Policy Title: **Compliance**

Policy Owner: Director, Risk and Assurance Services Centre

Keywords: 1) Risk Management 2) Compliance 3) Audit 4) Integrity

Policy Code: PL203 [rm004]

1. INTENT

This policy seeks to:

1.1. Provide a uniform approach to ensure ECU meets the compliance obligations that impact on the University's operations;
1.2. Promote an effective compliance culture at ECU;
1.3. Uphold good corporate governance practices; and
1.4. Effectively manage identified compliance risks facing the University.

2. ORGANISATIONAL SCOPE

This policy applies to all ECU staff, Council Members, Contractors and ECU controlled entities.

3. DEFINITIONS

Based on AS ISO 19600:2015 "Compliance Management Systems – Guidelines" the definitions for terms used in this policy are as follows:

TERM	DEFINITION
Code means	A statement of mandatory or voluntary practice developed internally by an organisation or by an international, national or industry body or other organisation.
Compliance means	Meeting all ECU's compliance obligations.
Non-compliance means	Not meeting a requirement of a compliance obligation or compliance commitment.
Compliance Obligation means	The compliance requirements or compliance commitments of the University.
Compliance Commitment	A requirement that ECU chooses to comply with.

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means	
Compliance Requirement means	A requirement that ECU must comply with.
Requirement means	A need or expectation that is stated, generally implied or obligatory.
Compliance Culture means	The values, ethics and beliefs that exist throughout ECU and interact with the University's structures and control systems to produce behavioural norms that are conducive to compliance outcomes.
Compliance Management System means	A set of interrelated or interacting elements at ECU that establishes policies and objectives and processes to achieve Compliance.
Compliance Program means	The ECU Compliance Management System administered by RASC.
Compliance Risk means	The effect of uncertainty on compliance objectives.
Designated Specialist Officer (DSO) means	Specialist staff members appointed as responsible for compliance with particular compliance obligations. They will work closely with RASC to ensure that a compliance matter is addressed at a whole of University level.
Manager – Compliance, Complaints and Integrity (Manager CCI) means	The officer responsible for the coordination of the Compliance Program throughout the University.
Regulatory Authority means	An organisation responsible for regulating or enforcing compliance with legislative and other requirements.

4.   POLICY CONTENT

4.1   Policy Statement

In accord with ECU's values, the University is committed to the implementation, maintenance and continual improvement of the elements required to maintain an effective compliance management system as outlined in AS ISO Standard 19600:2015 "Compliance Management Systems – Guidelines".

4.2   Principles

4.2.1   Edith Cowan University is committed to conducting its business and activities ethically and lawfully. The Compliance Program is aligned to the University's core values of Integrity, Respect, Rational Enquiry and Personal Excellence.

4.2.2   The University recognises that it will achieve its goals and objectives more effectively through the implementation of a risk based Compliance Program.

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4.2.3 In recognition of the importance that effective complaints management has in the Compliance Program the University will establish and maintain an integrated complaints framework.

4.3 Compliance Accountabilities

4.3.1 The Director, RASC has overall responsibility for the content of this policy and its operation within ECU. The Director, RASC is responsible for the oversight of the Compliance Program and its operation. Details of the responsibilities of the Director, RASC are provided in the Compliance Guidelines.

4.3.2 In accordance with the ECU Code of Conduct, it is the responsibility of all University staff, Council Members and contractors (commensurate with their roles, functions and span of control) to act in accordance with relevant compliance obligations.

4.3.3 The overall management responsibility for the ECU Compliance Program will be undertaken by RASC through the provision of a Compliance, Complaints and Integrity (CCI) function. Details of the responsibilities of the CCI function are provided in the Compliance Guidelines.

4.3.4 Designated Specialist Officers (DSO's) will be assigned by the Vice-Chancellor (or the VC's delegated nominee) for each substantial risk rated compliance obligation, as identified by RASC. Details of the responsibilities of the DSO's are provided in the Compliance Guidelines.

4.3.5 The University Executive, Deans and Directors are responsible for implementing relevant policies, objectives and processes to achieve compliance with compliance obligations within their areas of responsibility.

4.3.6 The University Executive, Deans, Directors and DSO's will be required to sign an annual compliance certification advising whether they are aware of any current or impending material issues of non-compliance with a compliance obligation.

4.3.7 University Executive members, Deans and Directors are responsible for reporting any material issues of non-compliance with a compliance obligation to the Director RASC as soon as a reasonable suspicion of a potential breach has been formed.

