



# Audits & Risk Management Committee

## Item Number 5 – Open Session

**Subject:** 2022 Enterprise Compliance Services Plan Final Progress Report and 2023 Compliance Plan Progress Report

**Presenter(s):** Lynn Bashaw, David Somers

**Item Type:** Information

**Date & Time:** March 1, 2023 – 15 minutes

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**Attachment(s):** 2022 Enterprise Compliance Services Plan Results

**PowerPoint(s):** 2022 Enterprise Compliance Services Compliance Plan Results and 2023 Compliance Plan Progress Report

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### **Item Purpose**

The purpose of this item is to provide the Audits and Risk Management (ARM) Committee with Enterprise Compliance Services' 2022 Compliance Plan results and an update on the 2023 Compliance Plan.

### **Executive Summary**

The Compliance Plan sets the direction and priorities of Enterprise Compliance Services (ECS). In accordance with the ECS Program Charter, the Compliance Director provides periodic reports to inform the ARM Committee of the status and results of the Compliance Plan.

The 2022 Compliance Plan was designed to continue the development of the enterprise compliance program using a framework to prevent, detect and respond to instances of ethical misconduct or noncompliance with laws, regulations, and CalSTRS policies. ECS completed most of the compliance plan activities with multi-division cooperation as outlined in Attachment 1.

In November 2022, a six-month 2023 Compliance Plan was presented to the ARM Committee for the period of January 1, 2023, through June 30, 2023, to align future compliance plans on a fiscal year basis. As we are only two months into the six-month plan, most 2023 Compliance Plan activities are still early in implementation. The Director of Enterprise Risk Management & Compliance Services will provide a verbal update at the meeting regarding continuation of the

2023 plan activities until the maturity assessment implementation plan is presented to the committee at a future meeting.

ECS communicates, collaborates, and coordinates across the organization’s divisions on key risk topics and identifies opportunities to improve awareness of compliance and ethics. In addition, ECS continues to mature and refine program strategies to help CalSTRS maintain an ethical and compliant environment.

### **Background**

ECS performs a compliance risk assessment that results in the development of an annual compliance plan. The compliance plan and progress on the compliance plan are presented to the ARM Committee as required by the ARM Charter.

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Strategic Plan Linkage: Goal 1 – Trusted Stewards: Ensure a well-governed, financially sound trust fund. Objective E: Enhance how risks are defined, viewed, and managed

Board Policy Linkage: [ARM Committee Charter](#)