ACADEMIQUE

BSB60915 - ADVANCED DIPLOMA OF MANAGEMENT (HUMAN RESOURCE)

Study Support materials for

BSBCOM603 - Plan and establish compliance management systems

STUDENT HANDOUT

This unit describes the performance outcomes, skills and knowledge required to plan and establish appropriate compliance program/management systems which enable an organisation to fulfil its obligations and responsibilities under applicable compliance requirements.

The unit has been designed to be consistent with AS 3806:2006 Compliance programs.

This unit applies to a chief executive officer or senior manager in a small business, and to a senior manager and compliance section manager in larger organisations, who have specific responsibility for the planning, development and operation of a compliance program/management system.

Application of this unit must be consistent with the pertinent sections of relevant Australian and international standards and legislative requirements including: AS 3806:2006 Compliance programs, AS ISO 10002:2006 Customer satisfaction – Guidelines for complaints handling in organizations, AS/NZS ISO 31000:2009 Risk Management - Principles and Guidelines and AS ISO 15489:2004 Records management.

Elements and Performance Criteria Pre-Content

Element	Performance Criteria
Elements describe the essential outcomes of a unit of competency.	*Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.*
1. Determine applicable compliance requirements	1.1 Obtain and interpret information on current *compliance requirements* applicable to the organisation 1.2 Review each compliance requirement in terms of the relevant internal and external authorities, the risks involved, ways of ensuring compliance, the penalties for a breach of compliance, and the areas and operations of the organisation most affected
2. Identify and select an appropriate compliance program/management system	2.1 Investigate each area of applicable compliance to determine available options for a *compliance program/management system* that would be consistent with *relevant Australian and International standards* 2.2 Review and compare the options for a suitable compliance program/management system and its various components on the basis of *established criteria* 2.3 Select an appropriate compliance program/management system for implementation
3. Plan required compliance program/management system	3.1 Determine and document components for the proposed compliance program/management system 3.2 Determine *personnel requirements* for the operation of the compliance program/management system and assign or recruit appropriate staff 3.3 Identify *training requirements* for the implementation of the proposed compliance program/management system and select suitable training options 3.4 Identify and document management information systems requirements for effective and efficient operation of the compliance program/management system 3.5 Select a complaints management system suitable for the organisation and its compliance responsibilities 3.6 Determine a strategy for developing a compliance management culture in collaboration with relevant internal and external personnel 3.7. Identify and document suitable processes and procedures for identifying and managing breaches in compliance requirements 3.8 Determine reporting requirements in the various areas of compliance and

Element	Performance Criteria
	develop suitable processes and procedures to meet these requirements 3.9 Ensure identified resources including human resources required for developing, implementing, reviewing and maintaining the proposed compliance program/management system are budgeted and assigned
4. Document required compliance program/management system	4.1 Document the specifications for the various components of the proposed compliance program/management system in accordance with organisational procedures and any relevant statutory requirements 4.2 Document an *action schedule* for implementing, reviewing and maintaining the planned compliance program/management system and disseminate to relevant internal and external personnel 4.3 Seek approval from appropriate internal and external personnel or authorities prior to establishing the proposed compliance program/management system
5. Establish the planned compliance program/management system	5.1 Appoint and train assigned managers and operations personnel if required, before they assume their compliance management responsibilities 5.2 Establish the components of the compliance program/management system in collaboration with assigned staff 5.3 Monitor operation of the compliance program/management system in collaboration with assigned staff as per the approved plan 5.4 Conduct periodic reviews of the compliance program/management system in collaboration with assigned staff as per the approved plan 5.5 Prepare reports on the operation and review of the compliance program/management system in accordance with established procedures and any statutory or other compliance obligations

Compliance With Australian Standards

Compliance of products and services in the Australian market with Australian Standards is normally voluntary, unless the products or services are regulated by Government. Standards Australia develops Australian Standards but does not have a direct role in ensuring the compliance of products or services with these standards.

