

## January 1, 2023, through October 31, 2023, Enterprise Compliance Services Plan Results

Compliance Activity	Status	Notes
<b>1.0 ECS Program Management &amp; Governance</b>		
Assess and develop a roadmap to mature the enterprise compliance program, including any alignment of efforts with the Enterprise Risk Management program	Complete	An 18-month maturity plan has been completed that outlines a roadmap to mature the ECS program and align with Enterprise Risk Management.
Continue enhancing the Enterprise Training Matrix for any new regulations or policy requirements to ensure compliance	Not Completed	This effort was deferred due to a vacancy in the ECS Manager position and the maturity of the ECS regulatory processes.
Conduct the annual Compliance & Ethics survey	Complete	Not applicable. We leveraged the <i>All Employee Survey</i> since it already included questions to measure ethics and compliance culture. The <i>All Employee Survey</i> results noted a substantial increase in employee knowledge of the Ethics and Compliance Hotline across the organization.
<b>2.0 Culture</b>		
Annual review of the CalSTRS Code of Ethics and Business Conduct and update as needed	Complete	The annual review was completed, and the revised <i>CalSTRS Code of Ethics and Business Conduct</i> was updated on Central.
Develop a workplan to establish communication guides for branch leaders to address specific compliance obligations related to their business processes	Not Completed	This effort was deferred due to a vacancy in the ECS Manager position and the maturity of the ECS regulatory processes.
Explore expanded use of ECS regulatory tracking subscription (RegAlytics) to help drive awareness of new or existing compliance requirements across CalSTRS	Complete	We explored the use of RegAlytics and determined it would not meet our needs. We will be reevaluating regulatory inventory needs as we mature the program.
Establish a methodology and governance process to track progress and implementation of new regulations or laws that may directly impact CalSTRS	Not Completed	This effort was deferred due to a vacancy in the ECS Manager position and the maturity of the ECS regulatory processes.

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<b>3.0 Policies and Standards</b>		
Facilitate annual policy and biennial standards reviews	Complete	The annual review and or revision of 152 policies and 50 standards was completed.
Continue to refine policy mapping to legal requirements	Not Completed	This effort was deferred due to a vacancy in the ECS Manager position and the maturity of the ECS regulatory processes.
Increase communication and education efforts for policies identified as having the highest compliance risks	Complete	Evaluated policies for the top 15 compliance risks. Collaborated with the Information Security Office to communicate and educate on the Information Security Incident Response Plan Policy. Article created and shared on Central June 6, 2023.
Create standardized template and guidance for use in preparing enterprise-wide procedures	Complete	Standardized procedure template and guidance was developed. Collaborated with CalSTRS stakeholders and Communications. Template was announced and made available on Central September 5, 2023.
<b>4.0 Training &amp; Communication</b>		
Review current compliance communication efforts, evaluate the approach and enhance topics that require additional communication	Complete	Evaluated previous communication efforts and expanded topics to include high-risk policies, policy management education, Annual Enterprise Risk and Compliance Training, policy attestation education, and ADA compliance awareness. Tracked views on Central to evaluate topics of interest to build a structured communication plan for 2024.
Promote Compliance and Ethics Awareness week	Complete	Communicated on Central news “Three things”, issued an article showcasing ECS and the importance of compliance, and developed an interactive live trivia game. Compliance Week occurs in November 2023.
Develop workplan for and leverage existing training opportunities to enhance and deliver enterprise-wide training on compliance roles and responsibilities	Complete	Collaborated with Enterprise Risk Management (ERM) to integrate ECS into the current ERM mandatory training. Created the first compliance training module for CalSTRS in the Annual Enterprise Risk and Compliance Training.

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<b>5.0 Risk Assessment</b>		
Review compliance risk assessments at least quarterly to ensure compliance plan focuses on key risks, while assessing emerging and existential compliance risks to the organization	Complete	ECS collaborated with Audit Services to perform an integrated risk assessment from June 2023-August 2023.
Explore implementation of the Governance, Risk, and Compliance (GRC) tool for impacted ECS processes	Complete	Selected a GRC tool. Implementation is included in the ECS Maturity plan.
<b>6.0 Compliance Monitoring</b>		
Collaborate with and support procurement as they build out their compliance efforts	Complete	Held regular meetings with Procurement compliance. Shared a recently developed procedures template and guidance to assist the Procurement in its procedure development process.
Commence the facility compliance review for safety, security & resilience effort	Complete	The facility compliance review was completed with the consultation of Weaver.
Develop a workplan to monitor all CalSTRS major projects for potential compliance related risks and issues	Not Completed	This effort was deferred due to a vacancy in the ECS Manager position and the maturity of the regulatory processes.
Develop a workplan for defining roles and responsibilities between ECS and other business areas that perform compliance related efforts	Complete	Roles and responsibilities have been defined to document and evaluate compliance-related efforts across the organization. A compliance inventory is included in the ECS maturity plan.
<b>7.0 Confidential Reporting</b>		
Continue to promote the CalSTRS compliance and ethics hotline and the importance of speaking up	Complete	The <i>Compliance and Ethics Hotline</i> was promoted on Central five times in 2023. Hotline education was featured in the annual 2023 Annual Enterprise Risk and Compliance Training.
Oversee the hotline’s case management system to ensure CalSTRS effectively reviews, investigates, and resolves reported issues timely	Complete	Collaboration with Office of Legal Ethics and Accountability, Compensation Review Unit, Ombuds, and Equal Employment Opportunity has been operationalized as part of our ongoing responsibilities.
Identify case management trends, and use data analytics for improvement opportunities	Complete	Conducted an analysis of hotline data, workflows, and user access to identify areas for improvement.

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<b>8.0 Third-Party Compliance Management</b>		
Monitor and review third-party system and organizational control (SOC) reporting for CalSTRS' key third parties	Complete	Reviewed 29 System and Organization Controls (SOC) reports in FY2022-23. The SOC review process has been operationalized as part of our ongoing responsibilities.
Collaborate with the third-party risk management team on compliance activities as the third-party program continues to develop	Complete	Participated in monthly Third-Party Risk Management (TPRM) working group meetings. ECS has been incorporated into the TPRM working group as part of our ongoing responsibilities.
Assist Procurement in the development of contract manager monitoring tools	Not Completed	This effort was deferred due to a vacancy in the ECS Manager position.