

**Office of Compliance and Ethics
Annual Report and 2024-2025 Work Plan**
September 13, 2024

A message from the Chief Compliance and Ethics Officer:

As I near completion of my first year in the role of Chief Compliance and Ethics Officer, I am pleased to present you with an update of the activities of the Office of Compliance and Ethics (OCE) over the last year and programmatic plans for the 2024-2025 year.

The past year has been characterized by growth and change. Within the last two months, we have added three full-time positions to the OCE, substantially enhancing our bandwidth to help campus partners accomplish mission-critical business activities and provide compliance and ethics oversight. These new personnel are:

1. *Caroline Klancke, JD, Associate Compliance Officer and Director of Ethics and Integrity Programs* – Ms. Klancke joins the OCE from the Florida Ethics Institute, a government ethics nonprofit organization she founded. She also has served as General Counsel and Deputy Executive Director of the Florida Commission on Ethics.
2. *Edna Gasque, FCCM, CCEP, Associate Compliance Officer and Director of International Affairs Compliance* – Ms. Gasque joins the OCE from FAMU, where she served as a program manager in their Office of Compliance and Ethics.
3. *Rachel Neale, Compliance Program Coordinator* – Ms. Neale is a recent FSU master's graduate and recently completed a Fulbright program in Bulgaria. She will provide administrative support for our international and research compliance activities.

Additionally, Dena Shrum has been promoted to the position of Compliance Systems Specialist. Ms. Shrum will continue to support our conflicts of interest reporting system as well as provide support in new areas of compliance reporting and monitoring. I am grateful for the administration's commitment of resources to the OCE's continued growth.

Over the past year, the OCE has been substantially involved in addressing new legislative requirements related to foreign influence and has taken a leadership role in the university's implementation of these requirements. Additionally, I have consulted with multiple offices regarding various compliance obligations and program implementation, including the areas of Title IX, distance learning, research compliance, privacy, healthcare, and campus safety. We continue to fine-tune FSU's new online conflict of interest reporting system and look forward to working to further streamline compliance reporting and monitoring obligations using emerging software technology.

I hope you find the enclosed Annual Report informative as to the achievements of the OCE during the past year and the goals we have set for the upcoming year. The report is organized by the seven elements of effective compliance and ethics programs laid out in Chapter 8 of the Federal Sentencing Guidelines. The OCE's Work Plan for the 2024-2025 fiscal year is embedded within the report. As always, feel free to contact me if you have any questions about this report or the activities of the OCE.



Robert Large, Chief Compliance and Ethics Officer

Introduction: The Federal Sentencing Guidelines

Since 1991, The United States Department of Justice (DOJ) has utilized the Business Organizations section of the United States Sentencing Guidelines Manual to analyze the criminal liability of business organizations. If an entity can demonstrate it has a well-developed compliance and ethics program and that criminal conduct occurred in spite of that program, the entity can receive credit against a criminal sentence. But the guidelines have a much greater use than just sentencing bad-acting businesses. Known as Chapter 8, the guidelines have been used by hundreds of organizations to develop their compliance plans and determine the reach of their chief compliance officers, and the DOJ’s revisions and commentary on Chapter 8 since its inception have recognized the guidelines’ broadening application. The Florida Board of Governors used Chapter 8 as the basis for BOG Regulation 4.003, and it provides the framework used for the 5-year effectiveness reviews of each SUS institution’s compliance program. For those reasons, this Annual Report is organized to reflect FSU’s progress in each of the seven elements described by Chapter 8.¹

Element One: Executive Oversight

Via the establishment of the Office of Compliance and Ethics and the designation of the Chief Compliance and Ethics Officer as a direct report to the University President and the Chair of the Board of Trustees, FSU has signaled strong support for the OCE and its efforts. The OCE Charter is required to be reviewed and re-approved every three years. Edits to the Board of Trustees Audit and Compliance Committee Charter approved in June 2018 provide oversight for the OCE, with the Chief Compliance and Ethics Officer reporting quarterly to the Committee and yearly to the full Board of Trustees, or upon request. The Charter was reviewed re-approved in September 2021, and is up for review and reapproval in 2024.

