



## HOW TO EVOLVE YOUR COMPLIANCE PROGRAM WITH AN UPDATE TO YOUR FRAMEWORK AND CODE

**STACY GIWA**  
VICE PRESIDENT OF CULTURE, ETHICS AND COMPLIANCE  
CHIEF COMPLIANCE OFFICER

**MARISA HARDY**  
ASSISTANT DIRECTOR, COMPLIANCE PROGRAMS AND ASSESSMENTS



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# AGENDA

- 01 Objectives and Poll
- 02 Compliance Management at USC
- 03 Compliance Framework and Assessment
- 04 Integrity and Accountability Code

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## OBJECTIVES AND POLL



### EXPLORE APPROACHES TO COMPLIANCE MANAGEMENT

- What are our top compliance risks?
- How are they being managed?
- What are they doing?
- Is it working?
- How do we know?
- How we evolve our program to address lessons learned and new risks?



### POLL/QUESTIONS

- Do you use a documented compliance framework or clear program elements to implement your compliance program? (Y/N)
- What is the scope of your ethics and compliance program?
  - Covers core areas such as conflict of interest, policy management, Code;
  - Covers core areas plus some additional compliance risk areas;
  - We don't have an overarching ethics and compliance program;
  - Other
- How would you describe your reach into individual schools or units?
  - Comprehensive reach; some reach on specific topics;
  - Engage primarily to resolve discrete challenges;
  - This is an issue for us;
  - Other
- When is the last time you revised your ethics and compliance code?
  - In the last 2 years;
  - 2-4 years ago;
  - Over 5 years;
  - We don't have a code



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## COMPLIANCE MANAGEMENT AT USC

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## MEET THE OCEC TEAM

USC will have an outstanding ethics and compliance program that acts to support a culture where making decisions consistent with unifying values, doing the right thing, and complying with policies, laws and regulations are the expected and everyday courses of action.

**33 PEOPLE**  
We work passionately to achieve our vision of excellence in ethics and compliance.

**~15 CHAIRED COMMITTEES**  
We chair numerous committees to engage key stakeholders and expand our reach.

**~30-40 WORKING GROUPS**  
We participate in a range of critical working groups, advisory boards, and committees throughout USC.

**~75-80 OFFICES**  
We expand our reach by regular interactions with 75 - 80 offices (including schools, departments, and student organizations).

**45 FY23 GOALS**  
We plan strategically to achieve our vision.



## COMPLIANCE FRAMEWORK AND STANDARDS

The Framework drives a common view of compliance and ethics across all risk areas. It provides a comprehensive approach for defining accountabilities, core program elements, and key standards.

### Benefits include:

- Defines core roles and responsibilities
- Establishes universal standards and identifies accountability for cross-cutting elements in key compliance areas
- Uniformly communicates evolving enforcement guidance, requirements and expectations
- Highlights and enables resource alignment in a risk-based manner
- Provides a framework for evaluating and designing University compliance programs as well as standardized tools for assessment, reporting and oversight
- Delivers reasonable assurance that compliance management practices are in place across compliance risk areas and USC

### USC Compliance Framework Elements

- Culture, Values, Governance and Compliance Oversight
- Compliance Risk Identification and Assessment
- Policies, Standards and Systems Education
- Training and Outreach
- Monitoring, Auditing, Program Evaluation and Continuous Improvement
- Investigations, Corrective Action and Root Cause Analysis

## GOALS PROCESS TIED TO FRAMEWORK



### PROCESS

- Quarterly strategic meetings to discuss opportunities, challenges, themes, and trends\*
- Stakeholder engagement through key committees e.g.:
  - Compliance and Ethics
  - Research Compliance
  - Data Privacy
  - Working Group on Culture
- Team refinement of goals
- ACRP reporting
  - May – approve FY23 goals
  - July – report out on FY22 goals



