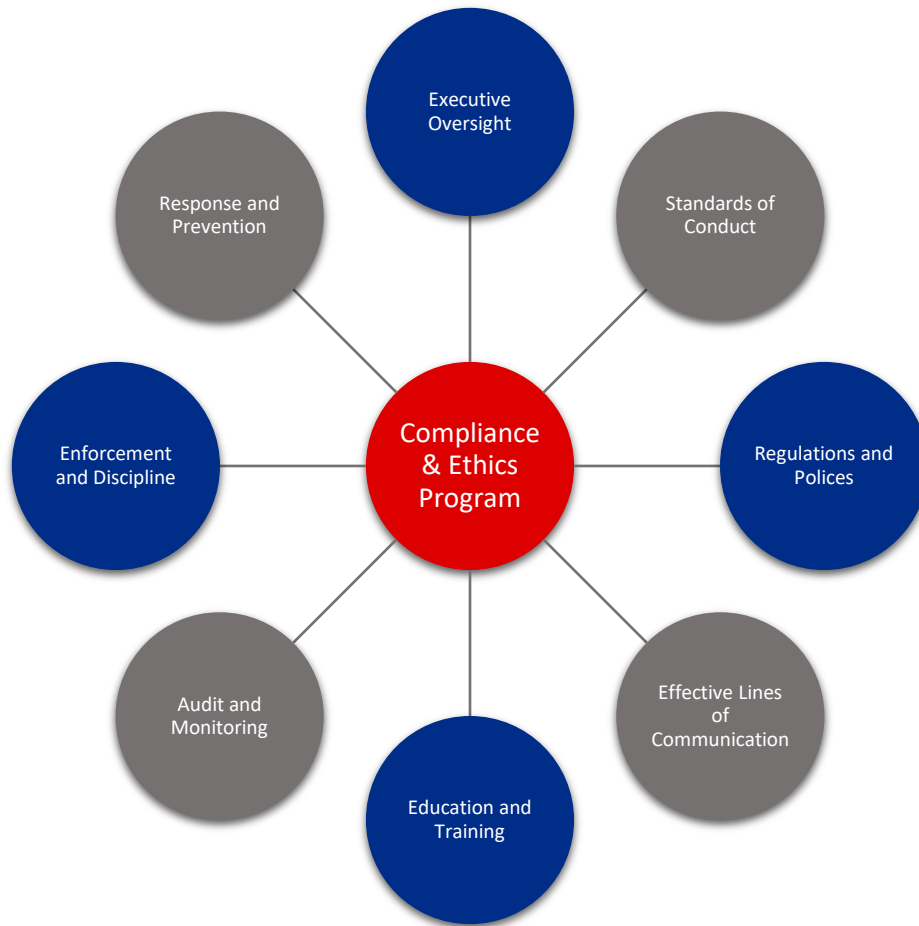


**FLORIDA ATLANTIC UNIVERSITY  
COMPLIANCE AND ETHICS  
ANNUAL REPORT  
FY 2024-2025**



OFFICE OF COMPLIANCE & ETHICS

## About this Report

FAU's mission, vision, and values speak to a level of employee engagement which extends beyond mere compliance with laws, rules and policies. FAU's commitment, supported by the Compliance and Ethics Program (CEP), is to the highest standards of integrity, accountability, and ethical conduct. FAU's CEP creates a structural foundation to prevent and detect violations of law and assist FAU in encouraging ethical conduct and compliance with all applicable laws and regulations. The program proactively identifies and assesses risk to the University and strives to mitigate those risks through appropriate controls, governance processes as well as developing or implementing training and awareness for the University community.

This annual report focuses on highlights of compliance and ethics matters from fiscal year 2024-25. It includes activity happening throughout the University, including without limitation compliance and ethics activity led or accomplished by the University's compliance office and the University's compliance partners. The annual report is not intended to provide a comprehensive overview of all compliance and ethics-related activity that occurred at the University in this fiscal year.