Information on which products and services are regulated can be sought from the Australian Government Website

If you purchase a product or service that claims to meet an Australian Standard but you think it does not then the following steps could be considered:

1. raise your concern with the retailer, wholesaler or manufacturer from which you purchased the product;
2. if the product is certified contact the relevant certification body that certified the product;
3. contact the Australian Competition and Consumer Commission (ACCC) or the relevant State or Territory Office of Fair Trading.

For further information, visit the ACCC Product Safety Website at http://www.productsafety.gov.au and also the Section on "Compliance with Australian Standards" in the publication "Australia's Standards and Conformance Infrastructure" athttp://www.innovation.gov.au

Compliance requirements

Sustainability in this area relates to managing compliance with the range of legislative requirements, codes, standards, reporting schemes, incentive programs and subsidies that are currently in place or proposed around sustainability issues.

The carbon tax and related initiatives are being implemented in Australia and existing regulations also have a direct relationship to sustainability, notably environmental and social sustainability. There are compliance requirements in other areas that connect with sustainability issues, for example occupational health and safety.

Many regulations and voluntary codes are supported by explanations and manuals that can be a useful guide even to businesses that are not required to participate. For example the **National Pollutant Inventory** has a series of Emission Estimation Technique (EET) manuals covering specific industries. These outline the industry processes and approaches for estimating emissions.

Sustainable practice and compliance

Sustainability practice is directly affected by regulations, standards and reporting requirements. Many of these target environmental issues such as environmental conservation, biodiversity, hazardous substances, disposal of chemicals, emissions of greenhouse gases and pollutants and reducing energy consumption.

Social sustainability – your relationship with people and community – links to regulations that cover areas such as workplace relations, equal opportunity, human rights, indigenous and cultural heritage, ASX requirements and ethical governance and trade practices.

Economic sustainability links to regulations that cover Australian Taxation Office requirements, superannuation, ASX and solvency requirements and financial and other reporting requirements.

Some **legislation and regulations** only apply when a business reaches a defined threshold. For example:
- The Energy Efficiency Opportunities Act 2006 requires corporations using more than 0.5 petajoules (PJ) of energy per year to apply the program's framework to assess their energy use and identify energy savings opportunities.
- The Equal Opportunity for Women in the Workplace Act 1999 requires organisations with 100 or more employees to plan and report on their programs to ensure that women are given equal opportunities in employment, professional development and promotion.
- The National Pollutant Inventory reporting requirements (NPI) requires businesses to report on their emissions and waste transfers if they trip any of the thresholds including ninety three specified substances, rates of burning waste and/or fuel and the rate and type of electricity usage.

There are **voluntary initiatives such as codes, standards, covenants** and incentive schemes that can also support your sustainability effort. Examples include the Global Reporting Initiative, the Australian Packaging Covenant, the ISO 26000 Social Responsibility Guidance Standard and the National Carbon Offset Standard (NCOS).

Managing your compliance performance

There are many areas where you could focus your and support your sustainability performance. Things to think about include:
- Which areas in your business are covered by legislation, regulations and mandatory standards at the national and state levels
- The potential consequences of noncompliance in terms of fines, legal liability, compensation and rehabilitation arising from employee injuries and environmental damage
- Which voluntary codes, covenants and initiatives can provide guidance in measuring and improving your performance
- Whether there are any funding programs to support you making changes in energy consumption, technology improvements
- Embedding the compliance requirements into routine procedures that benefit your business – by being cost effective and helping to deliver your business goals; focus on any business benefits and make it work for you
- Keeping up to date with requirements, codes of practice by subscribing to email news updates from government departments and regulators.
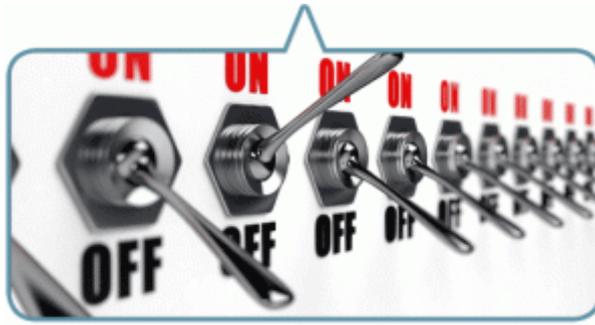
Company compliance

We deliver a wide range of compliance programs aimed at ensuring companies, schemes and various individuals and entities meet their obligations under the *Corporations Act 2001 (Cth)* (Corporations Act).