### DRIVERS

- Regulatory guidance
- USC's Compliance Framework & Standards
- Program assessments
- Top risks
  - Internal investigations
  - Audit findings
  - Enforcement/ litigation activity in higher education
- Leading practices from peer institutions and professional associations



### FRAMEWORK ELEMENTS\*

- Culture, Values, Oversight
- Compliance Risk Processes
- Policies and Systems
- Education and Outreach
- Monitoring and Improvement
- Investigations and Root Cause Analysis

\* New/enhanced this year

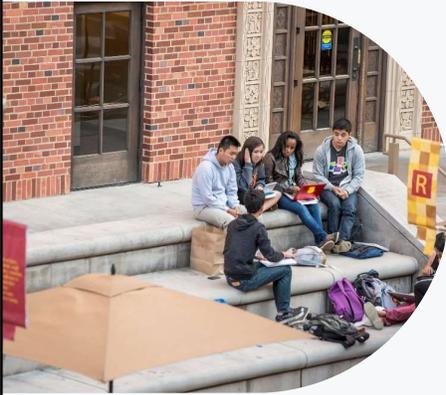
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## COMPLIANCE PROGRAM ASSESSMENT

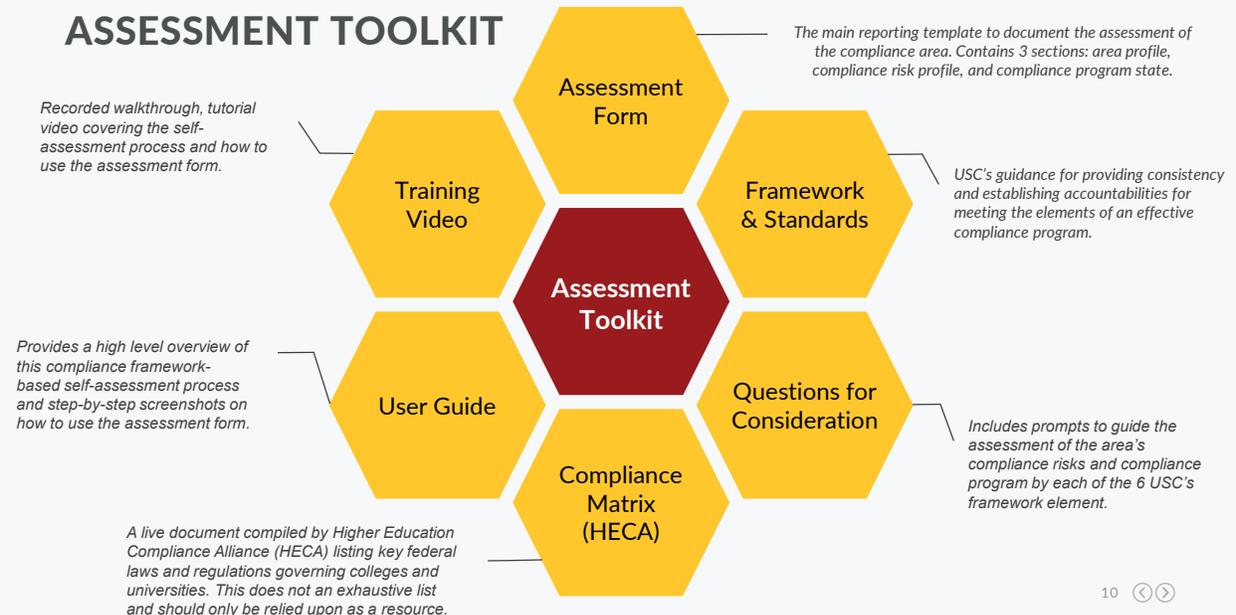
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## ASSESSMENT PURPOSE