## Compliance Partners

Accreditation	Advancement Services	Athletics
Civil Rights & Title IX	Communications	Emergency Management
Environmental Health & Safety	Export Control	Financial Affairs
Financial Aid	Global Academic Services	Government Relations
Health Affairs	Health & Wellness	Human Resources
Inspector General	Information Technology	Online & Continuing Education
Public Affairs	Registrar	Research Integrity
Risk Management	Sponsored Programs	Student Accessibility
Technology Development	University Police	Youth Programs

### A. Executive Oversight

Oversight and direction for the CEP sets the overall tone for accountability, sound risk management, ethical behavior, and compliance with laws and regulations. The compliance office serves as a central point and resource for coordination, collaboration, and oversight of activities and initiatives to promote and encourage a culture of compliance and ethical behavior. Most of initiatives in this component are ongoing activities.

<u>Area</u>	<u>Matter</u>
Board of Trustees	Chief Compliance & Ethics Officer (CCEO) reports regularly to the BOT Audit & Compliance Committee, conferring with the BOT Audit & Compliance Committee Chair as needed
Compliance	Compliance office chairs the University Compliance and Ethics Committee (comprised of Departmental/Divisional Compliance and Operational Leaders)
Policies	Compliance office chairs the University Policies and Procedures Committee
HIPAA & Billing	Compliance office chairs the HIPAA Task Force and the Billing Compliance Committee
Youth Programs	Compliance office is a member of the Pre-Collegiate Programs Advisory Group
Global Travel	Compliance office is a member of the Global Travel Safety and Security Subcommittee
Information Technology	Compliance office is a member of the Office of Information Technology (OIT) Compliance Committee
Athletics	Compliance office is a member of the Institutional Athletics Committee (IAC) and the IAC Institutional Control subcommittee
Civil Rights & Title IX (OCR9)	Office of Civil Rights and Title IX and Athletics Compliance report directly to the CCEO
Conflicts of Interest	Compliance office participates in 112.313 Conflict of Interest Sponsored Research Exemption Reviews.
Environmental, Health, & Safety (EHS)	Compliance office is a member of the newly established Magnetic Resonance Imaging (MRI) Safety Committee.
EHS	Compliance office is a member of the University Safety Committee.
EHS	Compliance office is a member of the Diving and Boating Board.



**B. Standards of Conduct**

It is the expectation of all employees to perform their duties and responsibilities with integrity and accountability to the highest ethical standards.

<i>Area</i>	<i>Matter</i>
Compliance and Ethics	OCR9 established a Title IX Liaison in conjunction with A.D. Henderson University School for better oversight of Title IX issues within the K-12 program.
Compliance and Ethics	OCR9 established proactive measures in conjunction with the Dean of Students and Employee Relations that can be used as informal options when resolving allegations of discrimination and harassment.
Research	The Office of Postdoctoral Affairs established a new orientation for new postdoc students to ensure they understand their responsibilities and the full suite of services the university provides them.
Compliance and Ethics	Continued to monitor the Ethics Hotline. Either investigated or forwarded to the cognizant office over 50 complaints filed.
Research	The Office of Research Development (ORD) improved accountability by requiring specific types of scientific expertise are on its ORD Advisory Panel to review limited submissions for the university. Thus, the panel has a fairly balanced spectrum of representative research expertise.
Research	The Office of Technology Development created standard operating procedures for processing material transfer agreements and data use agreements.

### C. Regulations and Policies

University regulations and policies are necessary to: (i) to meet compliance and/or regulatory requirements, (ii) promote or enhance risk reduction, ethical conduct, and mitigation efforts, and (iii) set standards, processes, and expectations.