We encourage high levels of voluntary compliance by being up-front about our educative and enforcement strategies and helping companies and officeholders comply with their obligations.

Even if officeholders appoint an agent to look after their company's affairs, the officeholder — not the agent — will still be held responsible for those legal obligations.

Enforcement programs support our educative strategies where necessary. If a company still fails to comply with the requirements of the law we can obtain an order from the Court or even take criminal action against a company officeholder.

We direct our attention to areas that are likely to have the biggest impact on levels of voluntary compliance.

We will help companies and their officeholders to:
* understand their rights and responsibilities under the Corporations Act
* make it simpler to comply
* provide support to those who want to comply, and
* ensure there are real and tangible risks for those that don't comply.

Who we may contact

We may contact:
* companies that:
* fail to meet officeholder requirements
* have not lodged their financial reports
* we believe have incorrect information on ASIC's corporate register
* managed investment schemes that have not lodged their financial reports and/or their compliance plan audit reports
* foreign companies that have not lodged their financial reports or annual return
* registered Australian bodies.

Compliance programs

Understand your compliance requirements

All Australian Government agencies are required to create, capture and manage evidence of their business. This requirement is set out in a range of legislation and stressed in Australian and international standards. The level to which you comply with these requirements should be informed by a risk assessment of your business. The higher the risk, the more rigorous your compliance needs to be.

Create a compliant information management framework

Good information management is made up of three elements working together – policies, procedures and guidelines, IT systems and the systems users. Once you have decided on your compliance requirements, your agency should refer to them when acquiring computer systems, writing procedures and guidelines and training staff.

Maintaining compliance

Records management needs constant attention to ensure it is compliant with relevant legislation and regulations. This means:
- monitoring – observing the quality of records and metadata entered
- auditing – conducting officially-programmed examinations of the systems, focusing on records creation, capture and description
- reporting – presenting official reports to the senior executive of the agency on the efficiency and effectiveness of the system, using information gained from monitoring and auditing activities. Reports can be used to gain support for solutions to identified problems.

These three tasks are strongly interrelated. It is important that each is undertaken regularly to maintain both the quality of information being kept and the ability of systems to support your agency's work.

The reporting function in particular will help to ensure that your agency's senior management are aware of the role of records as the basis of good business and to gain their support when required for greater compliance or systems upgrade.

COMPLIANCE MANAGEMENT PROCEDURES
PURPOSE

These procedures support the objectives of the Compliance Policy by providing a uniform approach to ensure compliance with all laws, regulations, industry and internal codes of conduct which impact on the day-to-day activities of the University, promote a compliance culture at CQUniversity, as well as uphold good corporate governance practices.

An effective Compliance Program is an important element of the corporate governance and due diligence of an organisation. It should prevent and, where necessary, identify and respond to non-compliance with laws, regulations, codes or the standards of the University itself. This is best achieved by promoting a culture of valuing compliance obligations within the University, and can only be effective through the actions of all staff and officers of the University. The implementation of a Compliance Program should, in turn, assist in the recognition of the University as a good corporate citizen.

