

Florida Gulf Coast University Compliance and Ethics Program Plan

A. INTRODUCTION

This document serves as a blueprint of an effective compliance and ethics program plan as contained in the Federal Sentencing Guidelines Manual (Chapter 8 §B2.1) and the Board of Governors (BOG) Regulation 4.003, State University System Compliance and Ethics Programs.

In accordance with the Manual and the BOG Regulation, FGCU's Compliance and Ethics Program Plan (hereinafter referred to as Compliance Plan) outlines the seven elements of an effective compliance and ethics program. The Compliance Plan demonstrates due diligence in preventing and detecting criminal conduct, unethical behavior, and noncompliance with rules; and promoting an organizational culture that encourages ethical conduct and a commitment to compliance. Specifically, the Compliance Plan:

- Implements written standards in the form of a Code of Conduct to promote responsibility and accountability for ethical conduct, as well as the University's commitment to compliance with applicable laws, regulations, rules, policies, and procedures.
- Establishes an administrative governance framework, including the designation of a Chief Compliance Officer, for conducting an effective and diligent compliance program.
- Outlines a commitment to educate University personnel regarding compliance requirements and ethics initiatives.
- Develops effective lines of communication to encourage reporting allegations of wrongdoing without fear of retaliation and to receive and respond to deficiencies and breaches in an efficient and timely manner.
- Implements monitoring and auditing functions to measure the effectiveness of the University's compliance initiatives.
- Outlines performance incentives and disciplinary measures to promote and enforce the compliance and ethics program.
- Outlines a process to timely review credible allegations of wrongdoing, take corrective actions, and implement appropriate and effective internal controls to prevent further similar misconduct from occurring.

B. THE SEVEN ELEMENTS

1. CODE OF CONDUCT

The University's Code of Conduct promotes ethical principles derived from federal and state laws and regulations, University regulations and policies, contract and grant requirements, and generally accepted principles of ethical conduct. The Code applies to the FGCU Board of Trustees; President, Cabinet, and University faculty and staff; and volunteers, contractors, vendors and other representatives providing services to or acting on behalf of the University, including the University's direct support organizations. Deans are responsible for assuring that faculty under their supervision abide by the Code; managers of University administrative functions are responsible for assuring that staff and other representatives under their supervision

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abide by the Code. The Chief Compliance Officer is responsible for promoting, monitoring, and enforcing the Code.

The Code of Conduct supplements the University's regulations and policies, and in particular, complements the University's Regulation on Ethics as well as the FGCU Board of Trustees Ethics Policy, both of which reaffirm the University's commitment to comply with the Code of Ethics for Public Officers and Employees codified at Title X, Chapter 112, Part III of the Florida Statutes.

A copy of the Code of Conduct is provided as an attachment to the Compliance Plan.

2. **COMPLIANCE PROGRAM GOVERNANCE**

FGCU displays an appropriate governance structure by ensuring that the FGCU Board of Trustees, through its Audit and Compliance Committee, is knowledgeable about the content and operation of the compliance and ethics program and exercises reasonable oversight over its implementation and effectiveness. A Chief Compliance Officer is assigned responsibility for the day-to-day operations of the program and is afforded direct access to the Chair of the Audit and Compliance Committee of the FGCU Board of Trustees, as well as to the President and Cabinet, University employees with compliance responsibilities, and University employees responsible for investigations as follows:

a. Audit and Compliance Committee of the FGCU Board of Trustees

The Audit and Compliance Committee of the FGCU Board of Trustees is responsible for overseeing the compliance and ethics program and approving of the roles and responsibilities of the Chief Compliance Officer. As required by BOG Regulation 4.002(2), the Charter for the Audit and Compliance Committee of the FGCU Board of Trustees describes the Committee's governance oversight for FGCU's compliance and ethics program.

b. President of FGCU

In collaboration with the Chair of the Audit and Compliance Committee of the FGCU Board of Trustees, the President designates a senior-level administrator as the Chief Compliance Officer and ensures that the individual selected for the position maintains his/her independence and has adequate resources and authority to perform the responsibilities of the position.

c. Chief Compliance Officer

The Chief Compliance Officer is responsible for the day-to-day operations of the compliance and ethics program. To ensure the impartial and unbiased judgment essential to the proper conduct of the compliance and ethics function, the Chief Compliance Officer is organizationally independent of the employees and

