VCU

Integrity and Compliance
Board of Visitors
Annual Report

FY2019

Table of Contents

Introduction and the Year-in-Review

Welcome to the Annual Report of VCU's Integrity and Compliance Efforts for fiscal year (FY) 2019. Since the creation of this report in 2012, the goal has been to provide information to the Board and broader university community related to the impact of VCU's Ethics and Compliance Program. Building on a solid foundation, the program is modeled and supported by various regulatory drivers, industry best practices, and, at its core, rooted in the minimal requirements of the Federal Sentencing Guidelines (FSG). Benefitting from the work of a well-established and trusted compliance partner network along with Presidential and Board level support, the program is available to all and helps inform decision making. Highlights herein showcase universitywide integrity and compliance activities and outcomes geared toward maintaining a community prepared to live our values and, when necessary, identify, call out or report suspected wrongdoing and appropriately address misconduct when substantiated.

The purpose of this report is two-fold.

- To support the Board in fulfilling its obligation as the university's governing authority by providing the information needed on aspects of the university's integrity and compliance activities. This charge comes from widely accepted governance practices and more directly from the Federal Sentencing Guidelines and is addressed with the following language, **"[The] Governing authority shall be knowledgeable of and exercise reasonable oversight with respect to the implementation and effectiveness of the ethics and compliance program"**.

- To assist with awareness and transparency throughout the university related to ethics and compliance matters. By this report collecting and analyzing the prior year's activities and outcomes, management is provided with relevant and timely information that assist with defining and measuring our culture.

These activities and outcomes are reported on because it is important to transparently share the information established from collected data. This report serves as a supplement to the established quarterly Board reporting occurring throughout the year. This permits and thereby promotes more discussion time during Board meetings -- as is also expected by the FSG:

> *The organization shall take reasonable steps to communicate periodically and in a practical manner its standards and procedures, and other aspects of the ethics and compliance program, to the individuals referred to in a subparagraph (B) [the governing authority] by conducting effective training programs and otherwise disseminating information appropriate to such individuals' respective roles and responsibilities.*

Current Landscape and Industry Trends

This year, the ethics and compliance profession remained active both in the regulatory compliance space and the ethical treatment of individuals arena. The industry had much to examine through the federal government's activities and changes, increased attention on Department of Justice's expectations for

effective programs, and in multiple publications recognizing the ethics and compliance function as central to business strategy.

Across industries, increased attention on risks associated with third parties and information and cyber security (massive data breaches and malware attacks); increased public momentum and interest in reporting or raising concerns relating to inappropriate behavior; failing to conduct affairs with expected transparency; and subsequent scrutiny of responses once problems were known all reigned supreme over 2018-19. Responses and investigation-related interests are no doubt attributable to the national landscape and media coverage of several high profile events. From privacy of personal information in the social media space to delayed, insufficient or clandestine investigative actions and reports, ethics-related concerns remained in the main stream spotlight year round.

Focusing on building (or preserving) a respectful workplace dominated professional association training offerings, publications and messaging while also covering civility and its place in workspaces. In fact, research has shown that in comparison to the world's turmoil, employees now see their workspaces as civil respites. Additionally, and in great news for VCU in particular, the more diverse a workspace is, the more civil it tends to be. Research from the 2018 "Civility in America: At Work and In Our Public Squares" from Weber Shandwick, et.al..

Major data breaches continued at their usual frequent pace invoking cyber security, information ethics and other privacy-related concerns. More than 5 universities over this fiscal year reporting major data breaches, not all of whom were medical center affiliated. VCU's breaches increased in reporting due to intentional awareness efforts but remained steady in reporting qualified cases to Health and Human Services' Office of Civil of Civil Rights.

In particular to higher education, reporting and response around high profile unethical admissions practices, faulty campus leaders and relationship transparency – especially the U.S. government's interest in dealings with non-U.S. individuals and entities – also known as fruitful ground for potential conflicts of interest and commitment, all steadily remained in the headlines. Scrutiny from federal government's interest in improper foreign influence affords companies and universities, by way of Title IV funding conditions, alike the opportunity to assess commitments to relationship transparency and international activities. Efforts to update resources and bring awareness to this issue took place this year through a values and compliance focused group discussing all dynamics of this topic and maintaining VCU's global approach to supporting academic freedom.

