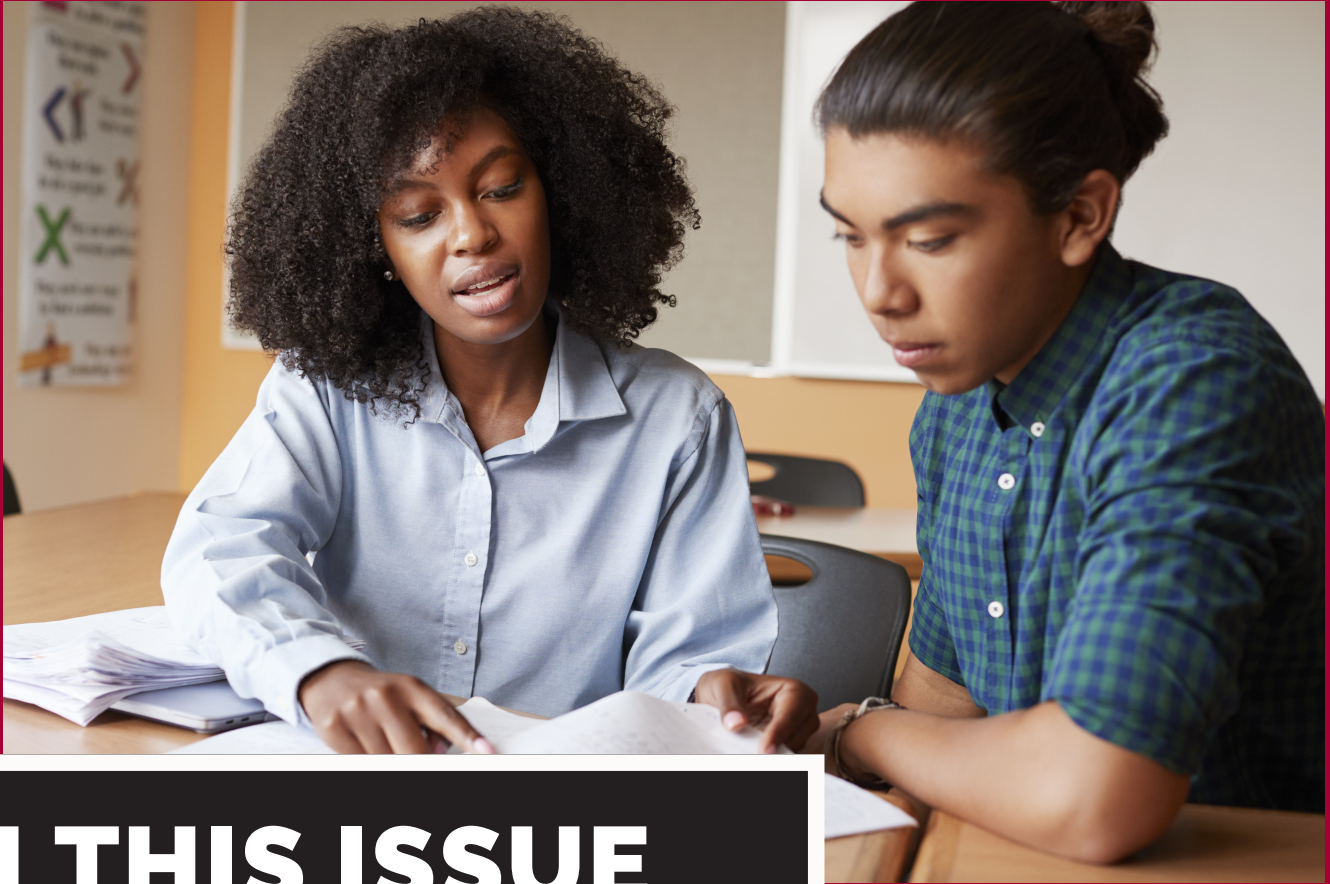# COMPLIANCE MATTERS.

News and Insights from Chapman's Department of Institutional Compliance and Internal Audit

IN THIS ISSUE

SUMMER (SCHOOL)

By Peter Aguila

Summer time is finally here. It's been a while since our last newsletter. Here are some definitions to those new to the Chapman Community. These definitions explain the difference between compliance and ethics.

Compliance:

The adherence to laws, regulations, guidelines and specifications relevant to higher education. Our job isn't to regulate individual behavior, but to provide guidance on understanding what's required of each employee of Chapman

Ethics:

Ethics is concerned with what is right and wrong. This discernment is based on values of the individual and the society in which we operate.

Compliance and ChatGPT

By Peter Aguila

Senior Compliance Investigator

Artificial Intelligence is becoming an increasing popular topic because real life is starting to come in contact with science fiction. It's not just for big corporations or government agencies. One name that is leads the pack is ChatGPT. ChatGPT has been making the news for passing the bar exam and the United States Medical Licensing Exam (USMLE). The questions are can you use it for compliance and ethics? And should you use it?

What is ChatGPT? According to techcrunch "ChatGPT is a general-purpose chatbot that uses artificial intelligence to generate text after a user enters a prompt, developed by tech startup OpenAI." What makes ChatGPT so popular is the wide availability. A person only needs to set up an account with an email address. Once this is done, the person can start interacting with the software.

EXAMPLE OF HOW TO USE CHATGPT

ChatGPT can be used to explain complex concepts and identify compliance issues. ChatGPT can look up regulations. An example would be asking ChatGPT to explain what a Clery "Campus Security Authority" is. Below is the example I received:

The Clery Act is a federal law that requires colleges and universities in the United States to disclose certain campus crime statistics and security information. CSA stands for "Campus Security Authority," which is a term used in the Clery Act to describe individuals or organizations designated by a college or university to report certain crimes to the institution's police or security department.

Under the Clery Act, CSAs are individuals who have significant responsibility for student and campus activities. Examples of CSAs include, but are not limited to, resident advisors, athletic coaches, student affairs administrators, and faculty advisors to student organizations.

When a CSA receives a report of a Clery Act crime (which includes certain types of violent and non-violent crimes, such as murder, sexual assault, robbery, and hate crimes), they are required to report the crime to their institution's police or security department. The institution is then required to include the crime in its annual Clery Act report, which is made available to the public.

It can also help by reviewing and analyzing vast amounts of data from agencies worldwide. The model could be trained to detect keywords that indicate potential compliance issues and flag them for further review.

WHY ARE HUMANS NECESSARY FOR ETHICS & COMPLIANCE?

For all the power ChatGPT wields in collecting and reciting data, it still fails when human reasoning is needed, such as ethics. As mentioned earlier, although it can flag words for review, there still needs to be an actually review. Ethical decision making is a complex process that relies on not only rules, but the values of a person or their organization. ChatGPT may never be able to make a decision on a human level because of how it's built.

ChatGPT was trained on the collective writing of humans across the world, past and present. Unfortunately, this means that the same biases in the real world can also appear in the model.

It's common to be curious about ChatGPT. There are benefits to using it. Whether it's helping start a project or pulling information. However, until artificial intelligence can pull directly from your experiences and your values, ethical decisions is an area where the human experience is necessary.

Citations

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TECH CRUNCH https://techcrunch.com/2023/04/25/chatgpt-everything-you-need-to-know-about-the-ai-powered-chatbot/

It's important to consider the essential role we play as humans in ethics and compliance.

ACTIVITY: TRY IT FOR YOURSELF

Can AI help us answer our ethical dilemmas?

➤ Consider an ethical or compliance issue you deal with in your work.

➤ Can AI solve this dilemma?

➤ Send your response to Compliance@chapman.edu