2024-2025 WORK PLAN ITEMS:

- Assess compliance-related reporting structures and management functions to ensure compliance personnel can act independently as required under particular circumstances and develop plans for managing or mitigating conflicts.
- Reengage Compliance Alliance and Compliance Partners with regularly scheduled meetings and updates.
- Develop sub-working groups within the Compliance Partners who can work together more routinely on emerging issues that may cross over various compliance areas.
- Reengage with Compliance Partners to continue development and approval of a university-wide compliance matrix, with Compliance Partners having ownership for implementation of risk mitigation activities in the compliance areas.²
- Engage with the university’s enterprise risk management working group to provide oversight and support as needed in the development of the university’s risk management process.
- Work with the Office of the Provost on creating a Student Ombudsperson Office, consolidating functions housed in different offices.
- Work with key administrators on compliance issues related to FSU Health initiative.

¹ These seven elements are also described in the Office’s Program Plan, approved September 2018.

² Work on the compliance matrix began several years ago but was paused due to pandemic-related challenges and change in personnel.

Element Two: Written Standards of Conduct and Policies and Procedures

Policy review and improvement is a continual process at FSU. This year, the OCE took a primary role in drafting internal protocols for hiring of foreign researchers, in conjunction with the Division of Research. This work will continue as we work as an institution to streamline the foreign researcher screening process and other foreign influence-related matters.

In addition, a more comprehensive Code of Ethics for employees is also being considered, as the current Code of Ethics addresses a very narrow set of circumstances.

2024-2025 WORK PLAN ITEMS:

- Complete review, revision, and creation of ethics-centered policies (carry-forward from 2022-2023 Work Plan).
- Review university-wide policies for organization and consistency and to ensure policies appropriately address compliance and ethics issues (carry-forward from 2022-2023 Work Plan).

Element Three: Effective Lines of Communication

The Chief Compliance and Ethics Officer maintains regular meetings with the Chief Audit Executive and the Associate Vice President for Human Resources/Chief of Staff for the Vice President of Finance and Administration (monthly), and the Associate Athletics Director for Compliance (monthly). In addition, the CCEO has scheduled meetings with the Title IX Coordinator and Clery Coordinator on an as-needed basis. The OCE regularly receives and responds to inquiries and requests for assistance on a variety of issues from departments and offices across the institution, indicating that awareness of the OCE is growing. The OCE benefits from strong professional relationships with the President and Cabinet.

This past year, the OCE began more targeted efforts to communicate broadly with campus on emerging issues, particularly in the area of foreign influence and foreign researcher screenings. The OCE believes that our work toward developing a strong ethical culture is better served by seeking to partner with, and not just police, our campus stakeholders. We will get better mileage out of proactive communication and outreach in achieving this goal.

2024-2025 WORK PLAN ITEMS:

- Establish regular meetings and circulate informational memos/newsletters to keep campus partners informed of activity of the OCE.
- Implement a more sophisticated website presence with helpful resources and links to policies and procedures.
- Develop a periodic newsletter for the campus community on general compliance and ethics topics, utilizing regular communication to foster more awareness of university policies and procedures in the context of the university's mission and values.

Element Four: Education and Training

The continual task of training a large group of administrators, faculty, and staff is one of the heaviest lifts of a compliance office. The OCE has provided targeted guidance and training to specific offices and personnel regarding compliance obligations and has continued to maintain the university’s general HIPAA privacy and security training module. In addition, the OCE has worked directly with several faculty and administrators on foreign researcher screenings and restrictions related to foreign countries of concern, in response to recent legislation and BOG regulations.

The OCE needs to take the education and training components of its work to the next level by working with compliance partners to identify gaps in training offerings and tracking of completion. In addition, the OCE needs to provide innovative guidance on tracking the efficacy of training and measuring its impact on compliance rates and other trends in employee behavior.