In April, the Department of Justice released additional guidance related to evaluation considerations for ethics and compliance programs. This reinvigorated interest brought front and center in 2017 when DOJ released their *Evaluation of Corporate Compliance Programs* which highlighted considerations for establishing effectiveness. The 2019 additions focused on:

- autonomy and resources – specifically structure
- commitment by senior and middle management and what is tolerated, encouraged and impeded
- what persists in competing interests
- access and enforcement of policies, includes changes base on lessons learned
- risk tailored resource allocation
- form, content and effectiveness of training
- investigation process and response, includes qualifications to address, duration and monitoring, resources and tracking of results
- consistent use of incentives and disciplinary measures

- use of internal audit
- measuring the culture
- third party management, including tracking those screened out or terminated

all of which are solid considerations for meeting the expectations of an effective program. This was good timing for VCU as the third party review of the ethics and compliance program's effectiveness review had just concluded and offered additional information for comparisons. See the **Effectiveness Review and Effectiveness Statement sections** in this report as well as the **full report from Ethisphere**.

Closer to Home: Inside VCU

However, even with the increased attention on the national scale and the varied regulatory compliance requirements, and uncontrollable external influences, VCU's Culture Survey outputs and the conclusions drawn from the Reported Concerns Data remain steady and positive. VCU continues to assess and improve practices for a stronger values based culture of ethics and compliance.

The inaugural program design and effectiveness review concluded with overwhelmingly positive results, especially considering allocation of available resources. VCU's ethics and compliance program compares favorably to the 2018 world's most ethical companies honorees in the following categories:

- Board reporting and strong Board interactions
- Board member involvement with personnel matters of the position with overall responsibility of the program, the Executive Director for Audit and Compliance Services (includes hiring, evaluation, compensation and termination)
- Time devotion (100%) to position for person in oversight role for the program, University Chief Ethics and Compliance Officer
- Coverage of topics regularly discussed in internal ethics and compliance committee meetings
- Culture Assessment: All employees are surveyed and sufficiency of topics covered
- Policy distribution and coverage by risk topic
- Maintaining a documented ethics and compliance plan
- Making reporting metrics broadly available

An assessment of all required policies and training, needs around interest disclosure and collaborative activities and practices, preparations for the upcoming Commission on Colleges of the Southern Association of Colleges and Schools 5th year review, shifting the affirmative action plan approach and improving web accessibility required much effort on the part of compliance partners this year.

After an assessment of data points, VCU has a few all time record highs supporting the following statements:

- completion rate for required trainings of all employees – at 90% overall and 99% for core employees (sans part time and student workers)
- over 400 reported concerns and, more often than not, reported directly to the appropriate office with expertise, or if through the Helpline were re-routed within 1 business day almost 100% of the time
- the substantiation rate is at an all-time high at 66% for substantiated and at 72% when including partially substantiated outcomes

- the anonymity rate when reporting misconduct remains consistently low compared to industry peers and this year was a record low for VCU at 10% of reporters remaining anonymous
- all conflicts of interest inquiries were in a proactive capacity seeking permission to move ahead with transactions

These new records demonstrate continuing a strongly positive status and improvement within VCU's already existing Speak-Up-Listen-Up culture. This is further supported by the details in the **Reported Concerns Analytics and Benchmarks** section that support a narrative of effective training. Training is an opportunity to bring clarity for VCU's expectations and enhance accuracy in issue spotting. These outcomes may also indicate increased trust in VCU's approach to organizational justice, specifically the areas of interactional and procedural justice.

These are the selected highlights for a year in review, it is not practically feasible to cover all contributions and accomplishments in an introduction or within a single report. The remainder of this report covers more detail as to specific topics and impacts on VCU for FY19. Please share comments or questions with the Executive Director of Audit and Compliance Services, or the University's Chief Ethics and Compliance Officer, or ucompliance@vcu.edu .