<i>Area</i>	<i>Matter</i>
Student Affairs	Updated Regulation 4.007 (Student Code of Conduct) to conform to the latest updates to Florida law and BOG requirements.
Student Affairs	Updated Regulation 4.001 (Code of Academic Integrity) to address unauthorized use of artificial intelligence.
Research	Updated Regulation 2.006 (Institutes and Centers) to conform with BOG Regulation 10.015.
Academic Affairs	Updated Regulation 3.004 (Textbook and Instructional Materials Affordability) to conform with BOG Regulation 8.003.
Student Affairs	Updated Regulation 4.004 (Miscellaneous Student Rules) to remove a redundant paragraph already contained in a different regulation.
Compliance and Ethics	Updated Regulation 5.011 (University Ethics) to reference University Standards of Conduct and clarify certain provisions within the regulation.
Student Affairs	Updated Regulation 6.010 (Leasing of Off-Campus Facilities) to confirm with current BOG regulations.
Compliance and Ethics	Updated Regulation 7.001 (Equal Employment Opportunity – Affirmative Action) to reflect current BOG guidance and remove redundancies.
Financial Affairs	Updated Regulation 8.003 (Special Fees, Fines, and Penalties) to update current university fees. No new fees were proposed.
Office of General Counsel	Updated Policy 11.1 (Signature Authority) to increase delegates’ signature limits and update job titles.
Office of General Counsel	Created Policy 11.2 (Legal Review of Procurement Contracts) to provide a clear framework to the university community for reviewing procurement contracts.
Information Technology	Updated Policy 12.7 (System and Data Classifications) to reflect new categories of information that need to be safeguarded.
Information Technology	Updated Policy 12.10 (Information Security Policies) to clarify that the CIO is the final approver for IT security policies.
Information Technology	Updated Policy 12.11 (Information Security Roles and Responsibilities) to implement federal and BOG regulations.
Information Technology	Created Policy 12.14 (Exceptions to Technology Policies) to define the types of exceptions to IT policies that may be approved.
Information Technology	Created Policy 12.15 (Storage of Electronic Records) to outline the parameters for the storage of electronic records.
Information Technology	Created Policy 12.16 (Artificial Intelligence) to provide guidance for use of AI for university operations and instructional use.
Office of the President	Updated Policy 1.2 (Alcoholic Beverages) to align current processes and practices for university events involving alcohol.
Student Affairs	Created Policy 6.5 (Hazing) to implement regulations to comply with federal law.
Human Resources	Updated Policy 7.3 (Flexible Work Arrangements) to foster a greater on-campus presence.
Compliance and Ethics	Updated Policy 1.15 (Prohibited Discrimination and Harassment) to conform with federal and state regulations.



#### **D. Effective Lines of Communication**

Open lines of communication are critical to early detection and identification of issues. Continued use of communications tools helps foster an environment of open, honest, and effective communications.

<i>Area</i>	<i>Matter</i>
Research	Research Integrity instituted and hosted a regular series of Research Roundtables to promulgate information about key topics within the field that also allowed students to raise issues with the respective subject matter experts.
Financial Affairs	Introduced a townhall training series with live recording and posted resources available to the entire FAU community.
Financial Affairs	Expanded chatbot/live chat coverage for peak billing periods for better customer service support.
Financial Affairs	Implemented a Student Account Orientation providing timely guidance on financial processes to over 100 parents and students.
Compliance and Ethics	Increased awareness to university employees about the variety of training options OCR9 will provide for respective units. Introduced a monthly webinar series on a variety of OCR9-related compliance topics.
Research	ORD instituted semi-weekly office meetings with leadership and students in order to facilitate communication and collaboration.
Research	Office of Sponsored Programs had monthly virtual meetings with research administrators to provide open communication with all colleges, departments, and institutes engaging in sponsored programs to resolve issues and share best practices.

### **E. Education and Training**

Compliance and ethics training is a foundational element of an effective compliance program.

<i>Area</i>	<i>Matter</i>
Financial Affairs	Developed financial training modules; produced video tutorials with subtitles; and interactive job aids.
Compliance and Ethics	Provided university-wide training to employees and targeted student audiences on anti-discrimination, anti-harassment, and other related topics.
Athletics	Provided rules education annually related to NCAA operating bylaws, name, image, and likeness (NIL) policies and restrictions, and sports wagering to all athletics staff members and student-athletes.
Information Technology	Provided appropriate security and compliance training to university faculty and staff.
Research	ORD implemented an Early Career Academy to onboard new faculty to the university community. The Early Career Academy held monthly meetings during the academic year to provide information on how to search for funding opportunities, federal/foundation priorities, developing plans for pursuing funding, and generating grant proposals.
Research	The Office of Technology Development (OTD) continued to offer its Owl Innovator Workshop Series on topics related to intellectual property protection and commercialization. OTD created a Software Licensing Manual to educate researchers on protecting and commercializing software innovations.
Research	The Office of Sponsored Programs conducted virtual training on the use of different sponsors' proposal submission portals, such as research.gov, grants.gov, and National Institute of Health assist.
Research	The Office of Research Accounting implemented grant training meetings that consisted of roadmap training topics of the award lifecycle throughout the fiscal year to provide ongoing training and guidance on financial compliance.

