Compliance Program

Proposed Initiative for 2013-14

Initiative Proposal Process and Timeline:

- 11/01/12 – Individuals/groups submit proposals via email (using this form) to their Unit Head for consideration. “Unit Heads” include:
  - College Deans: Brad Caskey, Dale Gallenberg, Glenn Potts, and Larry Solberg
  - Chancellor, Dean Van Galen
  - Provost, Fernando Delgado
  - Associate Vice Chancellor-Student Affairs, Gregg Heinselman
  - Assistant Chancellor-Business and Finance, Elizabeth Frueh
  - Executive Director-Administrative Services, Michael Stifter
  - Executive Director of University Advancement, Chris Mueller
  - Faculty Senate Chair, Wes Chapin

- 11/16/12 – Unit heads submit approved unit proposals via website to Strategic Plan Progress Committee (SPPC)

- 11/30/12 – SPPC requests any clarifying information needed from Unit Head/Proposer

- 01/07/13 – Unit Head/Proposer provides clarifying information to SPPC

- 01/17/13 – SPPC completes ranking and review of initiatives

- 01/22/13 - Rankings and feedback forwarded to Faculty Senate, Cabinet, and Proposers

- Spring semester 2013 – Initiatives finalized, built into 2013-14 budget and communicated to campus.

1. **Proposed initiative: (limited to 500 characters or less)**

   Create and implement an institution-wide compliance program to protect institutional assets and minimize liabilities, raise campus awareness and establish best practices, thereby enhancing effectiveness of our institutional shared governance.

   Universal budget constraints have forced smaller universities like UWRF to take a more pragmatic path (i.e., rather than hire a costly compliance officer and/or staff) such as we propose:

   - Identify UWRF’s critical compliance areas
   - Create a task force made up of lead members from those areas
   - Formally train those members within the Higher Education track of the Society of Corporate Compliance and Ethics
   - Utilize those members as ‘train the trainers’ assisting critical compliance area personnel, and as resources for the entire campus
   - The task force will create a timeline and implement processes and tools (e.g., a reporting hotline)

2. **Person, administrative department, or college proposing the initiative:**

   Richard Stinson - Internal Audit Department
   Elizabeth Frueh – Business and Finance
   Barbara Stinson – Financial Aid
   Deb Schwab – Human Resources
   Connie Smith – Risk Management

3. **Which strategic goal does this initiative support?**

   All three strategic goals are supported by this initiative:

   1. Distinctive Academic Excellence
   2. Global Education and Engagement
3. Innovation and Partnerships

4. **Describe how the initiative supports the goal(s). (limited to 1000 characters or less)**
   Accomplishing and fulfilling our institutional mission requires honesty and integrity in every facet of what we do. This demands that truthfulness, individual accountability, and ethical behavior are necessary companions; anything less compromises our commitment to academic excellence, integrity, and merit as prevailing values.

   Just as this is true in our academic enterprise, it is equally true for the other enterprises that make up university life and external interactions. While different activities may be governed by the application of different specifics, they must all be bound by a common high standard of ethical and honest behavior.

   To that end, the rationale for institutional compliance should be based on these overarching principles:
   
   A. **Legal Case** – Universities should have ethics and compliance programs to ensure they fulfill their U.S. and international legal and regulatory obligations. (Goal 2 and Goal 3)
   B. **Value Case** – Ethics and compliance programs enhance the university’s community culture. (Goal 3)
   C. **Business Case** – Academic, business and administrative processes benefit from ethics and compliance programs. (Goal 1 and Goal 3)

5. **Based on the definition of university-wide Initiative [initiative that spans across colleges, units, and departments], indicate how the proposed initiative has a university-wide impact: (limited to 1000 characters or less)**
   It is commonly known that compliance requirements in higher education do not easily fall under one functional area. Rather, because higher education compliance requirements originate from so many different sources, they cut across many different functional areas, such as compliance for research and federally sponsored programs (e.g. grants, financial aid), NCAA athletics, environmental and safety compliance, accounting and financial reporting (IRS, GAAP and GASB); and regulations that were not initially intended for higher education, including the Gramm-Leach-Bliley Act, HIPPA, Red Flags Rules, etc.

6. **Please provide a set of benchmarks and/or indicators of success to support your initiative. (limited to 1000 characters or less)**
   External, internal, and collaborative benchmarks will be developed by those task force members noted in Items 8 through 13 below, using a risk-based approach to institutional compliance.

   Risks that are prevalent in higher education institutions include:
   - Strategic – the overall direction of the organization
   - Financial – the safeguarding of assets
   - Operational – the heart of day-to-day operations and processes
   - Regulatory – as local and federal laws and regulations become more complex
   - Reputational – which affects both image and brand
Benchmarks that will be given priority as they relate to the institution’s identified critical areas include

- Federal Sentencing Guidelines
- University of Wisconsin System Administration Policies
- Sponsored Programs Regulatory
- NCAA Regulatory Requirements
- Department of Education Requirements
- Financial Regulations
- Employment Regulations
- Facilities Regulations
- Public Health and Safety Regulations
- Academic Regulations
- Student-Related Regulations
- Other Regulations
  - EPA Environmental Protection Act
  - GLBA Gramm–Leach–Bliley Act
  - HIPPA Health Information Privacy Protection Act
  - USA PATRIOT Act
  - FTC Federal Trade Commission – Red Flags Rule
  - Export Rules
  - FCPA Foreign Corrupt Practices Act
  - Lobbying
  - Restrictive Gifts
  - INS Immigration and Nationalization Service