Reported Concerns Analytics and Benchmarks

Overall, the number of reports to, and utilization of, all trusted advisors continues to increase steadily. The university's ethics and compliance partners received and managed 416 reports; an increase of 14% over FY 2018. Time to reach final outcome improved across units and at the close of the fiscal year, only 37 reported concerns remained open; a decrease of 38% from 60 open cases in FY2018. The time to reach final outcome for pending matters will continue to receive more frequent monitoring and root cause analysis to understand and mitigate excessive delay in resolution.

Breakdown of Reports to All Trusted Advisors Based on Independence

Fiscal Year	FY2016	FY2017	FY2018	FY2019
Reports to Independent Option – *ICO*	91	81	62	84
Reports to Independent Option – *Internal Audit*	24	7	11	6
Reports to Management Option – *Compliance Partners*	192	185	292	326
Total Reports	307	273	365	416
% Reported to *Audit and Compliance Services – independent Option*	37%	32%	20%	22%

Reported Concerns

416 Total number reported concerns	↑ **14%** Universitywide From FY 2018	↑ **25%** Reports to Human Resources	↑ **36%** Reports to Integrity and Compliance

Number of Reported Concerns by Fiscal Year

- Total Reports

FY 2016: 307
FY 2017: 273
FY 2018: 365
FY 2019: 416

Reporter Anonymity

- Anonymous: 10%
- Not Anonymous: 90%

Overall Substantiation Rate

Outcome

- Unsubstantiated: 18%
- Substantiated: 66%
- Partially Substantiated: 6%
- Not Enough Information: 2%
- Other: 8%
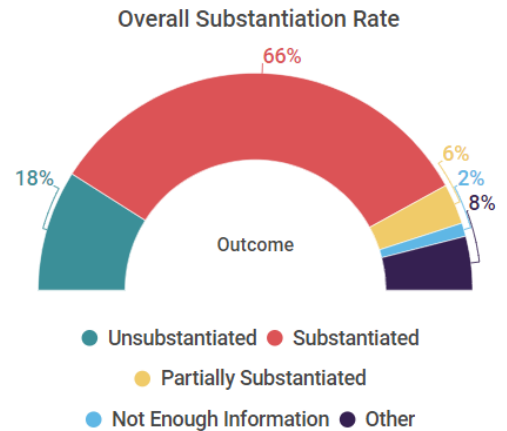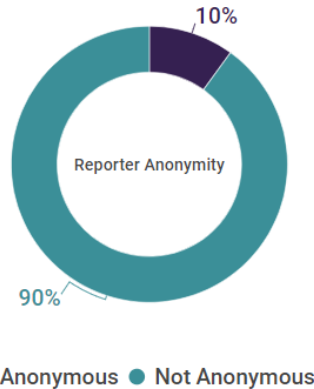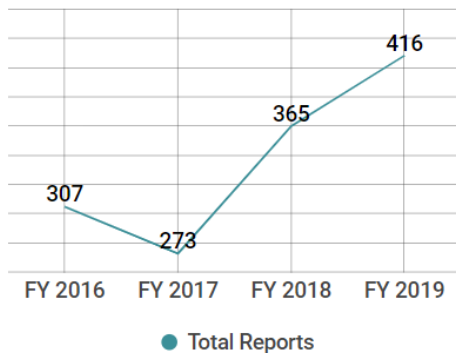
Continued increase in reports to Human Resources is likely due, in part, to enhancements in data tracking, including utilization of a universitywide issues and events management e-solution along with increased staffing. The increase in reports to the Integrity and Compliance Office is likely driven by a 43% increase in reports to the VCU Helpline which may be indicative of a decrease in employee willingness to report concerns to central offices. The 2019 *Ethical Culture and Perceptions Survey* identified that employees were less comfortable reporting concerns to their managers than in the 2017 survey. Additionally, the survey identified employees were most confident they would be protected from retaliation if reporting through the VCU Helpline.

The substantiation rate continues to rise and is at an all-time high of 72%. This rate is also significantly higher than a 2019 report on national benchmarks from an industry leading vendor *and* the previously established VCU benchmark. Higher substantiation rates may indicate employees are well informed about university expectations and are empowered to speak up when those expectations are not being met. It additionally points to effective investigative procedures.[1] There was a notable decrease in report outcomes of "Not Enough Information" and "Other." This may be attributed to a decrease in anonymous reporting which allowed compliance partners to engage with reporters and gather sufficient information in order to make a resolution determination.