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managers who seek the advice and assistance of the Office. The Chief Compliance Officer reports functionally to the Chair of the Audit and Compliance Committee of the FGCU Board of Trustees and administratively to the President; and is afforded unrestricted access to University information, documents, records, and personnel necessary to carry out the duties and responsibilities of the Office. The Charter for the Compliance Office outlines the purpose, authority, mission, scope of work, and responsibilities of the Office.

d. Vice Presidents (Cabinet)

The President’s Cabinet, comprised of the University’s Vice Presidents, is responsible for advising and supporting the Chief Compliance Officer in the implementation and oversight of the compliance and ethics program. The Vice Presidents set an “appropriate tone at the top” by fostering a culture of ethical conduct and performing their duties in compliance with all applicable laws, regulations, rules, policies, and procedures. In addition, the Vice Presidents ensure that compliance programs under their responsibility have adequate resources to effectively conduct operations.

e. Compliance Liaisons

The Compliance Liaisons are University employees designated with carrying out compliance-related responsibilities for a specific program or function within the University, including, but not limited to the following:

Topic	University Unit
Academic Integrity	Dean of Students
ADA	Adaptive Services
Athletics and NCAA Rules	Assistant Athletic Director for Compliance
Biohazardous Waste, Biosafety, and Bloodborne Pathogens	Environmental Health and Safety
Clery Act	University Police Department
Compliance with Regulations and Policies	General Counsel or Compliance and Ethics
Conflicts of Interest	Institutional Equity and Compliance/Title IX
Contracts	General Counsel
Controlled Substances	Environmental Health and Safety
Counseling and Wellness	Counseling and Wellness Services
Donations/Endowment	University Advancement
Export Controls	Research and Graduate Studies
Family Educational Rights and Privacy Act (FERPA)	Registrar
Financial Aid	Financial Aid and Scholarships
Financial Disclosure	Institutional Equity and Compliance/Title IX
Fraud, Waste, and Abuse	Internal Audit
Harassment, Intimidation, Retaliation, Discrimination	Institutional Equity and Compliance/Title IX
Information Security	Business and Technology Services
Institutional Review Board	Research and Graduate Studies

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Insurance (Risk Management)	Environmental Health and Safety
Intellectual Property	Research and Graduate Studies
Misconduct in Research	Research and Graduate Studies
Outside Activities	Institutional Equity and Compliance/Title IX
Procurement	Procurement
Records Management	Records Management
Sponsored Programs	Research and Graduate Studies
Taxation	Controller
Whistleblower Protection	Internal Audit

The Compliance Liaisons provide the Chief Compliance Officer with immediate notification of suspected or detected non-compliant behavior, unethical behavior, or criminal conduct; and on an annual basis, a summary of compliance initiatives. In addition, University personnel with compliance responsibilities meet on a quarterly basis to discuss program activities and new and supplemental changes to laws, regulations, rules, policies and procedures in order to stay abreast of best practices in the compliance sector. The Chief Compliance Officer chairs these meetings.

3. EDUCATION/TRAINING

The Chief Compliance Officer provides ethics training on a biennial basis to members of the FGCU Board of Trustees. Ethics training is provided annually to the President, Cabinet, faculty, and staff regarding the responsibility and accountability for ethical conduct and compliance with applicable federal and state laws and regulations as well as University policies and regulations. New employees also receive an initial ethics overview at New Employee Orientation to introduce FGCU's compliance and ethics program, including the Hotline, Code of Ethics contained in Florida Statutes, the University's Code of Conduct, and other relevant regulations and policies. They are also required to review and acknowledge receipt of the University's Code of Conduct within the first 90 days of employment.

4. COMMUNICATION

FGCU displays a proactive commitment to compliance by encouraging open communication of compliance and ethics issues, and the reporting of good-faith concerns of alleged wrongdoing, without fear of retaliation.

a. Communication to Employees

The Chief Compliance Officer disseminates information about FGCU's compliance and ethics program and FGCU's Hotline. Compliance Liaisons disseminate information about new legislation and updates to current legislation

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affecting the programs for which they are responsible. Communication takes the following forms:

- (i) Correspondence from Compliance Liaisons concerning new or amended legislation regarding NCAA compliance, Clery Act, Title IX, compensation and benefits, sponsored programs, financial aid, whistleblowing, or environmental health and safety, for example.
- (ii) Posters and emails promoting the FGCU Hotline.
- (iii) Training initiatives sponsored by the Office of Institutional Equity and Compliance; or Office of Environmental, Health and Safety, for example.