4.3.8 Breaches of this Policy and the associated Compliance Guidelines may be deemed misconduct and could be dealt with in accordance with the relevant employment contract and instrument covering the terms and conditions of employment of the University employee and any other provisions prescribed by the Edith Cowan University Act, Rules or University Policy.

5. Continuous Improvement

In keeping with the ECU Excellence Framework a review of the Compliance Program will be conducted every two years.

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6. Related Documents:

The policy is supported by the Compliance Guidelines (attached). The procedures described in the Guidelines shall be adhered to.

Other documents which are relevant to the operation of this policy are as follows:

- Edith Cowan University Code of Conduct – HR117
- Fraud and Misconduct Prevention and Management Policy
- Fraud and Misconduct Prevention and Management Guidelines
- Grievance Resolution Policy – HR147
- Prevention of Harassment, Bullying and Discrimination Policy – HR013
- Public Complaints Policy
- Student Complaints Policy

7. CONTACT INFORMATION

For queries relating to this document please contact:

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8. APPROVAL HISTORY

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COMPLIANCE GUIDELINES

February 2016

Risk and Assurance Services Centre

Edith Cowan University

Deon van der Westhuizen, Manager – Compliance, Complaints and Integrity

Table of Contents

1. Introduction

ECU's Compliance Program is an integral part of the University's governance and quality frameworks and aims to deliver to the University a value adding independent assurance function in respect of compliance. The Compliance Program is set up to support the University in reaching its strategic priorities whilst meeting its compliance obligations.

The objectives of the Compliance Program are to:

- Provide a uniform approach to support compliance with all applicable laws, regulations, industry and internal codes of conduct and other compliance obligations that impact on the University's operations;
- Promote a culture of compliance within ECU;
- Uphold good academic and corporate governance practices;
- Facilitate risk based treatments that are commensurate with legal, regulatory and other compliance risks facing the University; and
- Provide a framework for monitoring, reviewing, reporting and improving compliance management systems throughout ECU on an ongoing basis.

The Compliance Program, which includes the Integrated Complaints Framework, is based on *AS ISO 19600:2015 "Compliance Management Systems – Guidelines"*. It aims to prevent, identify and respond to instances of non-compliance with the Universities compliance obligations and is aligned with the ECU Compliance Policy and the Integrated Risk Management Policy. The Compliance Program will assist in ensuring that there is consistency between the laws, bylaws, regulations and industry codes with ECU codes of conduct, policies, organisational standards, procedures and processes.

Ultimately the goal of the Compliance Program is to provide assurance to the Council and the University Executive that all necessary steps are being taken to identify and manage the risk and exposure to ECU with regard to the University's compliance obligations as they impact on the University's operations. The level of risk is determined by using methodologies described within the Integrated Risk Management Policy and is dependent on the likelihood and potential consequences of non-compliance.

Designated Specialist Officers (DSO) within ECU will provide support and guidance for staff as part of the Compliance Program.

2. Definitions

Based on *AS ISO 19600:2015 "Compliance Management Systems – Guidelines"* the definitions for terms used in this policy are as follows:

TERM	DEFINITION
Code means	A statement of mandatory or voluntary practice developed internally by an organisation or by an international, national or industry body or other organisation.
Compliance means	Meeting all ECU's compliance obligations.
Non-compliance means	Not meeting a requirement of a compliance obligation or

TERM	DEFINITION
	compliance commitment.
Compliance Obligation means	The compliance requirements or compliance commitments of the University.
Compliance Commitment means	A requirement that ECU chooses to comply with.
Compliance Requirement means	A requirement that ECU has to comply with.
Requirement means	A need or expectation that is stated, generally implied or obligatory.
Compliance Culture means	The values, ethics and beliefs that exist throughout ECU and interact with the University's structures and control systems to produce behavioural norms that are conducive to compliance outcomes.
Compliance Management System means	A set of interrelated or interacting elements at ECU that establishes policies and objectives and processes to achieve Compliance.
Compliance Program means	The ECU Compliance Management System administered by RASC.
Compliance Risk means	The effect of uncertainty on compliance objectives.
Designated Specialist Officer (DSO) means	Specialist staff members appointed as responsible for compliance with particular compliance obligation. They will work closely with RASC to ensure that specialist and higher risk compliance matters are addressed at a University level.
Manager – Compliance, Complaints and Integrity (Manager CCI) means	The officer responsible for the coordination of the Compliance Program throughout the University.
Regulatory Authority means	An organisation) responsible for regulating or enforcing compliance with legislative and other requirements.