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[1] Penman, Carrie; *2018 Ethics and Compliance Hotline and Incident Management Benchmark Report* Navex Global

Report Outcome

	2016	FY2017	FY2018	FY2019
Other	7%	8%	11%	7% / 2%
Not Enough Information to Proceed	12%	20%	6%	6%
Partially Substantiated	6%	5%	12%	
Substantiated	37%	35%	54%	66%
Unsubstantiated	43%	32%	17%	18%

Legend:
- Unsubstantiated
- Substantiated
- Partially Substantiated
- Not Enough Information to Proceed
- Other
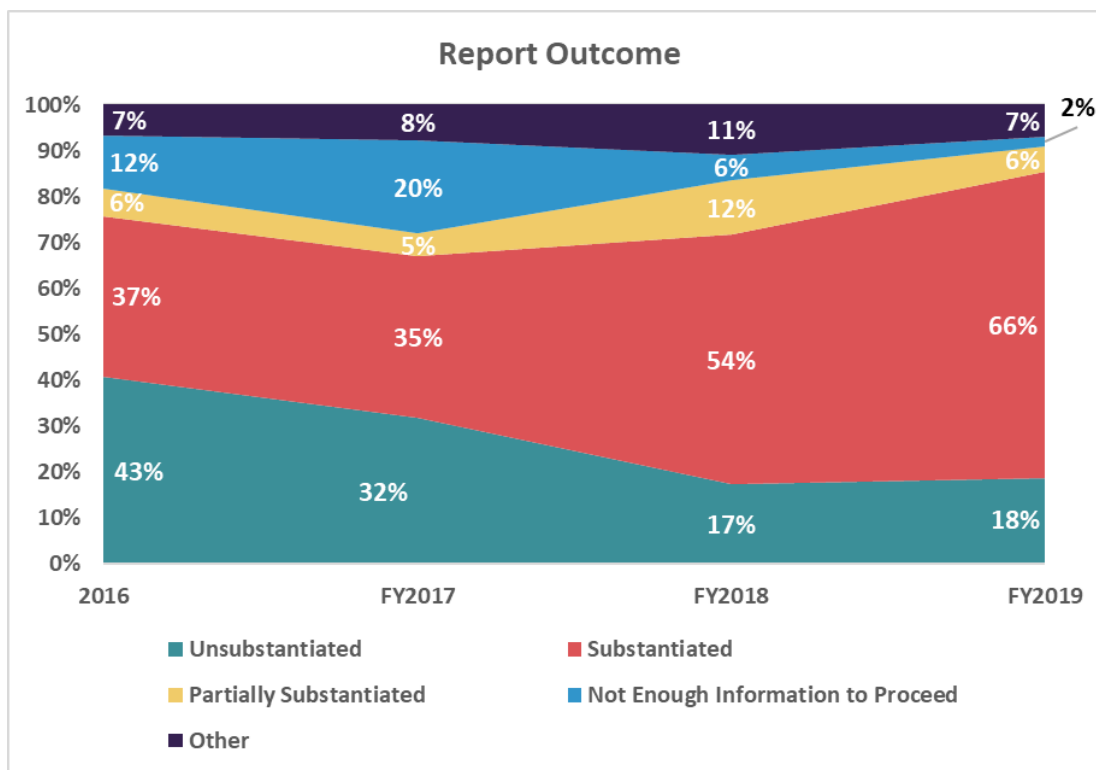
Consistent with VCU's prior data and national trends, allegations classified as Human Resource-related remain steady and represent the largest volume of these reported concerns at 68%, with a 72% substantiation rate.

Allegations classified as equity-related topics saw a substantial decline in substantiation rate from 42% in FY 2018 to 17% in FY 2019. The 17% substantiation rate is more consistent with the university benchmark of 26% and the FY 2017 substantiation rate of 14%; therefore, it is likely that the FY 2018 rate is abnormally high.

