individual Vice Chancellors

Cabinet

Internal Audit/IRM

General Counsel

Ass’t General Counsel for Compliance

Compliance Committee
Roles

Board of Trustees
(Audit, Risk, and Compliance Committee)

Chancellor

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Individual Vice Chancellors

Internal Audit/IRM

General Counsel

Ass’t General Counsel for Compliance

Compliance Committee

All Staff
Mitigation, Accountability, and Reporting

Risk Mitigation

- Compliance Committee
- Liaison role
- Policy process
- Training
Mitigation, Accountability, and Reporting

Risk Mitigation
- Compliance Committee
- Liaison role
- Policy process
- Training

Accountability & Incentive
- Compliance calendar
- Ethics hotline
- Disciplinary policies
Mitigation, Accountability, and Reporting

**Risk Mitigation**
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- Policy process
- Training

**Accountability & Incentive**
- Compliance calendar
- Ethics hotline
- Disciplinary policies

**Reporting**
- To VCs, Cabinet, Chancellor
- To BOT, annually
  - Data
Next Steps

Rework “Policy on Policies”
  • Procedure
  • Review intervals
  • Approval authority

Hold first Compliance Committee meeting
  • Stakeholders representing top statutory/regulatory risks
  • Gap analyses

Develop compliance calendar(s)
  • Gathering compliance deadlines from stakeholders

Launch web page
  • Policy updates
  • Calendar(s)
  • Concerns

Track activity