Regulation Statement

Each member of The Texas A&M University System (system) shall be responsible for establishing an organizational culture that encourages ethical conduct and compliance with its legal obligations. Each member shall be responsible for complying with all applicable federal and state laws. Each member shall be responsible for meeting and complying with any reporting requirements required by law.

Reason for Regulation

This regulation is required to ensure that all members set up an infrastructure to systematically identify and address risks so that faculty and staff are aware of their ethical and compliance responsibilities.

Procedures and Responsibilities

1. SHARED SERVICES

The system and its members shall seek to share resources (subject matter experts, training, etc.) and best practices to facilitate compliance across the system. In consultation with the System Ethics and Compliance Committee (Committee), the system ethics and compliance officer (SECO) shall work with the member chief executive officers (CEO) or designees to design and implement effective compliance (to include compliance plans) that maximizes cost-sharing and best practice opportunities (including, but not limited to, the development of system-wide subject matter expertise, training and education) for compliance services by and between members and across the system.

2. APPOINTMENT OF COMPLIANCE OFFICER AND COMMITTEE

2.1 Each member shall appoint a compliance officer (CO). If other than the CEO, the designee shall have direct and regular access to the CEO. With the assistance of the CEO and the member’s Committee, the CO shall act to implement the compliance plan. Each member CO shall also provide a report to the SECO concerning compliance activity and processes prior to each regularly scheduled board meeting.
2.2 Each member shall appoint a compliance committee chaired by the CEO or designated CO. The purpose of the committee will be to develop a compliance plan concerning each member’s operations. The compliance plan will address how the member systematically addresses risk, identifies emerging risk and will monitor the effective mitigation of that risk. This plan will be approved by the CEO and the SECO. The compliance committee shall meet quarterly to address mitigation of risk, to provide appropriate resources for compliance and to ensure appropriate action for noncompliance issues brought to its attention.

3. REPORTING OBLIGATIONS

3.1 Each member shall be responsible for complying with all applicable federal or state reporting requirements. The reporting obligations set forth below are to fulfill the purposes of this regulation, to enable the system and each member to do a risk assessment to determine if additional resources should be allocated and to assist the member to respond as needed. These requirements do not replace, change or modify these applicable reporting requirements or any other action required of a member under federal or state laws or regulations.

3.2 The CO shall report to the SECO compliance processes put into effect under the compliance plan for the SECO’s review.

3.3 The CO shall promptly report to the CEO and SECO any suspected compliance violation that has caused or poses an imminent risk of injury or harm to persons, property or the surrounding community, or reputational harm, as soon as possible after discovering or receiving the report of the suspected violation. In coordination with the SECO, the CO will (a) conduct a compliance program investigation, or (b) monitor the investigation conducted by an appropriate member entity of the suspected violation(s) and, as appropriate, make written findings and recommendations to the member’s CEO or designee and SECO.

Related Statutes, Policies, or Requirements

System Policy 16.01, System Ethics and Compliance Program

Tex. Educ. Code § 51.971, Compliance Program

Contact Office

Office of General Counsel
(979) 458-6120
1. **Established Standards and Procedures**
   In addition to having the required rules and procedures in place, a clear and comprehensive Code of Conduct should also be published.

2. **Oversight and Interest by High Level Institutional Personnel**
   The Chief Executive Officer and Executive Cabinet are responsible for the institution being in compliance with all laws, policies, rules, and regulations. The Compliance Officer serves in a "facilitator" role to help the executive team educate the departments on their specific requirements and to promote a work culture of high ethical standards. They are not expected to know every law and policy that exists.

3. **Adequate Education and Training of Those Who Are Responsible**
   Interactive training should be done on a regular basis to keep employees up to date with new laws or regulations that will have an impact in their areas. Any delegations of authority that are granted must be done with careful consideration to the compliance issues involved.

4. **Effective Lines of Communication to Report Compliance Issues**
   The Compliance Officer has a direct line of communication with the Chief Executive Officer. A dotted reporting line, from the Compliance Officer to the CEO should be shown on the institutional organizational chart.

5. **Consistently Enforce Standards Through Discipline**
   Managers should provide the appropriate disciplinary action for any violations of compliance issues that are discovered.

6. **Internal Monitoring of Compliance Programs**
   We need to monitor, audit, and evaluate program effectiveness, and also maintain a system to report misconduct or seek guidance without fear of retaliation. Our Compliance Committee can help monitor the operations side of the compliance issues and will report any violations they may discover.

7. **Appropriate Response and Corrective Action Plans**
   The institution will provide quick response to any compliance violations. The Chief Executive Officer, Compliance Officer, and Compliance Committee should work together with the appropriate Division Head to develop an action plan to prevent future occurrences of the violations.

8. **Risk Assessments**
   The Risk Management and Safety team should work closely with the Chief Executive Officer, Executive Cabinet, Compliance Officer, and Compliance Committee to identify any potential or existing risks to the institution, and develop a plan to mitigate those risks.