

THE
CATHOLIC UNIVERSITY
of AMERICA



COMPLIANCE AND ETHICS PROGRAM

Measuring Our Progress

*Five Year Report to the Campus Community on Compliance
at The Catholic University of America*



INTRODUCTION

“Even Ethical People Don’t Know What They Don’t Know”

The purpose of this report is to communicate to the entire campus community:

1. The purpose of the University’s *Compliance and Ethics Program*,
2. Where the Program fits within the University structure,
3. What resources the program offers to help our University community do the right thing, and
4. What the program has achieved over the past 5 years.

If you have questions about the University’s Compliance and Ethics Program or about the contents of this report, you should contact the University’s Chief Ethics and Compliance Officer.



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PURPOSE OF THE *COMPLIANCE AND ETHICS PROGRAM*

The University's *Compliance and Ethics Program*, described on the following pages, was established by the Board of Trustees and the senior staff in 2011 to create a centralized organizational structure that promotes a culture of ethical behavior, reduces the risk of non-compliance with laws, regulations, and University policies, and supports the University's mission. Specifically, The *Compliance and Ethics Program* is designed to:

1. Help you understand and meet your compliance requirements; and
2. Reinforce and formalize the University's ethical culture.

The Compliance and Ethics Program Charter describes the Program further, and is set forth in Appendix A.

There are literally hundreds of laws and regulations that govern the everyday activities that each of us undertakes on behalf of the University. Those laws and regulations are not always obvious, and not always easy to follow.

Some of the most highly regulated activities we engage in as a University, and that the *Compliance and Ethics Program* seeks to address, include the following:

- Accessing or sharing **information**
- Administering **benefits**, such as leave
- Administering and overseeing **payroll**
- Engaging in **sponsored research**
- Engaging in **international activities**
- Entering into **contracts** and agreements
- Dealing with **students in distress**
- **Disposing** of equipment or documents
- **Hiring** staff and faculty employees (including students)
- Promoting **equal opportunity** and **non-discrimination**
- **Protecting** the campus community
- Protecting **sensitive information**
- **Purchasing** goods and services

ROLE OF THE CHIEF ETHICS AND COMPLIANCE OFFICER

One of the most important resources the University's *Compliance and Ethics Program* offers you is the Chief Ethics and Compliance Officer, who reports to the Office of the President and to the Audit Committee of the Board of Trustees. The Chief Ethics and Compliance Officer serves the following functions:

- **Independently reviews** your compliance concerns to make sure they are appropriately evaluated and investigated, and are resolved consistently;
- Provides **strategic guidance** for new projects and initiatives so they comply with laws and regulations, and **facilitates** implementing compliant processes;
- Oversees the **development and revision** of University policies, and communicates those policies to the campus community;
- **Trains** the University community about common compliance risks and how to avoid them;
- Works directly with the President, Vice Presidents, Deans, Associate Vice Presidents, the General Counsel, and Internal Audit in **evaluating and addressing** compliance issues and risks;
- Serves as a **Clearinghouse** so that members of the University community obtain the information they need to act appropriately and in compliance with laws and regulations.

All members of the University community should feel free to contact the Chief Ethics and Compliance Officer directly for guidance or to report concerns.

The Chief Ethics and Compliance Officer is responsible for implementing and managing all aspects of the *Compliance and Ethics Program*, summarized on the following pages.

ELEMENTS OF THE *COMPLIANCE AND ETHICS PROGRAM*

The *Compliance and Ethics Program* consists of the following elements, each of which is a resource for you to use in your daily activities on behalf of the University:

1. The University **Code of Conduct** sets institutional expectations for employee behavior. As such, it serves as the foundation of the *Compliance and Ethics Program*. It sets forth the basic ethical commitments that we all must follow when acting on behalf of the University. We all must be familiar with the Code. The Code is available on the policy website, discussed below, and a copy is included at the end of this document.
2. University **Policies** (<http://policies.cua.edu/default.cfm>) tell us the rules and procedures for activities or transactions such as occupational safety, hiring, purchasing, research, information security, and environmental safety. Policies also provide rules and procedures for equal opportunity, accommodations for disabilities, avoiding conflicts of interest, maintaining academic integrity, and protecting copyrighted material.
3. University **Training** provides specific guidance for meeting compliance responsibilities in specific areas. The University has four online training modules, all available at <http://training.cua.edu/generaltraining.cfm> that all employees must complete every two years:
 - Compliance Awareness Training
 - Privacy and Information Security Training
 - Family Educational Rights and Privacy Act (FERPA) Training
 - Harassment Prevention Training

