



COMPLIANCE & LEGAL: TWO SIDES OF THE SAME COIN

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INTRODUCTION



■ Who is Renee?

- ✓ Roots in Jamaica, West Indies
- ✓ Born and Raised in New York
- ✓ Moved to Alaska in 2011
- ✓ Favorite Food: Pizza & Jerk Chicken
- ✓ Current Book: 5 Dysfunctions of a Team
- ✓ Current TV: You

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*BRISTOL BAY NATIVE
CORPORATION (BBNC)*

BBNC “MORE THAN A CORPORATION”

- **BBNC Mission**

- ✓ BBNC is a responsible Alaska Native investment corporation dedicated to the mission of “Enriching Our Native Way of Life.”

- **BBNC Vision**

- ✓ BBNC’s Vision is to protect the land in the Bristol Bay region, celebrate the legacy of its people, and enhance the lives of BBNC shareholders.

- **BBNC History**

- ✓ BBNC was established through the Alaska Native Claims Settlement Act (ANCSA) of 1971.

- **BBNC Land & Shareholders**

- ✓ BBNC works to protect the land in Bristol Bay, celebrate the legacy of its people, and enhance the lives of its shareholders.

- **BBNC Commitment**

- ✓ BBNC is deeply rooted in and committed to our culture. Our respect and reverence for our Native way of life drives our growth strategy, diverse portfolio, and in-region investments.

BBNC BUSINESS LINES



■ **BBNC Business**

- ✓ Business Lines:
 - Industrial Services
 - Government Services
 - Construction Services
 - Tourism Services
 - Seafood Services
- ✓ Operates in almost 50 states and 16 countries.
- ✓ Employs approximately 4,500 employees in subsidiaries throughout Alaska and beyond.

■ **BBNC Logo**

- ✓ “The Eternal Circle of Life.”
- ✓ Declares that our heart is here in Bristol Bay.
- ✓ Native cultures have thrived for 10,000 years.
- ✓ Salmon is our heart and source of sustenance and inspiration.



COMPLIANCE & LEGAL: CORPORATE PROTECTORS

FEDERAL SENTENCING GUIDELINES

▪ **What are the Federal Sentencing Guidelines?**

- ✓ Since 1991, the sentencing of corporations and other business entities convicted of federal criminal offenses has been governed by the Federal Sentencing Guidelines.
- ✓ These Sentencing Guidelines originally were mandatory, but in 2005, the Supreme Court ruled that it is unconstitutional to apply them in mandatory form.
 - The Court left them intact as voluntary guideposts that federal courts should consult but are not bound to follow.
- ✓ In addition to providing guidance on how convicted companies should be sentenced, the Sentencing Guidelines also contain detailed guidance from the Sentencing Commission on what it means to have an “effective” compliance and ethics program.

▪ **How does the Federal Sentencing Guidelines relate to an effective compliance program?**

- ✓ A company convicted of a federal offense is eligible for a reduced sentence under the Sentencing Guidelines if it has an effective compliance and ethics program and the offense occurred despite the program.
- ✓ Additionally, a prosecutor might exercise his or her discretion not to bring criminal charges if the company has a compliance program that meets the Sentencing Guidelines’ requirements.

EFFECTIVE COMPLIANCE PROGRAM

- **Department of Justice (DOJ) Guidance on the Evaluation of Corporate Compliance Programs**
 - ✓ On June 1, 2020, the Criminal Division of the U.S. Department of Justice released updated [guidance](#) to its prosecutors on how to evaluate the design, implementation, and effective operation of corporate compliance programs in determining whether, and to what extent, the DOJ considers a corporation's compliance program to have been effective at the time of the offense and to be effective at the time of a charging decision or resolution.

- **What is an effective compliance program?**
 - ✓ Is the corporation's compliance program well designed?
 - ✓ Is the program being applied earnestly and in good faith? In other words, is the program adequately resourced and empowered to function effectively?
 - ✓ Does the corporation's compliance program work in practice?

COMPLIANCE & LEGAL: CORPORATE PROTECTORS

- **What is Legal?**

- ✓ Lawyers define and advise on the law; set the rules of the road.

- **What is Compliance?**

- ✓ Compliance officers develop controls, policies, procedures, and systems designed to ensure that relevant parties (e.g., employees) stay within the rules of the road.

- **Legal & Compliance**

- ✓ Preventing Liability vs. Preventing Misconduct



COMPLIANCE & ETHICS PROGRAM

■ BBNC Compliance Wheel

- ✓ Policies & Written Standards of Control;
- ✓ Structure & Oversight;
- ✓ Education, Training & Communication;
- ✓ Culture of Integrity;
- ✓ Monitoring, Auditing & Reporting;
- ✓ Enforcement/Investigations, Incentives & Discipline; and
- ✓ Response, Remediate & Assess





POLICIES AND WRITTEN STANDARDS



COMPLIANCE & ETHICS PROGRAM

▪ Policies & Written Standards

- ✓ A Compliance and Ethics Program must have policies and other written standards are well-designed, comprehensive, and accessible to applicable employees, business partners, and third-party vendors.
 - Code of Ethics
 - Policy Management



▪ How does Compliance accomplish the goal?

- ✓ Identify the need
- ✓ Engage Stakeholders
- ✓ Distribute to applicable audience

▪ How does Legal accomplish the goal?

- ✓ Serve as a Stakeholder
- ✓ Ensure applicable laws and regulations are followed





STRUCTURE & OVERSIGHT

COMPLIANCE & ETHICS PROGRAM

- **Structure & Oversight**

- ✓ A Compliance and Ethics Program's integrity and success depends on the hard work and dedication of trained and competent professionals responsible for administering the Compliance and Ethics Program.

