

Demonstrating ROI and Communicating Value

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COMPLIANCE WEEK 2010

Responsibilities and Reporting Structure

- **Responsibilities**
 - Ethics and Compliance
 - Internal Audit

- **Reporting Structure**
 - Audit Committee
 - General Counsel

Organizational Interaction and Communications

- **Audit Committee**
 - Presentation and private session at each regular meeting
- **C-Suite**
 - Individual meetings at least quarterly
 - More frequently as circumstances dictate
 - Performance Review Committee meeting each quarter

Ethics and Compliance Role

Objective: *Create* an effective and efficient enterprise-wide ethics & compliance infrastructure



- Establish Expectations
 - Risk Assessments
 - Federal Sentencing Guidelines
 - Code of Business Ethics
 - Communicate Expectations
 - Policies/Procedures
 - Training
 - Awareness/Employee Portal
 - Monitor Behavior
 - Hotline
 - Surveys/Questionnaires
 - Automated/Manual Processes
 - Report Results
 - Senior Management
 - Audit Committee
 - Drive Continuous Improvement
 - Prevent Similar Misconduct
 - Periodic Evaluation of Effectiveness
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Value and ROI

- **Importance**

- Tough economy - - increased focus on costs
- “Corporate Overhead” perception
- Increasingly aggressive enforcement climate
- Cost vs. investment mindset
- Learning to play offense

Long-term view should trump short-term pressures