2024-2025 WORK PLAN ITEMS:

- Work with the Office of Human Resources to inventory campus training offerings and ensure adequate systems for tracking, administering, and enforcing training and education requirements.
- Promote an “education month” for faculty and staff to draw attention to key training requirements, in conjunction with compliance partners with oversight of training programs.
- Create or procure a general ethics training module (carry over from 2022-2023 Work Plan).
- Revise and administer CAMS reviewer training to reflect the evolution of the program.
- Improve and promote Office of Compliance and Ethics website (see Element Three).

Element Five: Audits and Evaluation Techniques to Monitor Compliance; Establishment of Reporting Processes and Procedures for Complaints

The OCE is often part of the management response to reports of the Office of Audit and Advisory Services (OAAS), working to implement recommendations and address follow-up concerns resulting from internal audits or investigations. In addition to independent audits conducted by the OAAS, the OCE plays a role in monitoring compliance with university programs in other, more informal ways, or in the context of formal investigations of reports of unethical conduct.

The Chief Compliance and Ethics Officer has an EthicsPoint license and access to the EthicsPoint site to review complaints that arrive via the online portal. Regular meetings with the Chief Audit Executive and the Associate Vice President for Human Resources (see Element Three) assist with workload issues and identification of the correct office to conduct investigatory activities and respond to complaints.

2024-2025 WORK PLAN ITEMS:

- Create a Standard Operating Procedure (SOP) for OCE review/investigation of reports of unethical conduct, describing the interplay between OCE’s work and that of Human Resources and the OAAS.

- Create and implement assessment tool(s) to identify areas of risk and measure improvements when noncompliance is discovered and needs to be remedied, in conjunction with the enterprise risk management working group.

Element Six: Appropriate Disciplinary Mechanisms and Incentives for Good Conduct

Although the OCE is not responsible for handing down discipline, best practices indicate that creating incentives for good conduct can be just as important as deterring poor conduct via discipline. Trainings have emphasized the importance of compliance and ethics at all levels of the institution. Individually tailored trainings identify the specific contributions of the participating group to the university's mission and discuss the risks associated with noncompliance. When discipline is recommended as an outcome of an investigation, the OCE works with the departmental supervisor and the Office of Human Resources to ensure that discipline is consistent and proportional.

2024-2025 WORK PLAN ITEMS:

- Continue to utilize training opportunities to highlight the importance of ethical conduct.
- Work with the Office of Human Resources to proactively identify trends in disciplinary actions and establish targeted training or other efforts to address any hotspots.

Element Seven: Investigation and Remediation of Systemic Problems

As described in last year's Annual Report and mentioned here in Element Four, the implementation of CAMS has made important improvements to FSU's outside activity and conflict of interest disclosure processes. Substantively, the use of SmartForms to guide outside activity disclosures has generated better information about proposed activities, allowing us to make informed decisions about conflicts of interest and conflicts of commitment. Procedurally, our move from a paper-based system to an online one makes tracking, approval, and analysis of information easier and more reliable.

As referenced above, we have identified a few critical areas of improvement for the CAMS system to ensure we are collecting necessary information from faculty and staff and have the tools for reviewers to make judgments regarding conflicts of commitment. The Office of Faculty Development and Advancement will be a tremendous partner in this effort. For research-related conflicts, discussions have begun to enhance the review process to allow for pre-approval committee review of a research-related conflict of interest or conflict of commitment.

The OCE, in conjunction with the Office of General Counsel, is jointly responsible for responding to reports of potential noncompliance with BOG Regulation 9.016. The two offices have also provided proactive legal and practical guidance to several offices and departments around campus regarding compliance with this requirement.

2024-2025 WORK PLAN ITEMS:

- Continue to enhance and streamline processes required by section 1010.35, Florida Statutes, related to screening of foreign workers, reporting of foreign gifts and contracts pursuant to federal

and state statutes and agency requirements, and international travel pursuant to section 1010.36, Florida Statutes.