3. Independence of the Compliance Function

In accord with the RASC Charter the Compliance, Complaints and Integrity (CCI) function of RASC has independent status within the University and for that purpose shall be directly responsible to the Quality, Audit and Risk Committee for its authority and via the Director RASC to the Deputy Vice-Chancellor (Academic) for administrative purposes only. The CCI function of RASC will be independent of any other Service Centre or School and employee or official of the University.

CCI shall not be responsible for the detailed development or the implementation of new systems, policies and procedures, external to RASC. CCI shall recommend the reporting and notification of material non-compliance by the University to relevant regulatory authorities.

4. Leadership and Commitment

The University Council and University Executive are committed to the establishment, development, implementation and continual monitoring, review and improvement of compliance management systems that support the University values and actively promote a culture of compliance. This commitment is evidenced by:

- ECU's identification of a dedicated Manager CCI within RASC to manage the ECU Compliance Program;
- Establishing a Compliance Policy and other compliance related policies and procedures;
- Allocating staff responsibility (to the extent of their job function) for compliance;
- Transparency of process and the timely meeting of external reporting obligations;
- The implementation of an integrated complaints framework within RASC with the ability to collect university-wide data on the nature and outcome of formal complaints and ensure that recommendations for improvements arising from the outcome of a complaint investigation are actioned and followed up to completion;
- Ongoing staff training and support from RASC and specialist staff;
- Ongoing monitoring, review and improvement of the Compliance Program.

5. Compliance Responsibilities

In keeping with the ECU Code of Conduct, it is the responsibility of all University staff (commensurate with their roles, functions and span of control) to act in accordance with relevant compliance obligations. Staff should also ensure that they participate in relevant compliance training programs and report compliance concerns to their supervisors.

The overall management responsibility for the Compliance Program will be undertaken by RASC through the provision of a dedicated Manager CCI. The Director, RASC is responsible for the oversight of the Compliance Program and its operation, as conducted by the Manager CCI.

Designated Specialist Officers (DSO's) will be assigned by the Vice-Chancellor (or the VC's delegated nominee) for each substantial risk rated compliance obligation, as identified by RASC. The DSO's will facilitate compliance with the substantial rated compliance obligations within the University.

5.1 Director Risk and Assurance Services Centre

The Director, RASC will be responsible to the Vice-Chancellor via the Deputy Vice-Chancellor (Academic) for the implementation of the Compliance Program throughout the University and for reporting to the Quality, Audit and Risk Committee (QARC) the outcomes of any compliance related reviews including substantial deficiencies and shortcomings in University compliance management systems. The Director, RASC will provide advice to the University Executive and relevant line managers on compliance matters.

The Director, RASC is responsible for the oversight of the Compliance Program (including the Integrated Complaints Framework) as implemented and maintained by the Manager CCI. The Director, RASC will review all new substantial risk rated project plans to identify any compliance matters which need to be considered as part of the project development and implementation.

The Director, RASC is one of the contacts for ECU staff wishing to confidentially report any non-compliance matters for investigation, in line with the *Public Interest Disclosure Act 2003.*

5.2 Manager - Compliance, Complaints and Integrity

The Manager CCI reports to the Director, RASC. The Manager CCI will be responsible for the day to day operation of the Compliance Program, including:

- Maintaining, reviewing and improving the Compliance Program and Compliance Policy;
- The identification of compliance obligations that impact on ECU;
- Maintaining a database containing ECU's compliance obligations;
- Ensuring that changes to relevant compliance obligations are communicated to all appropriate staff and stakeholders;
- Using risk management methodologies, determine which compliance obligations pose the biggest risk to ECU and managing the implementation of programs to mitigate the compliance risks;
- Identifying and recording DSOs for substantial risk rated compliance obligations;
- In conjunction with the DSOs, ensuring existing and new policies and procedures are aligned with compliance obligations;
- Identifying and monitoring internal and external reporting and documenting requirements;
- Providing advice to schools and service centres on compliance-related matters;
- Ensuring the delivery of compliance related training and awareness raising programs to staff;
- Providing staff with compliance related resources;
- Identifying and monitoring non-compliance and ensuring that remediation plans are implemented and completed;
- Reporting substantial non-compliance issues on a regular basis to the Director, RASC;
- Maintaining an Integrated Complaints Framework within RASC with the ability to collect university-wide data on the nature and outcome of formal complaints and ensuring that recommendations for improvements arising from the outcome of a complaint investigation are actioned and followed up to completion;
- Developing and implementing compliance performance indicators and monitoring and measuring compliance performance;
- Maintaining working relationships with internal audit, risk management, quality, legal services and other governance areas to ensure that the Compliance Program is informed by and considers the information provided by these areas.