PROCEDURE

The Compliance Program incorporates the following components:
- Compliance Policy;
- Compliance Register that details the key obligations of the University;
- risk-based compliance management procedures;
- education and training as part of the Compliance Program, detailing individual responsibilities, reporting and communication methods;
- integration of obligations, through day-to-day processes and procedures, into the operation of the University;
- regular reviews of the Compliance Program in addition to internal audits;
- a process of continuous improvement with reporting of non-compliance matters, and recognition for high
- compliance standards; and
- a confidential arena for the reporting of non-compliance matters, in alignment with Public Interest
- Disclosure.

The Compliance Program:

- affirms the University's commitment to compliance;
- provides education and training;
- identifies obligations and requires a risk rating of compliance obligations;
- establishes monitoring and reporting mechanisms;

- promotes continuous improvement in compliance processes; and
- provides complaint reporting and resolution process.

Commitment to Compliance

The Compliance Program is intended to demonstrate, in the clearest possible terms, the absolute commitment of CQUniversity to the highest standards of ethics and compliance with all applicable laws, regulations, rules and policies, detect and correct compliance failures promptly and eliminate misconduct and other wrongdoing.

Identification and Risk Rating of Compliance Obligations

The Compliance Register is a list of known key obligations under laws, regulations, codes or organisational standards that are applicable to the University. The Register lists:

- a Responsible Officer for each obligation;
- the areas affected by each obligation;
- potential penalties for non-compliance;
- processes and procedures currently in place to ensure compliance;
- any identifiable gaps in the current processes and procedures; and
- a risk rating for each obligation to assist in understanding the University's level of exposure in terms of likelihood and consequence.

Design of Compliance Systems

The object of a compliance system is to ensure that compliance is introduced throughout an organisation to ensure that management's desired results can be achieved reliably and consistently throughout the organisation's operations but within the parameters required by the law.

In order to design a system that can achieve this outcome it is important that measures are put in place "up front" to ensure that everyone inside the organisation knows what they should be doing. Further, those who are charged with the responsibility of operating the compliance system must be able to know what is going on, whether the desired results are being produced, and if not, where the problems are and how they are being attempted to be addressed. In summary, the compliance system needs to have a clear objective with clear targets and outcomes that are sought to be obtained.

The task of designing a compliance system must reflect the specific needs and challenges faced by each organisation. In my view, there is no one "off the shelf" or "one size fits all" solution. What follows is a 3 step suggested methodology for your consideration.

First, the designer needs to determine what their organisation's compliance system should contain and look like. In my view the essential elements are:

- A policy setting out the organisation's view on compliance from the Board and setting organisational governance, compliance and risk tolerances and expectations;
- A comprehensive legal risk assessment review to ensure that a compliance system is dealing with the right legal risks;
- Appropriate documentation describing how the system works, who has the responsibility for what compliance obligations and controls applicable to the organisation and who is operating the compliance system and how the system is to be kept relevant and current;
- What control mechanisms are in place to ensure that people are acting in accordance with the compliance system, including reporting, monitoring and supervision;
- Operational processes and procedures assisting frontline staff on an operational basis;

General training and back up education to assist all organisation members in understanding both the "how" and "why" of compliance; and

- Vitally, the structural relationship between compliance and the other key functions of the organisation such as governance, risk, audit, legal counsel and HR function and personnel / contractor incentive system. In my view, the structure and interaction between these key "control" areas of the business will ultimately determine the success of the business's compliance system and ultimately the culture of the organisation.

The second step is to ensure that all stakeholders are considered by the designer with a view to ensuring their potential reaction to and "buy in" into the system and to obtain the best results on the implementation of the system.

Usual stakeholders include:
- Directors;
- Senior management and staff;
- Shareholders;
- Linked third parties, for example, agents, contractors, distributors and alliance members;
- Customers;
- Suppliers;
- Insurers, especially professional indemnity and directors and officers insurers;
- Regulators;
- Consumer organisations; and
- the Public.

To the extent that is necessary, each organisation needs to be take into account each of the above and an appropriate engagement and implementation strategy needs to be developed.