7. **Indicate, to the best of your consideration, which of the foundational elements mentioned below the initiative will engage. You will have opportunity to elaborate on each element on the next page. (Please indicate YES or NO each of the foundational elements.)**
   - Sustainability – Yes
   - Inclusiveness – Yes
   - Human Capital – Yes
   - Technology – Yes
   - Facilities – Yes
   - Finance – Yes
   - Other – Yes (as needed)

8. **SUSTAINABILITY: Indicate how SUSTAINABILITY would be affected by the initiative. If SUSTAINABILITY is not affected by the initiative, please describe why not. (limited to 1000 characters or less)**
   Sustainability is an area that is evaluated completely on compliance with various standards. UWRF has had a long history of leadership on sustainability-based initiatives among all campuses of the UW System and across the Upper Midwest. For example, in 2012, UWRF received a STARS Silver rating from AASHE after demonstrating that our campus had
achieved benchmarks provided by AASHE. Sustainability would contribute and benefit from an initiative that would help build a culture of compliance on our campus. The task force could assist this area by providing the proper tools, training and mentoring to effectively carryout compliance responsibilities.

9. **INCLUSIVENESS:** Indicate how **INCLUSIVENESS** would be affected by the initiative. If **INCLUSIVENESS** is not affected by the initiative, please describe why not. (limited to 1000 characters or less)
An important step in our ongoing efforts to support our mantra of inclusive excellence is to ensure that we are compliant. It is our responsibility as a university to identify any risks, develop a plan to correct those deficiencies, and make changes as needed. This initiative will allow us to develop key staff in risk identification and compliance in areas relating to discrimination, harassment, accessibility, which are areas where there is high-risk and ultimately extreme financial penalties. The task force could assist this area by providing the proper tools, training and mentoring to effectively carryout compliance responsibilities.

10. **HUMAN CAPITAL:** Indicate how **HUMAN CAPITAL** would be affected by the initiative. If **HUMAN CAPITAL** is not affected by the initiative, please describe why not. (limited to 1000 characters or less)
Risk and compliance efforts should be the responsibility of all employees during their lifecycle on the job beginning with recruitment and hiring through the point that an employee resigns/retires. This initiative will allow us to begin training key staff who ultimately will transfer that knowledge to others on campus. By investing in our staff, we can begin to create a culture and understanding of the need to ensure risk management and compliance, regardless of position. The task force could assist this area by providing the proper tools, training and mentoring to effectively carryout compliance responsibilities.

11. **TECHNOLOGY:** Indicate how **TECHNOLOGY** would be affected by the initiative. If **TECHNOLOGY** is not affected by the initiative, please describe why not. (limited to 1000 characters or less)
Day-to-day operations and processes on campus are completely reliant on technology. Risks are minimized through compliance with applicable regulations and policies such as: Data Security, FERPA, HIPPA, GLBA, PCI-DSS, FTC-Red Flags, UWS AUP for Information Technology and UWS Records Retention (electronic records). Campus reputation could be irreparably harmed if personal data is allowed to be hacked or stolen. The task force could assist this area by providing the proper tools, training and mentoring to effectively carryout compliance responsibilities.

12. **FACILITIES:** Indicate how **FACILITIES** would be affected by the initiative. If **FACILITIES** is not affected by the initiative, please describe why not. (limited to 500 characters or less)
Facilities Maintenance provides quality and timely service as well as a well-maintained and safe environment that meets the needs of students, faculty, staff, and guests. Compliance with federal, state and local regulations pertaining to building codes, work environments,
and campus grounds are elements for successful daily operation. Future planning for growth and changing campus needs are essential to assuring that compliance will be maintained over the long term. The task force could assist this area by providing the proper tools, training and mentoring to effectively carryout compliance responsibilities.

13. FINANCE: Indicate how FINANCE would be affected by the initiative. If FINANCE is not affected by the initiative, please describe why not. (limited to 1000 characters or less)
Compliance is especially important in the area of Finance to ensure the safeguarding of our assets. During a time of limited resources, it is critical that funds are used in accordance with State and Federal laws and State and System policies to meet our fiduciary duties to taxpayers and students. In addition, the reputation of the University and the Foundation could be significantly damaged due to possible media coverage associated with noncompliance issues. The integrity of our day to day financial operations is contingent upon compliance and should be a cornerstone of any initiative that strives to increase accountability and compliance on our campus. The task force could assist this area by providing the proper tools, training and mentoring to effectively carryout compliance responsibilities.

14. RISK MANAGEMENT: Indicate how RISK MANAGEMENT would be affected by the initiative. If RISK MANAGEMENT is not affected by the initiative, please describe why not. (limited to 1000 characters or less)
Risk Management facilitates university compliance with environmental and occupational safety programs that meet standards established by federal, state and local agencies. This is accomplished by identifying, evaluating, and controlling loss exposures faced by the university and providing a safe and healthy work environment for university employees. Assuring compliance with regulations will continue to support the reputation, positive culture, and fiscal soundness of UWRF. The task force could assist this area by providing the proper tools, training and mentoring to effectively carryout compliance responsibilities.