5.3 Designated Specialist Officers (DSO)

For each compliance obligation risk rated as substantial or above, as identified by the Manager CCI, a Designated Specialist Officer (DSO) will be appointed by the Vice-Chancellor (or the VC's delegated nominee). For a specific area of compliance risk the roles of the DSO's include:

- Responsibility for ensuring ECU compliance with the designated compliance obligation;
- Providing guidance and support to ECU staff on particular compliance obligations;

- Liaising with external parties including regulatory authorities and other stakeholders as required;
- Implementing relevant compliance risk mitigation strategies and controls;
- Reporting any recurring non-compliance issues or systemic non-compliance issues of a substantial or higher risk ranking to the Director RASC;
- Assisting the Manager CCI when conducting compliance reviews and when changes in compliance obligations require new or revised policies and procedures to be implemented; and
- Providing information and guidance to the University when changes to compliance obligations occur.

5.4 The University Executive, Deans and Directors

The University Executive, Deans and Directors are responsible for implementing relevant compliance management systems within their areas of responsibility to ensure compliance with relevant compliance obligations. This includes the promotion of a culture of compliance, staff training, the identification of compliance risks and the implementation of relevant compliance risk mitigation strategies and controls. Compliance processes should where possible be integrated into existing business practices and procedures.

Any material issues of non-compliance with relevant compliance obligations should be reported to the Director RASC as soon as a reasonable suspicion of a potential breach has been identified. Non-compliance reports should include details about steps being taken to address the non-compliance and any action being considered or implemented to prevent the non-compliance from re-occurring.

6. Identification and Maintenance of Compliance Obligations

RASC will maintain a database of all relevant compliance obligations that impact on the core business activities of the University.

6.1 Compilation

The Manager CCI has responsibility for coordinating the identification of laws, regulations, bylaws, codes and other compliance obligations that have an impact on the core business activities of ECU. The information is captured in a Compliance Database that is maintained by the Manager CCI.

For each compliance obligation the database will identify:

- The potential areas within the University that are affected by the compliance obligation;
- potential consequences for non-compliance;
- known processes and procedures currently in place to ensure compliance;
- risk rating of the compliance obligation;
- delegated responsible officer details;
- last review date; and
- next scheduled review date.

6.2 Maintenance

To ensure that the Compliance Database contains current information and that changes to laws, regulations, codes and other compliance obligations are reflected, the Manager CCI will:

- attend industry forums and seminars;
- monitor regulator web sites and be on their mailing lists; and
- subscribe to relevant information services.

The database will be available via the ECU web site.

6.3 Risk Assessment

Using the Integrated Risk Management Policy methodology as a guide, the Manager CCI will with the assistance from specialist and key staff, assess the level of risk that non-compliance with a particular compliance obligation poses to the University in reaching its strategic objectives. This will assist in determining where to focus University resources and, also the level of action required should a matter of non-compliance arise.

Furthermore, all non-compliance issues will be risk assessed within the context of the compliance obligation itself. This will help to determine the level of corrective action required. However, all matters of non-compliance must be addressed at some level within the University.

This risk assessment will be reviewed upon changes to the compliance obligations, changes to internal policy, or on a 2 year cycle, whichever occurs first.

6.4 Emerging Legislation

For emerging legislation (either proposed or enacted) that will have a disruptive, serious or critical impact on ECU's operations, RASC will ensure that appropriate action is taken by ECU to ensure that we meet our compliance obligations. This can be done either by RASC participation in implementation or RASC leading the implementation initiative. Once the compliance processes are established and in place, the relevant DSO will be responsible for ECU's compliance.

7. Compliance Monitoring

The Compliance Program will include an annual program of reviewing new, revised and current compliance obligations. The level of risk that non-compliance with a particular compliance obligation poses to the University in reaching its strategic objectives will be used as a basis for determining which compliance obligation will be subject to review. The reviews will:

- test the adequacy of controls;
- test the adherence to policy, process and procedures;
- test whether compliance obligations are being met; and
- identify gaps in policy, processes and procedures which enable compliance.

Recommendations for improvement made as a result of compliance reviews will be entered into the ECU Recommendations Tracking System (ECURTS). Recommendations entered into ECURTS will be followed up to ensure that remedial actions to address deficiencies have been completed.

