

Update on Governance and Compliance

Governance Committee – Open Agenda Item 5

February 16, 2012

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Compliance Framework*

Oversight,
Accountability, &
Resources

Clear Written
Standards of Conduct,
Policies & Procedures

Effective Training,
Communication, &
Awareness

Consistent Monitoring,
Evaluation & Reporting

Consistent
Enforcement,
Discipline, &
Incentives

Due Care in
Delegating Authority

Risk Assessment,
Response, Continuous
Improvement, & Auditing

**All Governance reports are grounded in this framework. Compliance Framework resource: USSG Ch. 8 Part B2.1(b)*

Strategic Objective Alignment

Corporate Strategic Objective

- ❑ **Maintain strong governance, risk management, and compliance framework.**

Governance Goal

- ❑ **Administer the organization's compliance framework**
 - **Drive maintenance of the Code of Conduct and certification processes**
 - **Governance Committee input – Code training topic**
- ❑ **Manage the organization's privacy breach events**
 - **Deploy and maintain the organization's Breach Response Plan**
 - **Information - plan implementation and new regulatory notice requirements**

Code of Conduct Review & Certification

Compliance framework* alignment:

Clear Written Standards, Policies, & Procedures

- Code of Conduct annual review
- Key supporting policies review

Effective Training, Communication, & Awareness

- Code of Conduct Annual Training and Certification
- Tone at the top

**Compliance framework resource: USSG Ch. 8 Part B2.1(b)*

Protecting & Respecting Information – Privacy Breach Response

Compliance framework* alignment:

Consistent Monitoring, Evaluation, & Reporting

- Holistic Privacy Breach Response Plan
 - Notifications
 - Notice to government entities

Risk Assessment, Response, Continuous Improvement, & Auditing

- Privacy breach risk assessment
- Action plans and gap closure

**Compliance framework resource: USSG Ch. 8 Part B2.1(b)*

APPENDIX

1. 2012 Corporate Policy Portfolio

2012 Corporate Policy Library - Governance

POLICY OWNER	TITLE	POLICY TYPE	CPL#
Governance	Policy Maintenance, Development & Compliance	Governance	GOV 1.0
Governance	Delegated Authorities	Governance	GOV 1.1
Internal Audit	Internal Audit	Governance	GOV 1.2
Governance	Public Records	Governance	GOV 1.3
Records Management	<u>Records Management</u>	Governance	GOV 1.4
Corporate Communications	Corporate Communications	Governance	GOV 1.5
Risk Management & Legal	Corporate Insurance	Governance	Gov 1.6
Legal	Service of Legal Documents	Governance	GOV 1.7

2012 Corporate Policy Library – Ethics Compliance & Fraud

POLICY OWNER	TITLE	POLICY TYPE	CPL#
Governance	Privacy & Confidentiality	Ethics Compliance & Fraud	EC&F 2.0
Ethics & Labor Relations	Complaint Reporting & Anti Retaliation	Ethics Compliance & Fraud	EC&F 2.1
Ethics & Labor Relations	Incompatible Activities	Ethics Compliance & Fraud	EC&F 2.2
Human Resources Operations	Employment of Individuals Who are Related or have a Close Personal Relationship	Ethics Compliance & Fraud	EC&F 2.8
Ethics & Labor Relations	<u>Business Ethics</u>	Ethics, Compliance & Fraud	EC&F 2.3
Ethics & Labor Relations	Statements of Economic Interest	Ethics Compliance & Fraud	EC&F 2.4
Records Management & Governance	Intellectual Property & Copyright	Ethics Compliance & Fraud	EC&F 2.5
Special Investigation Unit	<u>Workers' Compensation Fraud</u>	Ethics Compliance & Fraud	EC&F 2.6
Real Estate Management	Use of State Fund Facilities for Non-Business Activities	Ethics Compliance & Fraud	EC&F 2.7

Board approval rights reserved for EC&F 2.0, 2.1, 2.2, 2.3, 2.4, and 2.7

2012 Corporate Policy Library - Operations

POLICY OWNER	TITLE	POLICY TYPE	CPL#
Corporate Underwriting	Underwriting	Operations	OPS 3.0
Group Insurance	Group Insurance	Operations	OPS 3.1
Billing & Collections	Policy Dispute Resolution	Operations	OPS 3.18
Safety & Health	Loss Prevention	Operations	OPS 3.19
Corporate Claims	Claims Administration	Operations	OPS 3.21
Real Estate Mgmt	Building Use & Security	Operations	OPS 3.22
Marketing	Marketing Events	Operations	OPS 3.23

2012 Corporate Policy Library – Human Resources

POLICY OWNER	TITLE	POLICY TYPE	CPL#
Organizational Dev	Talent Management	Human Resources	HR 4.0
Organizational Dev	<u>Equal Employment Opportunity</u>	Human Resources	HR 4.1
Organizational Dev	<u>Reasonable Accommodation</u>	Human Resources	HR 4.2
Organizational Dev	<u>Sexual Harassment</u>	Human Resources	HR 4.3
HR Operations	<u>Access to Personal Records</u>	Human Resources	HR 4.4
Learning & Development	Learning & Development	Human Resources	HR 4.7
Organizational Dev	Wellness	Human Resources	HR 4.9
Organizational Dev	Employee Suggestions	Human Resources	HR 4.11

Board approval rights reserved for HR 4.1 and 4.2

2012 Corporate Policy Library – Budget & Fiscal Management

POLICY OWNER	TITLE	POLICY TYPE	CPL#
Business Services	Business Related Vehicle Operation	Budget & Fiscal Management	BFM 5.0
Financial Operations	Business Expense Reimbursements	Budget & Fiscal Management	BFM 5.1
Finance	Accounting, Budgeting & Financial Reporting	Budget & Fiscal Management	BFM 5.2
Investments & Treasury	Cash Management & Investments	Budget & Fiscal Management	BFM 5.3
Enterprise Procurement	Purchasing Authority	Budget & Fiscal Management	BFM 5.10
Enterprise Procurement	Contracting for Personal Services	Budget & Fiscal Management	BFM 5.11
Billing & Collection	Workers Compensation Policy Premium Collection	Budget & Fiscal Management	BFM 5.14

2012 Corporate Policy Library – Information Technology

POLICY OWNER	TITLE	POLICY TYPE	CPL#
Enterprise Security	Data Classification	Information Technology	IT 6.0
Enterprise Security	Information Security	Information Technology	IT 6.1
Information Management	Data Governance	Information Technology	IT 6.3

2012 Corporate Policy Library – Safety & Business Continuity

POLICY OWNER	TITLE	POLICY TYPE	CPL#
Real Estate Mgmt	Threat Management	Safety & Business Continuity	S&BC 7.0
Risk Management	Motor Vehicle Safety	Safety & Business Continuity	S&BC 7.1
Risk Management	Injury & Illness Prevention Program	Safety & Business Continuity	S&BC 7.2
Risk Management	Business Continuity	Safety & Business Continuity	S&BC 7.3