For allegations classified as financial-related, there was a substantial increase in substantiation rate to 91%, well above the university benchmark of 49%. This may be attributed to increased awareness of financial policies and procedures and increased internal process monitoring.

The university exceeded ethics and compliance industry benchmarks for per capita reports of

FY 2019 TOP 10 PRIMARY ISSUE TYPES REPORTED

Employee Relations [163]

Ethics Violation [88]

Discrimination based on Protected Class [31]

Waste, Misuse or Theft of Resources [23]

Academic Concerns [18]

Sexual Misconduct [15]

Health or Safety/Security Concerns [14]

Abuse of Power, Authority or Control [11]

NCAA Violations [11]

HIPAA Compliance [6]

concern, demonstrating a university environment that supports a speak-up culture and providing increased visibility of issues and events in order to identify patterns and practices of unethical conduct. This is additionally supported by VCU's 2019 Ethical Culture and Perceptions Assessment, wherein 79% of respondents stated they were comfortable reporting incidents or concerns of noncompliance directly to their supervisor.

Metric	2019 Navex Global Survey	VCU Internal Benchmark	FY 2019 Data
Cases per 100 employees	1.4 (Median)	2.72	3.57
Anonymous Reports	57%	17%	10%
Direct Contact Reports vs Helpline Reports	38%	78%	82%
Substantiation Rate	42%	51%	72%
Most Common Allegation Type	Human Resources – 70%	Human Resources – 64%	Human Resources – 69%
Concerns of Retaliation	1.18%	7%	3%

Benchmarking Note: Metrics collected are presented in comparison with a university benchmark for the respective metric. The university benchmark is calculated using the average from all available data from FY 2016 through FY 2018. Metrics are additionally compared to Ethics and Compliance Industry benchmarks collected and analyzed by Navex Global in the *2019 Ethics and Compliance Hotline and Incident Management Benchmark Report*. A planned enhancement for FY 2020 is to benchmark the university's data against a more current timeframe and specific educational industry peers through use of a software enhancement to the current case management electronic system.
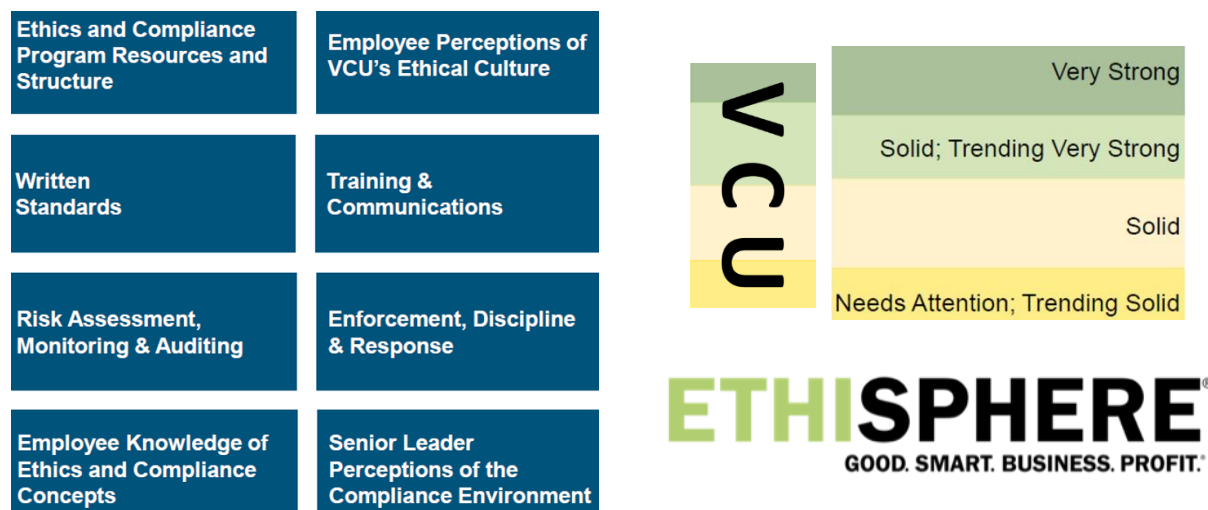
Ongoing Risk Assessment Update

Effectiveness Review

Programs unable to demonstrate effectiveness are not given full credit by the federal government during inquiries, investigations, or proactive self-reporting when misconduct is suspected or found. The goal of a program is to demonstrate effectiveness in order to receive favorable interactions or a reduction in culpability score for the organization should misconduct be found. For this reason, it is critical that programs undergo periodic assessments of program design and function.

