

**Enterprise Compliance Services Plan Progress Report as of September 30, 2024**

*18-Month Maturity plan covers the period of January 1, 2024, through June 30, 2025*

#	Activity	Status	Accomplishments
<b>Phase 1</b>			
1	Update framework and charter	Complete	<ul style="list-style-type: none"> <li>Updated framework and charter approved by Audits and Risk Management Committee on May 2, 2024.</li> </ul>
2	Hire staffing resource	Complete	<ul style="list-style-type: none"> <li>New staffing resource hired in September 2024.</li> </ul>
3	Develop compliance procedure manual	Complete	<ul style="list-style-type: none"> <li>Procedures have been completed and approved by ECS Director for compliance and ethics hotline administration, policy management, annual compliance risk assessment, system, and organization controls (SOC) reports review and reporting.</li> </ul>
4	Support third-party risk management and procurement compliance	Complete	<ul style="list-style-type: none"> <li>Supported the third-party risk management working group through risk assessment testing, review and feedback on due diligence checklist and staffing needs assessment.</li> </ul>
5	Identify ECS team training needs to support maturity plan	Complete	<ul style="list-style-type: none"> <li>Partnered with consultant, Gartner, to complete a gap analysis on training needed for effective compliance programs.</li> </ul>
6	Develop an annual risk-based compliance education plan	Complete	<ul style="list-style-type: none"> <li>An annual communication plan was developed with and approved by the Communications team. The plan covers the period of January 2024-December 2024.</li> </ul>
7	Secure funding and acquire software to support maturity	On target	<ul style="list-style-type: none"> <li>Funding for software included in the FY24/25 budget. Working through internal procurement process to acquire software.</li> </ul>

#	Activity	Status	Accomplishments
<b>Phase 2</b>			
8	Inventory organization-wide assurance activities	On target	<ul style="list-style-type: none"> <li>ECS has documented roles and responsibilities for most assurance groups in the organization and has developed a plan to map assurance activities.</li> </ul>
9	Support implementation of new regulatory compliance requirements	Complete	<ul style="list-style-type: none"> <li>ECS has operationalized support of new regulatory requirements by participating in the legislative analysis team led by Governmental Relations, developing internal procedures to monitor legislation, and using legislative data to inform compliance risk assessments for impacted business areas.</li> </ul>
10	Administer annual enterprise-wide policy attestation	Complete	<ul style="list-style-type: none"> <li>Human Resources has transferred the annual attestation process to ECS.</li> <li>ECS successfully executed the 2024 annual enterprise-wide policy attestation March 1, 2024- April 1, 2024.</li> </ul>
11	Develop plan to align ECS and ERM risk assessments	Complete	<ul style="list-style-type: none"> <li>ERM risk assessments have been adjusted to provide more compliance related topics such as aligning CalSTRS policies to enterprise risks.</li> <li>A compliance section has been added to the Business Impact Analysis assessment to further align our policies with critical operations.</li> </ul>
12	Develop and document monitoring program framework and processes	On target	<ul style="list-style-type: none"> <li>ECS staff has begun training on best practices for creating a monitoring program tailored to CalSTRS culture and specific needs.</li> </ul>
13	Develop ECS team continuous education program	Complete	<ul style="list-style-type: none"> <li>ECS acquired memberships with OCEG<sup>1</sup> to access industry-leading standards, education, and certifications.</li> <li>Onboarding roadmaps have been developed for SSMI and AGPA classifications.</li> <li>Duty statements were adjusted to include development of specialized knowledge needed by a compliance and ethics professional.</li> <li>A training tracker is maintained to ensure continuous education.</li> </ul>

<sup>1</sup> OCEG is a global nonprofit organization. They provide authoritative models and an all-in-one certification suite to help governance, risk, and compliance professionals develop versatile skills, empowering them to improve performance. [About OCEG](#)

			<ul style="list-style-type: none"> <li>An expectation of the annual number of hours of continuing professional education has been established and is documented in the ECS policy manual.</li> </ul>
14	Implement risk-based compliance education plan	Complete	<ul style="list-style-type: none"> <li>An annual communication plan was developed with and approved by the Communications team. The plan covers the period of January 2024- December 2024.</li> </ul>
15	Implement software	On target	<ul style="list-style-type: none"> <li>Working through internal procurement process to acquire software.</li> </ul>

#	Activity	Status	Accomplishments
<b>Phase 3</b>			
16	Request staffing resources	Not started	
17	Fully align ERM and ECS risk assessments	Not started	
18	Select policies to begin testing and monitoring	On target	<ul style="list-style-type: none"> <li>ECS will use the following three policies owned by ECS to pilot a monitoring program:                             <ul style="list-style-type: none"> <li>Policy management policy 21-160</li> <li>System and Organization Controls (SOC) Report Review Policy 17-125</li> <li>Compliance and Ethics Hotline Reporting 21-152</li> </ul> </li> </ul>