- ✓ Provide **reasonable assurance** that compliance risks are being managed and, if not, remediation activities are in place or will be (based on gap analysis)
- ✓ Assess the **design and operation performance** of the compliance ethics infrastructure – including the compliance function and processes – relative to legal/regulatory requirements and leading practices
- ✓ Help leadership to **identify and prioritize opportunities** to enhance compliance infrastructure, including integration, alignment, and coordination across organizational boundaries
- ✓ **Establish a baseline** for assisting the University with ongoing compliance monitoring and **continuous improvement**
- ✓ Help management identify opportunities to **embed and sustain** compliance risk management activities throughout the organization

## ASSESSMENT TOOLKIT



## ASSESSMENT TOOL WALKTHROUGH

**University of Southern California**  
Compliance Framework-Based Self-Assessment

*Note: The scope of this self-assessment focuses on **compliance risks only**. It is not an overarching risk assessment.*

Save
Retrieve Prior Year
New Clear
Submit
Full Screen
Resources
Form Tour
Welcome Page
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Year

Compliance Lead

Compliance Area

Delegates(s)

Department/ Office

**Area Profile**

**Primary Regulators**  
- Enter here - (click on the info icon for description)

**Primary Areas of Regulations**  
- Enter here - (click on the info icon for description)

**Related Stakeholders**  
- Enter here - (click on the info icon for description)

**Compliance Risk Profile**

#	Top 5 Compliance Risks	Risk Level	Area Overlap
1	- Enter here - (click on the info icon for description)		
2	- Enter here - (click on the info icon for description)		
3	- Enter here - (click on the info icon for description)		
4	- Enter here - (click on the info icon for description)		
5	- Enter here - (click on the info icon for description)		

**Key Compliance Risk Drivers**

**Internal Risk Drivers**  
- Enter here - (click on the info icon for description)

**External Risk Drivers**  
- Enter here - (click on the info icon for description)

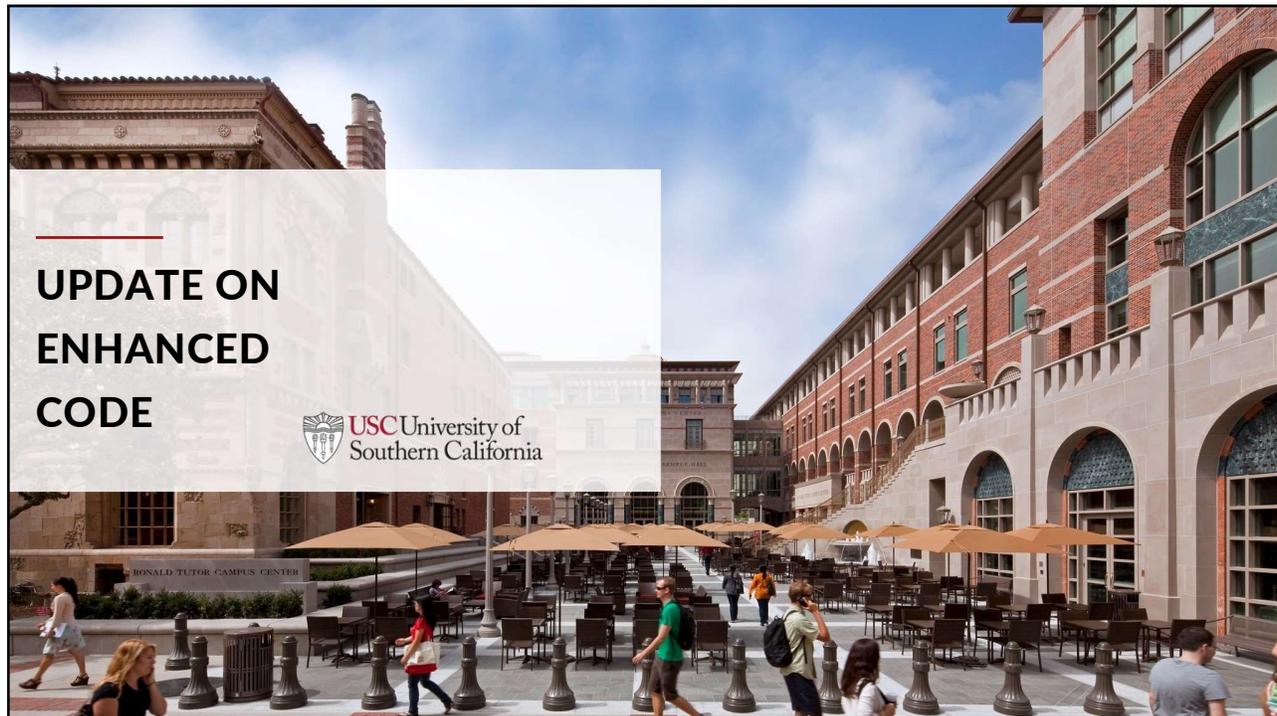
**Emerging Risks**  
- Enter here - (click on the info icon for description)

