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Report card for your higher education institution's compliance program

By Kyra Castano, CIA; and Aminah Massenburg, Esq., CCEP

Do you have a process in place to measure your institutional compliance program's quality and effectiveness? Higher education institutions are continually facing financial, reputational, and legal risks. Compliance and ethics programs are tasked with working with subject-matter experts across the institution to ensure that compliance requirements are met.

In this article, you will learn about:

- Compliance program stages and the importance of fostering a culture of ethics
- Compliance assessments and the resources used for evaluation and review
- Measuring compliance program quality and effectiveness

Stage of your program

As compliance professionals and industry leaders, we are tasked with developing and/or implementing, maintaining, and sustaining a compliance program. While fostering a culture of integrity, most professionals start by working to ensure that the institutional compliance program is in accordance with all applicable requirements and regulations. Once implemented, it is paramount to continue evaluating the program.

A Capability Maturity Model (CMM) tool identifies the stage of a program based on how well an institution follows and formalizes repeatable internal control processes, establishes a means to assess the program, and identifies a method for next steps.^[1] Often, the stages of a CMM are noted as *Ad Hoc*, *Fragmented*, *Defined*, *Mature*, and *Optimized*.^[2] These stages can be compared to the maturity stages in life (see Figure 1). It is important to note that the number of years may not indicate programmatic maturity but rather the consistency of the program's established development, implementation, and sustainability maturity.

Figure 1: What stage of life is your compliance program in?



Ad hoc (Newborn):

- Policies and procedures are not formalized, and internal controls are inconsistently applied.



Fragmented (Terrible twos):

- Some policies, procedures, and internal controls are in place, but they remain inconsistent across the institution.



Defined (Elementary)

- Standardization of policies, procedures, and internal controls has started, but it is not complete.



Mature (Adult):

- Policies and procedures are in place and are integral to the institution.
- Some reviews are conducted to assess the effectiveness of the compliance program.



Optimized (Expert):

- Policies and procedures are in place and are integral to the institution.
- Periodic reviews are conducted to assess the effectiveness of the compliance program.

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