Training regarding sexual violence is provided in-person to all full-time faculty members, and to employees likely to receive reports of sexual violation. In-person training is provided by the University's Title IX Coordinator (Frank Vinik, Title IX Coordinator, Leahy 170, tel. 202-319-4177, titleix-coord@cua.edu)

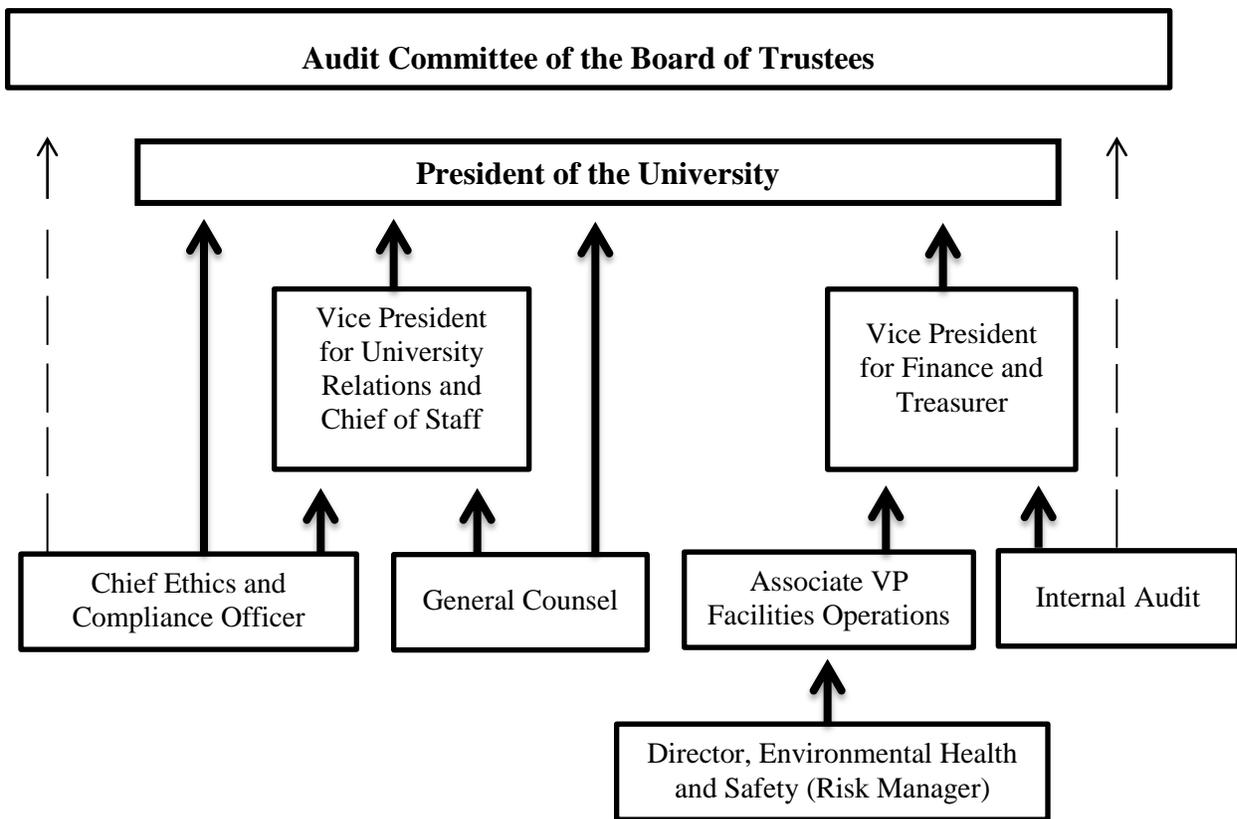
4. **Online resources** to help you find summaries of laws you need to follow. Members of the University community should consult the Office of the General Counsel for interpretation of laws and regulations:
 - *Compliance Partner* websites (organized by responsible employee)
<http://compliance.cua.edu/complianceindex.cfm>
 - The *Campus Legal Information Clearinghouse* (organized by law)
<http://counsel.cua.edu/>
5. The ***Compliance and Ethics Helpline*** for reporting suspected violations of laws or policies. The *Helpline* is administered by a third party vendor (not the University) and is available 24 hours a day, 7 days a week online (www.thecatholicuniversityofamerica.ethicspoint.com) or by telephone (tel. 855-350-9396, toll free). All reports made through the *Helpline* may be made **anonymously** if you wish.

All reports, whether submitted through the Helpline or through normal administrative channels, can be submitted free from fear of retribution per the University's Non-Retaliation Policy (<http://policies.cua.edu/governance/nonretaliation.cfm>).