b. Communication from Employees

FGCU promotes collaboration by encouraging faculty and staff to bring forward questions or seek clarification on any federal or state law or regulation or FGCU policy or regulation before taking action on a University matter. Employees can ask their supervisor or manager, Vice President and General Counsel, or the Chief Compliance Officer for advice and assistance.

c. Communication to President and FGCU Board of Trustees

The Chief Compliance Officer meets regularly and in no event less than four times a year either in person or telephonically with the Chair of the Audit and Compliance Committee to review all compliance and ethics-related matters of importance and all credible evidence of alleged misconduct, including criminal misconduct. Other senior members of the administration including the President are welcome to attend any such session. The Chief Compliance Officer shall also promptly inform the Chair of the Audit and Compliance Committee of any serious matters under the purview of the Compliance Office arising between meetings.

The Chief Compliance Officer provides the FGCU Board of Trustees with an annual report on the effectiveness of the compliance and ethics program. Upon approval, a copy of the annual report is provided to the Board of Governors.

The Chief Compliance Officer meets with the President on a biweekly basis and Cabinet on an as-needed basis.

d. How to Report Concerns

FGCU's Hotline is an anonymous reporting system that facilitates reporting of alleged illegal, unethical, or improper conduct when the normal channels of communication have proven ineffective, or are impractical under the circumstances. The Hotline is available to employees and students, as well as contractors, vendors, and members of the southwest Florida community. If an

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individual is unsure of how to bring forward a concern, they can always contact FGCU's Chief Compliance Officer for assistance, but if an individual is uncomfortable reporting through normal channels of communication, or wishes to raise an issue anonymously, they should access the Hotline.

The Hotline is available 24 hours a day, 365 days a year, and is run by an independent, third-party provider. The Hotline provides a toll-free telephone number as well as web-based reporting.

An individual can contact the Hotline by:

- Calling the Hotline at (844) 300-1073; or
- Completing an on-line form at the following link: www.fgcu.ethicspoint.com.

Hotline concerns remain confidential to the extent permitted by law and are only shared with certain University stakeholders and external entities on a need to know basis. The Hotline has no caller identification and does not track IP addresses. FGCU prohibits retaliation, and will take no adverse action, against an individual who uses the Hotline in good faith to report allegations of wrongdoing.

In addition to the Hotline, employees can bring good-faith concerns to: Chief Compliance Officer for violations of University policy or regulation.

- The Chief Compliance Officer for violations of University policies or regulations;
- The Office of Institutional Equity and Compliance, for harassment, discrimination, retaliation, and sexual misconduct allegations;
- University Ombuds for informal, impartial and non-adversarial alternatives concerning conflict management;
- Their supervisor or manager;
- Assistant Athletic Director for Compliance for NCAA compliance concerns;
- Associate Vice President of Research and Dean of Graduate Studies for research misconduct concerns;
- Dean of Students for student Code of Conduct and academic integrity concerns;
- Director of Internal Audit for fraud, waste, and financial mismanagement allegations; or
- Director of Environmental Health and Safety for environmental health and safety concerns.

5. MONITORING/AUDITING

FGCU implements a self-assessment program to monitor and evaluate compliance functions throughout the University. Through its Compliance Liaisons and Director of Internal Audit, FGCU conducts ongoing efforts to assess, evaluate, monitor, and

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audit compliance with regulatory requirements and University regulations and policies.

a. Compliance Liaisons

Compliance Liaisons conduct periodic risk assessments to evaluate and prioritize compliance related risks. This assessment entails evaluating factors such as audit results, recent litigation and settlements, compliance concerns, University best business practices, and the existence and sufficiency of regulations and policies covering an area. Based on the risk assessments, Compliance Liaisons monitor high-risk areas under their responsibility. The Chief Compliance Officer assists Compliance Liaisons with the implementation of proper and effective internal controls to reduce the risk of noncompliance, and refers high risk areas to Internal Audit for consideration of inclusion in the Annual Audit Plan.

b. Director of Internal Audit

The Director of Internal Audit oversees the performance of value-added, risk-based audits, designed to independently review, test, and evaluate financial, electronic, and operational controls throughout the University in order to examine and assess:

- Business risks facing University leadership;
- Safeguarding and use of University assets;
- Accuracy, reliability, and integrity of University records and reports;
- Suspected fraud, waste, and financial mismanagement; and
- Adequacy of internal controls.

c. Chief Compliance Officer

The Chief Compliance Officer assesses whether the compliance and ethics program maintains organizational independence, has appropriate access to University records and personnel, disseminates standards and other communication, conducts training, responds appropriately to detected offenses, and implements effective corrective action plans to preclude future similar offenses from occurring.

d. Background Checks

FGCU uses reasonable efforts not to include within the University and its affiliated organizations individuals who have engaged in unethical conduct or inappropriate behavior. FGCU's procurement function reviews state and federal lists of debarred contractors and vendors to prevent them from conducting work or providing services to the University. FGCU's police department conducts background checks on prospective employees.