A useful way of doing this is to utilise "culture change" techniques so as to ascertain and, if necessary, thereafter modify the compliance culture of the organisation. A report should then be prepared by the compliance system designer as to how an appropriate compliance system can be implemented to address any deficiencies uncovered by internal or external reviews. The implementation plan should specifically also seek to address the organisational compliance risks. A key (but difficult) task is to negotiate, set and continue to focus on achieving tangible and measurable compliance targets. These targets will require ongoing monitoring for continuous improvement and must relate to and support the business goals of the organisation whilst achieving sustainable synergies and outcomes with other business, governance and risk goals.

Thirdly, this review and the implementation plan needs to be wholeheartedly endorsed and supported by the Board and by the senior management of the organisation and implemented via a compliance committee and compliance staff with real "clout".

This implementation plan should also have regard to all laws, codes or other rules that are perceived to be critical to the organisation and a review as to whether they are being dealt with appropriately at the time of preparation of the implementation plan.

Inherent in the plan will need to be an initial assessment of the key exposed areas that require immediate action and then a prioritisation of compliance attention and resources thereafter.

A board approval for a compliance budget should also be required in order that, inadvertently, compliance does not stumble through lack of allocated resources.

The implementation strategy to be utilised should:

- Link into the existing management systems and be designed to promote business improvement;
- The system should also ensure that the responsibility for compliance system lies with the existing management structure - not the compliance staff alone;
- Ongoing consultation and feedback with senior management, front line staff, third parties (including distributors and outsourcers) should also be a part of the implementation process;
- As well as articulating the organisation's commitment to compliance initially, the Board and senior management needs to also act consistently with these statements and regularly reiterate their commitment in this regard;
- The system itself should also be periodically reviewed so as to ensure that it is being effective (see 4 below);
- A report as to the effectiveness of the compliance system needs to be the feedback to the stakeholders and any necessary alterations made, reviewed and reissued. This feedback step is vital to ensure each stakeholder receives the necessary information. For example, staff need to know whether the metrics are being maintained, or their business unit senior management requirements both detailed business unit and "rolled up" organisational figures to monitor;

- It is essential that a compliance system specified the assessment criteria at the outset and continues collecting and reviewing data;
- Each activity should articulate the relevant objectives including performance objectives and key performance indicators (KPIs); and
- At the end of the day it is all a matter of continuous improvement and updating as a result of the changing requirements of the organisation, the marketplace and legislative structure in which the organisation finds itself.

Implementation of Compliance Systems

Whilst every organisation has its own individual needs and requirements the following is a possible methodology of implementation:

• The board and/or CEO of an organisation appoints a person or small group to oversee the initial establishment of the compliance system (often it is the person who designed the system as described in 0 above) and a senior management "sponsor" to provide ongoing support ;
• This "compliance champion" and sponsor put together a proposal for the board's review of how a project can be established to determine the appropriate implementation plan;
• The "compliance champion" and sponsor by use of internal (and external resources, where warranted, e.g. focus groups), determines the suggested targets and outcomes required for the compliance culture of the organisation;
• The "compliance champion" and sponsor also makes discrete enquiries as a "reality check" from customers, suppliers, competitors and regulators as to their view of the compliance culture of the organisation.

The detailed operational plans and compliance targets are agreed in advance with senior and middle management and then checked by the compliance committee as against the implementation plan;

- The compliance policy statement is issued by the board emanating from the chief executive officer and managing director;
- A full staff general education campaign is undertaken which leads into a detailed staff training system on those necessary areas that require amendment;
- Ongoing assessment of changes that occur is then made by the compliance committee;
- Alterations are made as required to the implementation plan by the compliance committee;
- As a result of review, the compliance committee notes lessons learnt;
- Phase two is then implemented in the next operating division and so on;

Records are kept as to all necessary training and education and evaluation of changes against stated compliance targets objectives and budgets and appropriate reports are supplied via the compliance committee to the board;

- A general review of the implementation plan should be undertaken in regular intervals and issued to the board and senior management;
- Periodically, reviews should be considered during the implementation phase so as to ensure that the system is approaching the desired level of compliance outcome;
- Once the compliance system reaches a mature stage of development regard should be had as to whether it is advantageous for a significant external review to be undertaken; and
- Generally, compliance communication and feedback need to also be produced to all staff and key stakeholders to update them on progress.