Note that reports of crimes or sexual violence should not be reported through the *Compliance and Ethics Helpline*. Such reports should be made to the Department of Public Safety or the Title IX Coordinator.

COMPLIANCE IN THE UNIVERSITY’S OVERALL GOVERNANCE, RISK MANAGEMENT AND COMPLIANCE STRUCTURE

The diagram below demonstrates the University’s overall governance, risk management and compliance structure, and illustrates several key partners within that structure. The diagram illustrates that the Chief Ethics and Compliance Officer and the General Counsel report to the VP for University Relations and Chief of Staff and to the University President, and that the Chief Ethics and Compliance Officer also reports to the Audit Committee of the Board of Trustees. The diagram also illustrates that the University’s Internal Audit function (outsourced to Baker Tilly), reports to the VP for Finance and Treasurer and to the Audit Committee of the Board of Trustees. This structure is in place so that the Board of Trustees receives important information about important risks and how the University is addressing those risks.



The above diagram illustrates the administrative and governance reporting lines for the compliance, counsel, audit and risk management functions. These four units coordinate in conducting investigations, reviewing risk areas, and implementing process improvements to reduce risks. These groups coordinate and communicate across the institution to promote a more consistent, strategic, and efficient approach to all risks, whether those risks be regulatory, legal, financial, operational, or reputational.

Other key compliance partners in this process include the Chief Human Resources Officer, the Chief Information Officer, the Equal Opportunity Officer, the Title IX Coordinator, the Information Security Officer, and the Associate Vice Presidents for Finance and for Strategic Sourcing/Business Services.

COMPLIANCE AND ETHICS PROGRAM – 5 YEAR STATUS

New and Significantly-Revised Policies

In 2014, the University's **Code of Conduct**, which appears at the end of this report, was revised significantly and approved by the Board of Trustees. All staff and faculty employees should be familiar with the Code.

In addition, over the past 5 years, the University has adopted or revised over 75 policies, including the following significant policies:

1. Access Control
2. Anti-Bribery
3. Background Investigations
4. Code of Student Conduct
5. Conflicts of Interest for Staff and Faculty
6. Conflicts of Interest for Researchers
7. Conflicts of Interest for Staff and Faculty Employees
8. Credit Card Acceptance
9. Crime Reporting and Response
10. Disability Accommodations for Students
11. Distance Education
12. Emergency Preparedness and Response
13. Equity in Athletics
14. Export Control
15. Information Security and Assurance
16. Laboratory Safety and Security
17. Non-Discrimination/Equal Opportunity
18. Non-Retaliation
19. Pets
20. Recording Classroom Lectures
21. Service Animals
22. Sexual Offenses (student)
23. Sexual Offenses (staff and faculty)
24. Sick and Safe Leave
25. Sponsored Award Management
26. Subrecipient Monitoring
27. Transfer of Credit

Policy Usage

Usage of the University **Policy Website** has increased significantly over the last five years, as set forth in the policy website usage statistics below.

Fiscal Year 2016

(Through March 7, 2016)

Number of Users	Number of Visits
41,691	56,684

Fiscal Year 2015

Number of Users	Number of Visits
45,476	62,376

Fiscal Year 2014

Number of Users	Number of Visits
40,667	55,488

Fiscal Year 2013

Number of Users	Number of Visits
38,325	53,911

Fiscal Year 2012

Number of Users	Number of Visits
34,174	50,194

Compliance Reports and Inquiries

Below are statistics on the types of **potential compliance matters** submitted to the *Compliance and Ethics Program* over the past five years and the number of **requests for guidance**. Note that submission of a compliance report does not mean that non-compliance actually occurred in that instance.

Allegation Type	% of Total Reports
Academic Affairs Matters	3
Academic Misconduct	3
Bias Incidents	1
Concern (reports for which no other allegation type is applicable)	5
Conflict of Interest; Nepotism	17
Data Privacy; Disclosure of Confidential Information; Information Technology Matters	54
Discrimination; Harassment; EEOC/ADA Matters	34
Donor Stewardship	2
Employee Misconduct; Human Resource Matters	35
Environmental and Occupational Health and Safety Matters	13
Fraud; Embezzlement; Theft; Abuse; Waste of Resources	9
Improper Giving or Gifts	1
Inquiry (requests for guidance)	213
Not Following Policy or Process	40
Offensive or Inappropriate Communication	7
Tax and Financial Matters	19
Research Grant Misconduct; Improper Award Costing; Scientific Misconduct	6
Retaliation/Retribution	1
Violence or Threat	2
Total	465

All potential compliance matters reported are investigated by the Chief Ethics and Compliance Officer in coordination with relevant managers for the area in question.