- **How does Compliance accomplish the goal?**

- ✓ Relationships with Subject Matter Experts
- ✓ Creating and Promoting Compliance Champions

- **How does Legal accomplish the goal?**

- ✓ Serve on Compliance Committee
- ✓ Promote Compliance and Ethics Program





*EDUCATION,
COMMUNICATION &
TRAINING*



COMPLIANCE & ETHICS PROGRAM

- **Education, Training & Communication**
 - ✓ A Compliance and Ethics Program oversees the creation, approval, and distribution of compliance and ethics educational content, compliance and ethics communication, and customized training.
- **How does Compliance accomplish the goal?**
 - ✓ Create, Distribute, and Approve Educational Content
 - ✓ Oversee and Administer Learning Management System
 - ✓ Promote Content via various communication avenues
- **How does Legal accomplish the goal?**
 - ✓ Identify Educational Content
 - ✓ Provide Guidance on Communications





CULTURE OF INTEGRITY



COMPLIANCE & ETHICS PROGRAM

- **Culture of Integrity**
 - ✓ A Compliance and Ethics Program promotes that every employee is responsible for creating and fostering a culture of integrity, compliance, ethics, and leadership built on responsibility, accountability, open communication, and trust.
 - Senior leadership and middle management must serve as exemplary stewards of the company culture and values.
- **How does Compliance accomplish the goal?**
 - ✓ Gatekeeper of Compliance, Ethics, and Integrity
 - ✓ Create Ethical Culture with Leadership
- **How does Legal accomplish the goal?**
 - ✓ Advise on present-day (and ever evolving) ethical standards
 - ✓ Serve as Sponsor on the Leadership Team





REPORTING, MONITORING & AUDITING



COMPLIANCE & ETHICS PROGRAM

▪ Reporting, Monitoring & Auditing

- ✓ A Compliance and Ethics Program promotes a workplace environment where employees can raise workplace concerns without fear of retaliation.
- ✓ A Compliance and Ethics Program also monitors the effectiveness of the Program.

▪ How does Compliance accomplish the goal?

- ✓ Owner of the Ethics Hotline
- ✓ Conduct Employee Site Visits
- ✓ Oversee and Administer Corporate Culture Survey

▪ How does Legal accomplish the goal?

- ✓ Provide Legal Guidance on Ethics Hotline Reports (Investigations)
- ✓ Power to invoke the Attorney-Client Privilege



[See U.S. Federal Sentencing Guidelines §8B2.1\(b\)\(5\)](#)

[See U.S. Federal Sentencing Guidelines §8B2.1\(c\)](#)



INCENTIVES & DISCIPLINE



COMPLIANCE & ETHICS PROGRAM

- **Incentives**

- ✓ A Compliance and Ethics Program recognizes ethical leadership and behavior of employees through incentives and public recognition.

- **How does Compliance accomplish the goal?**

- ✓ Compliance Awards
- ✓ Prizes for training completion
- ✓ Public recognition for ethical behavior

- **How does Legal accomplish the goal?**

- ✓ Assist with setting the standard for ethical and unethical behavior
- ✓ Lead by example





*RESPONSE, REMEDIATE
& ASSESS*

COMPLIANCE & ETHICS PROGRAM

- **Response, Remediate & Assess**
 - ✓ A Compliance and Ethics Program must be in a posture of continuous assessment, remediation, and improvement.
- **How does Compliance accomplish the goal?**
 - ✓ Create and Maintain Meaningful Relationships
 - ✓ Promote Best Practices
- **How does Legal accomplish the goal?**
 - ✓ Consult with Additional/Outside Counsel
 - ✓ Consistent communication with Compliance Professionals





COMPLIANCE & LEGAL SCENARIOS



HOW WOULD YOU RESPOND?

- **When taking a quick break, you observe two colleagues yelling profanities at one another in the hallway. It appears to be an intense disagreement about workplace responsibilities and one of the employees begins to cry. How would you respond?**

As a Compliance Professional?

As a Legal Professional?

HOW WOULD YOU RESPOND?

- **Sabrina comes to your office and shares that Mike from the IT Department made some unwanted sexual comments about her. She shared that Mike told her “she was hot” and he would like to “take her out to see what moves she has in and out of the office.” Sabrina does not want to make a big deal about the interaction, but she wanted to get it on the record in case anything else ever happened. What would you do?**

As a Compliance Professional?

As a Legal Professional?

HOW WOULD YOU RESPOND?

- **After coming back to the office from a later lunch, an employee stops by your office. He asks if you have a moment to chat. When you respond yes, he closes your office door and states, “I grabbed a quick bite to eat on Tuesday. When I came back to the office, I got in the elevator with Dan from the Finance Department. He shared that he was having some “major issues” with his supervisor. Dan noted that his supervisor sometimes makes fun of his accent and belittles him in front of other team members. Dan is considering leaving the company because his supervisor’s behavior is negatively impacting his home and personal life. How would you respond?**

As a Compliance Professional?

As a Legal Professional?



COMPLIANCE & LEGAL: CRITICAL SKILLS



CRITICAL SKILLS

- **What do you need to be a great Compliance and/or Legal Professional?**
 - ✓ **Great Writing Skills:** Write to your Audience: It is important to write with the purpose in mind; It is far more important to get your point across than to sound smart.
 - ✓ **Great Speaking Skills: Speak to your Audience:** It is helpful to recognize that people are both audio and visual learners. Your speaking skills can provide an efficient and engaging partner to your writing.
 - ✓ **Problem-Solving Ability:** Corporations and clients want to solve problems. Whether you solve that problem proactively, or you solve that problem reactively, it is important to minimize the harm to your corporation or client.
 - ✓ **High Character:** You must practice what you preach. Be humble, be authentic, and be transparent.

QUYANA!



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