

Risk and Compliance Oversight Council CHARTER

Risk and Compliance Oversight Council (RCOC) – is appointed by the President and chaired by the Chief Compliance Officer. The council is made up of the following individuals:

- Chief Compliance Officer (Chair)
- Executive Vice President and University Provost
- Executive Vice President for Health Affairs
- Executive Vice President for Research and Innovation
- Associate Vice President for Human Resources
- Chief Financial Officer
- Chief Operating Officer
- Vice President for University Advancement
- Vice President for Athletics
- Vice President for Strategy and General Counsel
- Faculty Senate Chair
- Staff Senate Chair

Purpose

The RCOC is charged by the President to oversee the university's risk and compliance programs to ensure they are: (a) designed and implemented consistent with best practices; (b) effective in identifying and minimizing strategic risks; and (c) beneficial in fostering campus-wide compliance with university policies and federal and state laws and regulations. The council oversees activities taken by the university and its statutory affiliates to promote an organizational culture that encourages a commitment to compliance and ethical conduct. The council is charged with reviewing the recommendations offered by internal auditors and external consultants, including external auditors and government auditors, ensuring actions adopted to manage any identified risks are implemented, and ensuring the results of implementation strategies are monitored. Finally, the RCOC is responsible for reviewing and recommending for approval new institutional policies, as necessary and appropriate, to fulfill its charge.

Meetings

The RCOC will meet regularly. A majority of voting members constitutes a quorum and attendance and formal actions should be recorded in a meeting summary. RCOC members must ensure that they or their designees are present at each convened meeting. The committee is a decision-making body that will make recommendations to the President and, on occasion, to the Board of Trustees. If a member cannot attend a meeting, that member must send a delegate with authority to vote on the member's behalf.

Role and Responsibilities

The RCOC:

- Serves as an oversight body for the institutional compliance and enterprise risk programs. The council has authority to recommend the establishment, staffing,

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and implementation of compliance and risk initiatives across the university, including the University of Louisville and its statutory affiliates.

- Reviews and approves the Institutional Compliance Plan, the Code of Conduct, and proposed, new, or amended institutional policies having an impact on minimizing strategic risks or fostering institutional compliance. Recommends policy approval by President and/or the Board of Trustees when required.
- Ensures adequate resources are allocated to support the Institutional Compliance Plan.
- Reviews and evaluates high-risk areas identified during periodic risk assessments and approves compliance monitoring plans.
- Reviews confidential compliance reports to assess the level of risk and determine systemic mitigation action.
- Enforces consistent application of compliance standards, including fair, equitable, and consistent disciplinary action of individual(s) identified as responsible for confirmed findings of non-compliance.
- Reviews quarterly audit and compliance reports prepared by Audit Services and Institutional Compliance.
- Ensures the university's compliance programs have the core elements of an effective compliance program¹.
- Reviews reports prepared by external audit and compliance consultants and agencies for actionable items. Ensures agreed upon actions are implemented and are effective in managing any identified risk.

¹ These elements include, but are not limited to:

- adoption of compliance standards
- appointment of a compliance officer
- implementation of procedures and tools to help ensure employee integrity
- implementation of training and communication tools to promote compliance
- implementation of systems and procedures to detect and monitor instances of non-compliance
- assurance of consistent enforcement of policies for non-compliance
- assurance of and documentation that appropriate actions were taken to respond to, deter and correct non-compliance
- utilization of auditing and monitoring plans and recommendations