University employees were found compliant in approximately 53% of the cases investigated. Of the approximately 47% of the cases where non-compliance was found, less than 2% of those matters involved significant non-compliance (e.g. significant waste of University assets, significant conflicts of interest, significant violations of academic integrity, etc.)

In all matters where non-compliance was determined to have occurred, corrective action was taken in the form of measures such as formal counseling, mandatory re-training, and removal of procurement card privileges. In cases where non-compliance was significant, corrective actions included suspension of financial authority, removal of supervisory authority, reduction in salary, and institution of termination proceedings.

This data shows that, increasingly over the past five years, members of the University community not only are bringing forward concerns about potential non-compliance, but increasingly are seeking guidance regarding compliance implications in advance of engaging in University activities or transactions that may have compliance risk. Only 8% of the reports were made anonymously through the *Helpline*.

Compliance Monitoring Initiatives

Each year the *Compliance and Ethics Program* assesses regulatory risks facing the University. These risk assessments cover laws in six areas of University operations:

- Employment
- Environmental and occupational health and safety
- Privacy and information security
- Research conduct
- Student matters
- Tax and finance

In addition, The *Compliance and Ethics Program* conducts reviews of specific risk areas. These reviews are coordinated with Internal Audit, the Office of General Counsel, and the University's Risk Manager. Some of the coordinated reviews that have been undertaken over the last five years include the following:

- Camps and conferences
- Export controls
- Minors on campus
- Sexual violence
- Student Exchange Visitor Information System (SEVIS) requirements
- The Americans with Disabilities Act
- The Foreign Corrupt Practices Act
- The Office of Management and Budget revised Uniform Guidance
- The Public Health Service regulations regarding conflicts of interest

Compliance Improvements Implemented

Some of the improvements implemented as a result of the foregoing reviews include:

- Development of an Anti-Bribery Policy
- Development of a Service Animals Policy and a Pet Policy
- Expansion of policies key aspects of sponsored award management
- Enhanced conflicts of interest review and management procedures
- A conflict of interest training tutorial
- Enhanced confidentiality provisions in contract documents
- Improved procedures for departmental cash reconciliations and handling of sensitive information
- Metrics to measure environmental and occupational safety practices
- Privacy and Information Security Training
- Record retention and destruction schedules for departments
- Quick reference guides at compliance.cua.edu for common activities such as applying for family leave, hiring staff, protecting confidential information, purchasing, and reporting crimes

If you are aware of a risk to the University that could affect its operations, finances, or reputation, or that could result in liability to the University, please bring it to the attention of the Chief Ethics and Compliance Officer at tel. 202-319-6170 or CUA-COMPLIANCE@CUA.EDU.

APPENDIX A



THE CATHOLIC UNIVERSITY OF AMERICA

Compliance and Ethics Program

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COMPLIANCE AND ETHICS PROGRAM CHARTER

The mission of the University's *Compliance and Ethics Program* is to establish and maintain a centralized organizational structure that promotes a culture of ethical behavior, reduces the risk of non-compliance with laws, regulations, and University policies, and supports the University's mission. The University's Compliance Officer is responsible for the vision and execution of the *Compliance and Ethics Program* and will:

- Establish an Executive Compliance Committee consisting of senior officials that will provide regular guidance and input on the implementation of the *Compliance and Ethics Program*.
- Establish an Enterprise Risk Management Committee to coordinate the ongoing entity-wide assessment of all aspects of the risk environment and in the implementation of initiatives to mitigate risk.
- Assist compliance partners across the University in understanding and fulfilling their compliance responsibilities.
- Communicate and promote the University's Code of Conduct to the University community.
- Coordinate the development, review, and approval of University policies and communicate and promote those policies to the University community.
- Establish a mechanism for the University community to report compliance concerns anonymously and free from fear of retaliation. Establish a formal process for reviewing reports of potential non-compliance, overseeing corrective action for instances of non-compliance, and documenting outcomes.
- Implement a Compliance Awareness Training program to communicate key compliance risks to the University community, and to communicate and promote the *Compliance and Ethics Program* resources available to assist members of the University community in addressing those risks.
- Establish ongoing monitoring activities to identify emerging compliance risks, assess the effectiveness of controls to prevent and detect non-compliance, coordinate implementation of new controls and mitigations, and measure the effectiveness of the *Compliance and Ethics Program*.

The Compliance Officer reports to the Office of the President and to the Audit Committee of the Board of Trustees regarding the status of the *Compliance and Ethics Program* and ongoing compliance issues and initiatives.

