UNIVERSITY OF CALIFORNIA
Ethics & Compliance Program

Sheryl Vacca
SVP/Chief Compliance and Audit Officer
Office of Ethics, Compliance and Audit Services (ECAS)
Objectives

• Learn why and how the UC Ethics and Compliance Program was established
• Understand how Business Officers fit into the Program
Why Establish a University Ethics and Compliance Program?

• Good business practice
• Industry benchmarks
• Enhance the public trust
• Effective program aids in preventing compliance risks
• Efficiencies in processes and communication
• Meet expectations of external constituents, i.e., funding sources
• Effective programs are recognized by regulatory agencies in culpability scores which reduces and/or prevents civil and/or criminal enforcement
• Meet Regental expectations
Compliance Matters Impacting the University of California
And Relevant Regulatory Bodies*

*Including but not limited to the agencies listed

USDA  CLIA  HIPAA  FERPA  Patriot Act  IRS  SEVIS

HHS  OHRP  Cleary Act  GLBA  PCIDSS  ADA

EAR  OMB  ITAR  OIG  CMS  EPA  DOT

FPPC  DMCA  FDA  OSHA  OIG  CMS  EPA  DOT

DOJ  IRS  DOL  FEMLA  EEO  NCAA

ITAR  EAR  OHRP  OIG  DOT

*Including but not limited to the agencies listed
The Seven Elements of an Effective Compliance Program*

- Compliance Officer reporting to highest level of leadership
- Involvement and oversight of the governing board, executive leadership and management in the compliance function
- Clear standards of conduct and compliance policies and procedures
- Appropriate education and training, communication
- Monitoring, auditing and reporting of non-compliance
- Corrective/remedial action for non-compliant behavior
- Appropriately responding and preventing further non-compliance

*based on the Federal Sentencing Guidelines across industry and nationwide
Mission Statement

The UC Ethics and Compliance Program enhances the University’s duty to perform its public responsibilities in an ethics and compliance-based environment where applicable laws, rules and regulations are followed and in which the public trust is maintained.
UC Ethics and Compliance Program: Communication Model

The University of California

**UC Ethics & Compliance Risk Council**
(co-chaired by President and SVP/Chief Compliance Officer)

**Campus Ethics & Compliance Risk Committee**
(co-chaired by EVC and CECO)

**Campus Ethics & Compliance Officer (CECO)**
(Vice Chancellor or above level)

**Employee Training**
**Reporting**
**Monitoring & Auditing**

**Policies & Procedures**
**Corrective Action**

*Membership to include representation from academic senate and administrative leaders of compliance risk areas; “campus” refers to UC locations including LBNL, UCOP and ANR

*Academic Medical Centers are included in “campus” definition
Office of Audit Services, which pre-existed, was combined with the new Regental office of Ethics and Compliance in October, 2007
  - Sheryl Vacca appointed Chief Compliance and Audit Officer
  - Regental resolution and approval of Ethics and Compliance Program and Structure in July, 2008
  - Provides structure of accountability and transparency around compliance and audit
    - Facilitates system-wide ethics, compliance and audit
    - Provides assurance to the President and the Regents that mechanisms are in place to appropriately manage business controls and minimize compliance and audit related risks
The Office of Ethics and Compliance

- Facilitates system-wide compliance with applicable laws, regulations and policies.
- Assures compliance infrastructure is in place to address and mitigate risk priorities.
- Oversees comprehensive reporting mechanisms which allow employees to report suspected violations of UC policies or regulatory obligations.
- HS Compliance Officers report through a dotted line relationship to SVP/CCAO.
- Campus Compliance and Ethics Officers have a functional dotted line relationship to SVP/CCAO with respect to campus compliance.
- Oversees the policy-making process in all areas for which the President has authority.
- Reports high priority and sensitive compliance and/or audit matters to Senior Leadership and Regents; and tracks matters to completion.
The University of California

**Business Officer Institute**

### Research Compliance
- Detection and prevention of non-compliance
- Training for export control, international research
- Monitoring of IRB, export control, Contract & Grants compliance
- Convene Research Compliance Advisory Committee and the Animal Care & Use Committee

### General & Health Sciences Compliance
- Coordinate with CECOs and HSCOs
- Facilitate and support locations in assuring compliance with laws, regulations and policies
- Sharing of best practices
- Focus areas include:
  - Compliance program development and oversight
  - Education and training
  - Monitoring and auditing

### Investigations
- Coordinate, track, manage and conduct investigations at OP and system-wide
- Assist system-wide LDOs in implementing UC Whistleblower Policy
- Review and assess compliance with whistleblower laws
- Provide system-wide training and education

### Human Resources Compliance
- Coordinate with Chief Human Resource Officers (CHRO Compliance Committee) and CECOs
- Monitor compliance with UC policy and state and federal law
- Monitor compliance with UC Group Insurance Regulations and UCRP regulations
- Provide system-wide support to AA/EEO Compliance

### Policy
- Coordinate the University-wide administrative policy making process
- Continuously improve policy to support transparency of University actions
- Apply available technologies to make policies easier to use and find
- Leverage administrative policy process to support strategic goals

### Information Security and Privacy
- System-wide HIPAA Privacy and Security
- Co-lead the President’s Privacy and Information Security Steering Committee
- Coordinate with IT on security matters (w/ IR&C)
- Track and report data breaches to SMGs
ECS Leads Efforts in Identifying and Mitigating Key Areas of Potential Risk*

- Campus Safety and Acts of Intolerance
- Gov’t Funds Reporting
- Research Compliance
- Data Privacy & Security
- Culture of Ethics & Compliance
- Health Care Reform


*These key areas were consolidated from priorities identified from risk assessment process completed in last fiscal year
UC Office of Ethics, Compliance and Audit Services

- Facilitation of Compliance-Related Information
- Identification of Compliance Education Needs
- Areas of Focus:
  - General Compliance (Infrastructure & Communication)
  - Research Compliance
  - Health Care Compliance
  - Investigations
  - Audit
How Do Business Officers Fit Into The Ethics and Compliance Program?
Compliance Matters Impacting the Business Officer*

- Federal and State Laws
  - Contracts & Grants
    - Cost Accounting/Transfers
    - Effort Reporting
    - Grant Closeout
    - Fiscal Management
  - Research
    - Radiation Use
    - Stem Cells
    - Publications
    - Human & Animal Research Protection
    - MTAs/IP Licensing
    - COI/COC
- University Policy
  - Human Resources
    - Recruitment
    - Compensation
    - Sexual Harassment
    - Discrimination
  - Business Operations
    - Purchasing
    - Space Allocation
    - Dept/Unit Financial Management
- Federal and State Regulations
  - University Guidance

*Not all inclusive
UC Ethics and Compliance Program:
Communication Model for the Business Officer

The Regents

President’s Compliance and Audit Committee

Campus Ethics & Compliance Risk Committee

Vice Chancellor
Chair/Dean of Dept
Exec Dir of Unit
Supervisor

Business Officer

Anonymous Compliance Hotline

Ethics, Compliance and Audit Services
Questions?

Please feel free to contact me at: Sheryl.vacca@ucop.edu or 510-987-9090