8. Complaints Monitoring

In accordance with the University's Integrated Complaints Framework, RASC will maintain a single point of contact for University related formal complaints. Complaints from staff, students and external parties will be received and/or registered through a central RASC managed interface and will then be allocated by RASC to areas within ECU for investigation. RASC will gather and maintain university-wide data in relation to complaints which will assist in:

- identifying at risk areas, services and practises; and
- identifying areas that have potential for improvement.

ECURTS will be used to facilitate action and follow-up on recommendations for improvements arising from the outcomes of a complaint investigation.

9. Reporting

9.1 QARC and University Executive Reporting

Quarterly reports will be produced by RASC to the Quality and Audit Committee (QARC) on any major compliance activities being undertaken as well as the rectification of any non-compliance matters. The Director, RASC will also report to the University Executive on strategic compliance issues.

9.2 Annual Compliance Certifications

The University Executive, Deans, Directors and DSO's will be required to sign an annual compliance certification advising whether they are aware of:

- any material issues of non-compliance with a compliance obligation, and
- any current or impending material claims of non-compliance by external parties,

during the preceding year within their area of responsibility. Any material issues of non-compliance will need to be reported, including the steps taken or being taken to rectify the non-compliance. The reports should also reflect whether there is a requirement to report the non-compliance to external agencies and whether this has been complied with.

The information obtained during these certifications will be used as supporting material when advising the Vice-Chancellor to sign ECU's compliance certification in the Annual Report.

9.3 Management Reporting

The University Executive, Deans and Directors are responsible for reporting any material issues of non-compliance with a compliance obligation to the Director RASC as soon as a reasonable suspicion of a potential breach has been formed. The

Director RASC will escalate the matter as required and ensure that corrective action is taken. ECURTS will be used to ensure that any recommendations for improvement of policy or process following a non-compliance occurrence are actioned.

10. Awareness, Communication and Training

Awareness, Communication and Training programs in various forms will be used to educate staff with regard to their compliance responsibilities. The programs will focus on the importance of personal excellence and ethical behaviour and will include the development of compliance related guidelines, policies and manuals to raise awareness and educate staff.

Awareness – High level awareness of compliance obligations will be raised throughout the University using mediums such as intranet messages, fliers and emails.

Communication – More targeted messages aimed at schools and centres within the University that need to be aware of specific compliance obligations that impact on their daily tasks will be provided in the form of:

- leaflets/brochures;
- targeted emails;
- school or centre based briefings; and
- Risk Reference Forum briefings.

Training – RASC will train or facilitate the training of staff about their compliance obligations where it is deemed that the risks that non-compliance places on the University is a substantial threat to the University achieving its strategic objectives. Training will include on-line and face-to-face models.

Competence – Managers at all levels are responsible for ensuring that they and their staff are aware of their compliance obligations and that they have or acquire the required competence to meet their compliance obligations.

11. Continuous Improvement

In keeping with the ECU Excellence Framework an ongoing review of the Compliance Program objectives and assessment criteria will be conducted as part of continuous improvement. External reviews will be used as part of the process. The effectiveness of the Compliance Program will be reviewed and assessed against predetermined criteria every two years. These criteria could include:

- staff training;
- quality of the compliance database;
- timeliness in clearance of any identified matters of non-compliance;
- timeliness in reporting on compliance reviews; and
- regulator and other feedback.

12. Record Keeping

In line with University policy, records will be created to adequately document the compliance activities in pursuit of these goals. Records demonstrating compliance will cover but will not necessarily be limited to:

- details of staff training;
- scheduling for compliance implementation;
- compliance manuals and version control details;
- compliance review records, recommendations and actions;
- system amendments and associated details;
- identified non-compliance matters and complaints with associated analysis and statistics;
- reports to management and QARC, with decisions and actions;
- reports to Council, with decisions and actions in respect of legislative compliance; and
- monitoring and reviewing of records management.

This information will provide an appropriate audit trail for any future reviews, plus provide data trend analysis and suggestions for remedial action.

13. Related Documents

These Guidelines have been drafted in support of the Compliance Policy.   Other documents which are relevant to the operation of these Guidelines include:

- AS ISO 19600:2015 "Compliance Management Systems – Guidelines
- ECU Code of Conduct
- Integrated Risk Management Policy
- Fraud and Misconduct Prevention and Management Policy
- Public Interest Disclosure Procedures
- Prevention of Harassment, Bullying and Discrimination Policy
- Western Australian Freedom of Information Act 1992 – Edith Cowan University Information Statement (WA Freedom of Information Act - ECU Information Statement)

14. Contact Information

For queries relating to this document please contact:

Guidelines Owner	Manager – Compliance, Complaints and Integrity
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15.   Approval History

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