### **F. Audit and Monitoring**

Regular, rigorous review of University programs and operations allows issues to be identified early and remedied quickly. Continuous assessment is critical to ensuring an efficient, effective, and compliant work environment.

<i>Area</i>	<i>Matter</i>
Financial Affairs	Increased process automation and financial reporting by 20% using two new systems, resulting in the elimination of two full-time employment positions and around \$200,000 in recurring savings.
Financial Affairs	Partnered with a consulting company to build 7 new Workday reports for end users to better assess the quality of financial management operations.
Financial Affairs	Expanded dashboards and reconciliations for real-time oversight of student transactions allowing for real-time oversight facilitating faster analyses.
Compliance and Ethics	Established a formalized internal process to actively support and monitor OCR9 investigations during all phases allowing for a better work product.
Research	OTD conducted an annual patent portfolio audit to monitor potential infringement activity.

Research	The Office of Sponsored Programs created a bi-annual review process of reviewing all awards received by a foreign sponsor. Partnering with the Office of Compliance and Ethics and Office of General Counsel, the Office of Sponsored Programs ensured that these particular awards did not violate the laws and regulations on foreign influence.
Inspector General	Completed foreign screening and foreign travel audit for compliance with BOG and statutory requirements.
Athletics	Implemented new software to monitor internal NIL payments and other House settlement related benefits, and traditional NIL activities.
Financial Affairs	Recovered \$55,000 in unclaimed property. Recouped \$523,000 for FAU through payroll and benefits corrections. Generated \$155,000 in property sale proceeds through auctions.

### G. Enforcement and Discipline

Incentives for employees to engage in conduct in accordance with laws, rules, and policies, and, conversely, appropriate disciplinary measures when employees engage in conduct which is non-compliant.

<i>Area</i>	<i>Matter</i>
Financial Affairs	Implemented escalation protocols for unusual transactions to ensure clear standards are enforced that will also help detect fraud.
Research	Broadly, the division implemented and communicated clear performance expectations and accountability measures to all employees following the restructuring process.
Compliance and Ethics + Student Affairs	Successfully implemented adversarial disciplinary hearings for students that complied with laws and regulations and ensured all parties' rights were respected.



## H. Response and Prevention

Ensure reasonable steps are taken to respond to complaints, especially complaints of compliance violations and/or unethical conduct. Corrective action helps prevent similar issues from occurring in the future.

<i>Area</i>	<i>Matter</i>
Financial Affairs	Implemented new reconciliation templates and automations which reduced month-end close times by two days per monthly cycle.
Financial Affairs	Implemented automated processes for athletics ticket revenue, investment income reconciliation, and carryforward calculations.
Financial Affairs	Created automated alerts for key financial transactions and real-time reporting for student cancellations.
Compliance and Ethics	Revamped OCR9's case management intake process to ensure thorough accounting of all required documents and systematic review of every complaint made with the office. Additionally, standardized its outreach to all parties to an OCR9 matter to ensure everyone understands their rights in accordance with law and regulation.
Research	The Office of Comparative Medicine incorporated a process to implement lessons learned from past deficiencies to revise policies, re-train staff, and improve internal procedures.
Compliance and Ethics	Implemented due diligence procedures to determine potential foreign ownership of contracting parties.
Financial Affairs	Further enhanced supplier change procedures to prevent and detect fraudulent activities.
Compliance and Ethics	Updated the Foreign Entity Affidavit to incorporate compliance with the Department of Justice Bulk Data Rule.



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