APPENDIX B



UNIVERSITY CODE OF CONDUCT

As the national university of the Catholic Church in the United States, The Catholic University of America is committed to being a comprehensive Catholic institution faithful to the teachings of Jesus Christ as handed on by the Church. Faithful to the University's *Catholic Intellectual Tradition and Mission* (<http://www.cua.edu/catholic-identity/catholic-intellectual-tradition.cfm>) the University has unique responsibilities to be of service to Christian thought and education in the Catholic community, to promote Catholic social teaching, and to serve the nation and the world.

Regardless of our religious affiliation, each of us must honor the University's mission and adhere to the commitments set forth in this Code of Conduct, which forms the foundation for the University's *Compliance and Ethics Program* (<http://compliance.cua.edu/>). This Code of Conduct applies to all staff and faculty, student employees, and vendors and contractors acting on behalf of the University.

Our Commitment to the University and the Community

The University's distinctive character and its ability to meet its responsibilities to Church and nation depend upon the decisions we make as members of the University community. Accordingly we must:

- Discharge our duties in good faith and in a manner that will advance the University's values and mission, safeguard its human, financial and physical resources, and protect its academic and research reputations;
- Take individual responsibility and be accountable for our own actions;
- Be stewards for the property and resources entrusted to us and protect them against theft or misuse;
- Protect the privacy of students, employees, donors and others who entrust confidential, privileged, or proprietary information to us, and use such information only for the purposes for which access was provided;
- Ensure all documents prepared or used in furtherance of University operations are accurate and complete;
- Avoid even the appearance of impropriety and exercise care so that our personal relationships and interests do not result in situations that conflict with the University's interest or interfere with our objective judgment;

- Act honestly, fairly, and courteously at all times towards students, parents, advisees, colleagues and members of the greater community;
- Promote a culture of equality, inclusiveness and diversity free from unlawful discrimination; and
- Refrain from abusing the authority entrusted to us or harassing others.

Our Commitment to Following Applicable Laws and Standards

We each must comply with all laws and policies pertaining to our positions and activities. The University has developed catalogues of laws organized by subject area and Responsible Official to assist us in meeting this obligation. These catalogues are set forth in the *Campus Legal Information Clearinghouse* (<http://counsel.cua.edu/>) and on the *Compliance Partner websites* (<http://compliance.cua.edu/complianceindex.cfm>).

All University-wide policies are published on the *University Policy Website* (<http://policies.cua.edu/default.cfm>). Questions about the application of policies can be directed to the Responsible Official listed in the policy or to the Compliance and Privacy Officer (tel. 202-319-6170, CUA-COMPLIANCE@CUA.EDU).

If situations arise where a specific law or University policy does not govern, we should seek guidance from our supervisor, from a University Official who has responsibility for the area in question, or from the Compliance and Privacy Officer (tel. 202-319-6170, CUA-COMPLIANCE@CUA.EDU) or the Office of General Counsel (tel. 202-319-5142).

Our Commitment to Report Unethical Conduct

We are all responsible for bringing suspected unethical conduct to the attention of University officials when we have a good faith belief that the conduct has occurred. Ethical misconduct means non-compliance with a law, University policy, the Code of Conduct, or other standard or requirement applicable to the University.

All inquiries, and all good faith reports of suspected non-compliance regardless of whether they are substantiated and regardless of the method of reporting, can be made free from fear of retaliation per the University's *Non-Retaliation Policy* (<http://policies.cua.edu/governance/nonretaliation.cfm>).

Matters that must be reported include, but are not limited to:

- Theft, fraud, or other financial irregularity;
- Misuse of University resources;
- Misuse of grant funds;
- Activities undertaken for personal benefit or the benefit of family or friends at the expense of the University (conflicts of interest);
- Unlawful discrimination; or
- Crimes of violence.

Wherever possible, we should report our concerns by talking with our supervisor or a University official who has responsibility for the area of concern, or by contacting the Compliance and Privacy Officer (tel. 202-319-

6170, CUA-COMPLIANCE@CUA.EDU) who will respond promptly and confidentially to the extent possible by law. Concerns also may be raised anonymously using the University's *Compliance and Ethics Helpline* (toll free at tel. **855-350-9396** or online at <https://secure.ethicspoint.com/domain/media/en/gui/31756/index.html>).

The University will investigate all reports of suspected non-compliance, regardless of source, and implement corrective action or disciplinary action when necessary. We are all responsible for cooperating with investigations.

Approved by the Board of Trustees December 16, 2014

[Additional History](#)