**Compliance Program State**

Element	Description of Current Activities	Planned Enhancements
1. Culture, Values, Governance, and Compliance Oversight	- Enter here - (click on the info icon for description)	- Enter here - (click on the info icon for description)
2. Compliance Risk Identification and Assessment	- Enter here - (click on the info icon for description)	- Enter here - (click on the info icon for description)
3. Policies, Standards, and Systems	- Enter here - (click on the info icon for description)	- Enter here - (click on the info icon for description)
4. Education, Training, and Outreach	- Enter here - (click on the info icon for description)	- Enter here - (click on the info icon for description)
5. Monitoring, Auditing, Program Evaluation, and Continuous Improvement	- Enter here - (click on the info icon for description)	- Enter here - (click on the info icon for description)
6. Investigations, Corrective Action, and Root Cause Analysis	- Enter here - (click on the info icon for description)	- Enter here - (click on the info icon for description)

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## BACKGROUND AND HIGHLIGHTS

### CONTEXT FOR UPDATE

- ✓ Existing Code of Ethics was created in 2004
- ✓ Enhance the Code by linking to USC's Unifying Values, policies, resources and tools
- ✓ Align with current practices in higher education and industry and expectations from the Department of Education and other regulatory bodies and agencies

### KEY HALLMARKS OF THE ENHANCED CODE

- ✓ Anchored to USC's values to align behaviors, actions and ethical decisions to support USC - **Integrity and Accountability Code**
- ✓ Provides resources for the USC Community and reflects current policies, practices and elements of the Code
  - Does not modify existing USC policies
  - Links to USC's existing core policies
  - Provides ethical decision-making models and tools
  - Includes Q&As, references and key contact information
- ✓ Short training to introduce the Code and its resources



## A SHARED COMMITMENT

USC's enhanced Code is founded on collaboration, USC's values, and a shared commitment to create tools and resources that promote ethical decisions

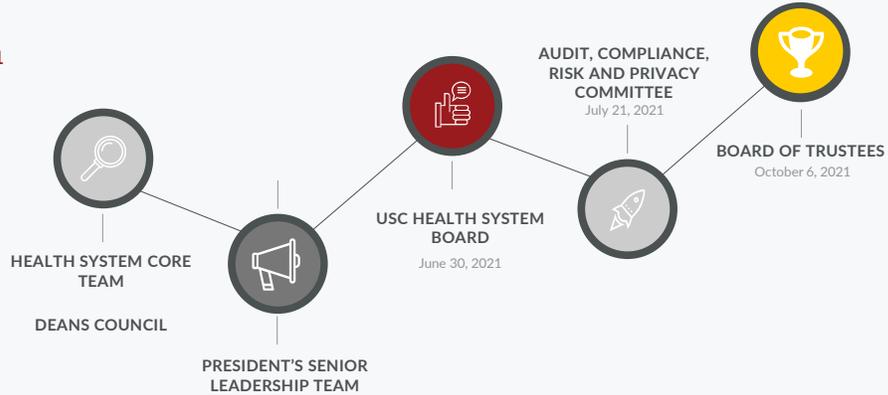
	<p><b>FORWARD LOOKING APPROACH</b></p> <p>ENGAGED INDUSTRY THOUGHT LEADERS IN CODE'S CONTENTS AND DESIGN</p>	
<p><b>BENCHMARKING</b></p> <p><b>50+</b></p> <p>INSTITUTIONS HIGHER-ED AND INDUSTRY</p>		<p><b>INCLUSIVE PROCESS</b></p> <p><b>40+</b></p> <p>ENGAGED USC SUBJECT MATTER EXPERTS ON DESIGN AND CONTENT</p>