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6. INCENTIVES AND DISCIPLINE

FGCU demonstrates a commitment to compliance by including in job descriptions a requirement to conform to all University policies and regulations as well as the University's Code of Conduct. In addition, the University incentivizes supervisors who encourage employees to take ethics training and speak openly about concerns in the workplace; and supports employees who act with integrity and make sound decisions in the best interest of the University.

FGCU promotes a speak-up culture by encouraging its employees to use the University's reporting systems to bring forward good-faith concerns of wrongdoing.

FGCU takes appropriate disciplinary action based on progressive and cumulative discipline as outlined in the University Regulation on Disciplinary Actions, against members of its workforce who violate the University's Code of Conduct or Regulation on Ethics and who fail to correct their behavior.

In addition, managers and supervisors can be disciplined for failing to adequately instruct subordinate employees or failing to detect non-compliance with applicable policies and legal requirements, where reasonable diligence on the part of the manager or supervisor would have led to the discovery of problems or violations and given the University the opportunity to timely correct the issue(s).

Disciplinary action may include oral or written reprimand, suspension, or separation from employment. Violations may also result in notification to law enforcement officials, BOG Inspector General, regulatory bodies, and accrediting and licensing organizations, as appropriate.

7. RESPONDING TO DETECTED OFFENSES

The Chief Compliance Officer serves as the administrator for all allegations of potential wrongdoing reported through the University's Hotline. In collaboration with Compliance Liaisons, the Chief Compliance Officer determines the appropriate resources required to conduct an investigation commensurate with the gravity of the allegation and refers certain matters to an appropriate investigatory body for review and disposition. The Director of Internal Audit is responsible for conducting reviews pertaining to credible allegations of fraud, waste, and financial mismanagement; and the Office of Institutional Equity and Compliance is responsible for conducting reviews pertaining to harassment, retaliation, and discrimination concerns.

Investigation records will contain:

- Documentation of the alleged violation,
- Documentation of referral to an internal or external investigatory body,
- Description of the investigative process,

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- Interview notes and copies of key documents,
- A log of witnesses interviewed and documents reviewed, and
- Results of the investigation.

If the investigation indicates that a violation has occurred, FGCU will take appropriate corrective action, as necessary, including:

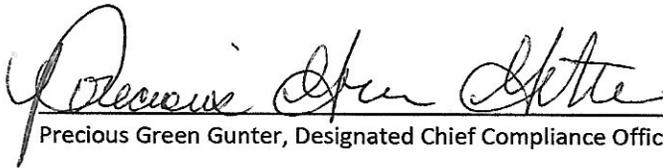
- Prompt restitution of any overpayments,
- Notification to a grantor agency,
- Review of FGCU regulations and policies to determine if clarification is needed,
- System modifications,
- Staff training,
- Notification to BOG Inspector General, and
- Disciplinary action of involved employees.

Board of Governors (BOG) Regulation 4.001, University System Processes for Complaints of Waste, Fraud, or Financial Mismanagement, requires the Florida Gulf Coast University (FGCU) Board of Trustees (BOT) to adopt a regulation to address complaints of waste, fraud, or financial mismanagement, which requires timely notification to the BOG, through the Inspector General and Director of Compliance (OIGC), of any significant and Credible Allegations of Waste, Fraud, Mismanagement, Misconduct, or other Abuses made against the President, a member of the FGCU BOT, the Chief Audit Executive, and the Chief Compliance Officer.

On January 14, 2020, the FGCU BOT adopted Regulation 1.008 – Complaints of Waste, Fraud, or Financial Mismanagement to address and investigate credible allegations of the aforementioned behavior by the President, a member of the FGCU BOT, the Chief Audit Executive, and the Chief Compliance Officer.

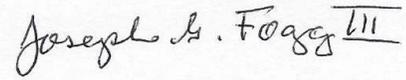
**Florida Gulf Coast University
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Prepared By

 5/7/2020
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Reviewed By

 5/8/20
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 5/8/20
Joseph G. Fogg, III, Chair, Audit and Compliance Committee Date

Approved By

 5/8/20
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