Whilst this outline is aimed with a larger organisation in mind, the same steps can be used (with appropriate modification) when being considered by smaller organisations.

Of crucial significance are the nature and characteristics of a compliance manager/"compliance champion", compliance sponsor and various compliance committee members.

Whilst the compliance committee leaders need to be perceived to be objective and fair, it is important that members of the committee also be representative of and report back to relevant line management within the organisation.

Some qualities that will be needed by the compliance manager/"compliance champion" include the following:

- Understanding of corporate management;
- An ability to recognise real rather than apparent results;
- An ability to audit, train, and interpret the law – or know where to go to access these skills;
- An ability to get the most out of people inside the organisation for compliance without being authoritarian or overly friendly;
- Being able to problem solve creatively with strong people skills, a capacity for planning, analysis, evaluation and project management; and
- Strength of character to stand up to senior personnel where necessary and to persevere in the face of criticism or unmerited personal attack.

Generally, I suggest consideration be given to the appointment of a small group rather than one "champion" or "sponsor". This is to remove a key person dependency and also to provide a wider range of views and experience to be brought to bear upon the project. From a practical perspective, it is also likely to be more sustainable in the long term (if well selected).

Evaluation of Compliance Systems

The test of whether the system is doing its job effectively is a difficult issue. How can organisations be sure that their compliance system is really working? There are many ways of evaluating the effectiveness of a compliance system and no one way will suit all systems.

Essentially, a helpful evaluation technique is a "cocktail" of the following: Compliance from Scratch 7
- Does an analysis by the complaints received by your organisation indicate:
  (a) That nature and seriousness of complaints is decreasing?
  (b) That the number of systemic complaints or repeat complaints is decreasing?
  (c) That the same types of problems are being dealt with and are not recurring because you have fixed the system? or;
  (d) That compliance and organisation's managers are actively going out and seeking complaints?
- Does an analysis of the corporate culture of the organisation indicate an improvement in the culture and so that it strengthens the organisation and promotes serving its customers? In other words, you can provide as much training as you wish but if the culture of the organisation is such so as to encourage deliberate or reckless actions in breach of compliance requirements then your compliance actions will come to naught;

Conclusion and some helpful tips
I have found over years of compliance practice a couple of specific helpful hints in this area that I find can greatly assist in the effectiveness of compliance systems.

The "Top 30" are:

1. Initially understate and over perform in your objectives and goals for the compliance system. This gets people into the habit of achieving compliance goals;
2. Establish a written commitment by an organisation to stand by those who innocently or accidentally breach the law but equally to abandon and if necessary assist in the prosecution of those who deliberately or recklessly breach the law, and stick to it;
3. Set up your systems so that the operational procedures must be followed or else the desired outcome cannot happen. For example, by use of operational procedures in a step-by-step basis with compliance built in such that you cannot progress without having attended to the compliance step. Do not seek to explain the law relating to these operation instructions other than in a general way, but simply positively advise the way things are to be done in practice;
4. Look at creative ways to influence behaviour and seek to develop intrinsic motivations rather than "big brother" monitoring. For example, require line and middle managers to report upon their new compliance initiatives every month and overtly reward those who actively promote compliance;
5. Utilise the compliance committee and compliance staff as your talent pool from which promotees are selected;
6. Allow twice as much time as you initially think could ever reasonably be required for consultation with staff and senior management in the implementation plan (it always seems to take "twice as long" in practice as you think it should);
7. Never promote those that do not have sound compliance credentials;
8. Build compliance into the hiring criteria of your organisation (e.g. see HB 322-2007 on Reference Checking the Financial Services Industry);

9. Provide a significant dose of compliance induction upon hiring and have regular training updates. Further, provide specific compliance training prior to any change in job description to meet the new position requirements.