## SOCIALIZATION AND APPROVAL APPROACH

Our commitment to creating the enhanced Code through an inclusive approach extends to the Code's socialization plan. Key stakeholder buy-in is valued and is a vital aspect of the initiative's success.

JUNE 2020 - MAY 2021

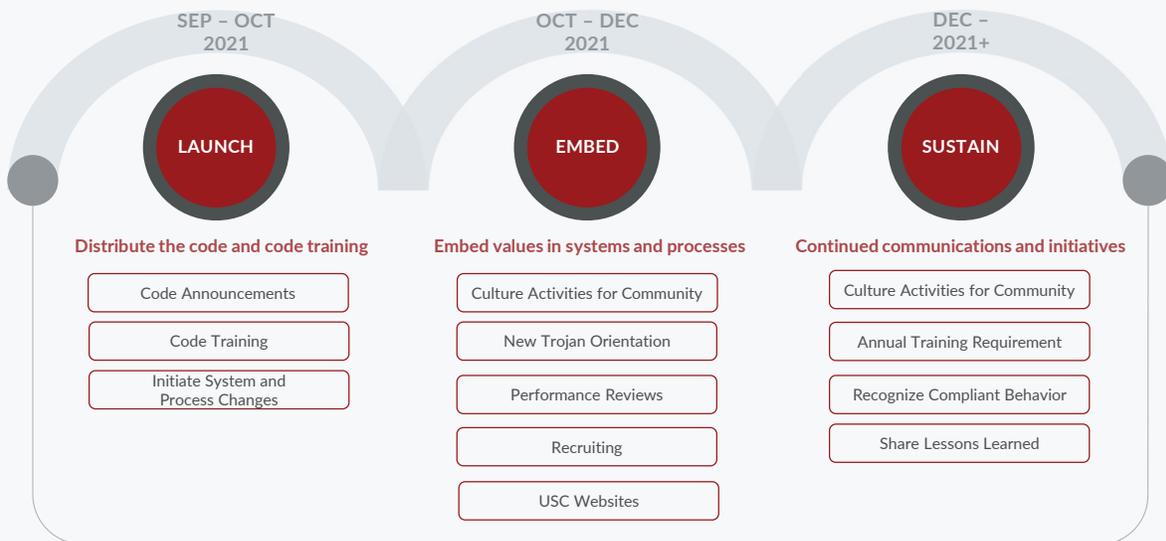
- ✓ COMPLIANCE AND ETHICS COMMITTEE  
March 2021
- ✓ ACADEMIC SENATE  
April 2021
- ✓ KECK HR EXECUTIVE GROUP  
April 2021
- ✓ UPC HR PARTNERS  
April 2021
- STAFF ASSEMBLY LEADERSHIP  
May 28, 2021



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## USC CODE – BUILT AROUND USC’S VALUES

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#### At Our Best – A Shared Commitment

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### USC Mission

Serve our students, patients and communities

Development of students and society through enrichment of human mind and spirit

Excellence in academics, teaching, research, artistic creation, athletics, professional practice, outstanding medical care and public service

### USC Unifying Values

We act with *integrity* in the pursuit of *excellence*.

We embrace *diversity, equity and inclusion* and promote *well-being*.

We engage in *open communication* and are *accountable* for living our values.