10. Undertake a corporate SWOT and cultural analysis prior to each regular review of the compliance system;

11. Implement whistleblower protection in a robust fashion inside your organisation permitting an anonymous method of providing feedback to whistleblowers;

12. Use focus groups on compliance regularly with a cross range of staff and invite a customer to keep the system results focused; Compliance from Scratch 9

13. Use computer based compliance reporting systems to ensure the compliance system is working and that training is being undertaken. Require annually, in advance, planned compliance steps for compliance staff and managers;

14. Seek regular reviews with regulators to see if it is possible to benchmark your KPIs and to be advised of upcoming changes in the business environment;

15. If possible, align the compliance group with your marketing, business development, strategy and research and development groups thus ensuring that these three groups can evaluate opportunities at the one time (and increasingly be seen as improving the business);

16. Provide an appropriate compliance "help desk" and help numbers and intranet site;

17. First start by reviewing the organisation's risk analysis documents and ascertain whether they need to be updated and determine whether the compliance system neatly fits into the risk and governance systems;

18. Regularly (at least 6 monthly) review the legislation lists built into the compliance system;

19. Always ask the person on the job what is the easiest way of achieving the desired compliance result and then assess whether this is an appropriate compliance outcome;

20. Apply the resource allocation for compliance where it will make the most difference in strict priority from a compliance perspective;

21. Be suspicious of compliance systems, which are "off the shelf"- especially if they rely upon manuals;

22. Convert your paper manual into a computer resource that can be automatically updated and reviewed from time to time; - when in doubt, and if relevant, put it on the compliance intranet!

23. Always have a mix of announced and unannounced audits but…only use unannounced audits strictly in accordance with the compliance system and then only audit on the published objectives and criteria's contained in the compliance system – no "surprises" please;

24. Discuss your proposed compliance system for the year with your company secretary, insurance advisor, internal auditor, internal lawyer and the risk management team. It may well be that compliance can assist in obtaining information for the purposes of compiling the Annual Report or for other organisational purposes;

25. From the insurance perspective, it may well be that the compliance activity can be used to reduce insurance premiums or remove exclusions;

26. Auditing and other staff should also be used for assistance in any compliance audits and vice versa;

27. Compliance staff may well be able to provide feed back to the risk management team as to whether the risk assessment needs to be reviewed or whether a new risk has been uncovered.

28. Protect and reward line "compliance champions";

29. Include a positive reinforcement to compliance in all key public/internal communication by the organisation's CEO; and

30. Have members in your compliance committee join the ACI (the Australasian Compliance Institute) so as to keep up with compliance developments.

http://www.claytonutz.com/area_of_law/banking_and_finance/governance_and_compliance/docs/Compliance_from_scratch.pdf

DEFINITIONS

Code: a statement of recommended practice developed internally by the University or externally by another body (may be mandatory or voluntary).

Compliance: meeting the requirements of laws, organisational standards and codes, principles of good governance, and accepted community and ethical standards.

Compliance culture: the values, ethics and beliefs that exist throughout the University and interact with the University's structures and control systems to produce behavioural norms that are conducive to compliance outcomes.

Compliance failure: an act or an omission whereby the University does not meet its compliance obligations, processes or behavioural obligations.

Compliance program: a series of activities that when combined are intended to achieve compliance.

Obligation: a requirement specified by laws, regulations, codes or organisational standards.

Organisational standards: documented codes of ethics, codes of conduct, good practices and charters that the University has adopted for its operations.

Responsible Officer: the head of an organisational area allocated responsibility for ensuring compliance with a specific obligation.

Risk rating : the level of risk assessed for each obligation as a function of likelihood and consequence of non-compliance.

file:///C:/Users/Denise/Downloads/Compliance%20Management%20Procedures.pdf