This year involved VCU's first external review by Ethisphere, an independent third party leader in the space of assessing effectiveness of Ethics and Compliance Programs and Program Design across industries. Year's prior included self-assessments. This review concluded in March and with several accolades and areas for needed improvement, mainly in the communication and training of management

personnel and design areas, noted, the overall result was favorable. Additional details are provided in the **Year in Review: Closer to Home, Inside VCU section** and additional context for the importance placed on effectiveness in the Effectiveness Statement section. The full report is available here.

Ethics and Compliance Program Resources and Structure	**Employee Perceptions of VCU's Ethical Culture**
Written Standards	**Training & Communications**
Risk Assessment, Monitoring & Auditing	**Enforcement, Discipline & Response**
Employee Knowledge of Ethics and Compliance Concepts	**Senior Leader Perceptions of the Compliance Environment**

Very Strong
Solid; Trending Very Strong
Solid
Needs Attention; Trending Solid

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These results, response plan and progress was and continues to be reported on to the Board of Visitors in fulfilling their governance role as to the progress of the program and the organizations commitment to the support and progress of the program.

Non Routine Government Reviews

This section highlights significant government reviews conducted; the results of the reviews; and university remediation plans to prevent recurrence of any identified issues where applicable. This does not include accreditation activities. Monitoring external state or federal agency inquiry, review, investigation, or audit activities and facilitating a unified and appropriate response to external agency requests is always of high priority. No fines, debarments or resolution agreements were levied or agreed to this year.

This year, the State Department issued their findings related to a proactive inquiry centered on Exchange Visitor Programs. This onsite, multi-day. visit with regulators included employee interviews and an intensive document collection, production and review.

The regulators noted existence of both timely processing of visa transaction work and some training and communication efforts; however, notes as to screening and application documentation; other facilitations around approvals and decision making authority for involved offices leave opportunity for improvement. The enforcement of the revised *Delegated Signatory Authority* policy and the policies applicable to the Global Education Office combined with

transactional work of centralized and decentralized Human Resources personnel will align to address the regulators recommendations.

Additionally, this year required a significant effort prioritization to make accessible all public facing web content, in particular main or predominant web pages and publications, prompted by a complaint filed through the Department of Education's Office for Civil Rights. VCU was among hundreds of universities who received similar complaints and after demonstrating significant compliance progress has now received a favorable review from OCR. An electronic accessibility coordinator is now housed in Information Technology to regularly monitor efforts universitywide and to assist with demonstrating progress.

Conflict of Interest and Commitment

Relationship and transaction transparency and the issues that result from undisclosed or disclosed interests but unmanaged conflicts have always provided attention grabbing headlines in government, private sector and academia. In this age of interconnectedness, immediacy, on-demand information and expected transparency, public scrutiny remains intense alongside expectations for greater monitoring and accountability.

For this reason, a standalone Conflicts of Interest (COI) training course was developed and a web-based disclosure tool was purchased and configured with a custom questionnaire to help ensure a workplace free from unmitigated conflict, bias or improper influence. For relevancy and custom application, these projects were also informed by recent survey testing for awareness and compliance with existing policy relating to outside professional activities. Pilots of the course and disclosure tool have been conducted in accordance with the conflict review protocol and universitywide policy draft permitting best practices assessment and further refinement for the universitywide program.

12
COMPLEX COI REVIEWS

100%
PROACTIVE INQUIRIES

COI-related inquiries directed to the ICO continue to rise in complexity year over year; however, this is the first year that inquiries were *all* proactive rather than post commitment or post transaction. Individuals are looking for assessment tools, reporting forms and guidance. This shift toward permissiveness indicates that awareness and understanding of COI matters has reached a maturity point.
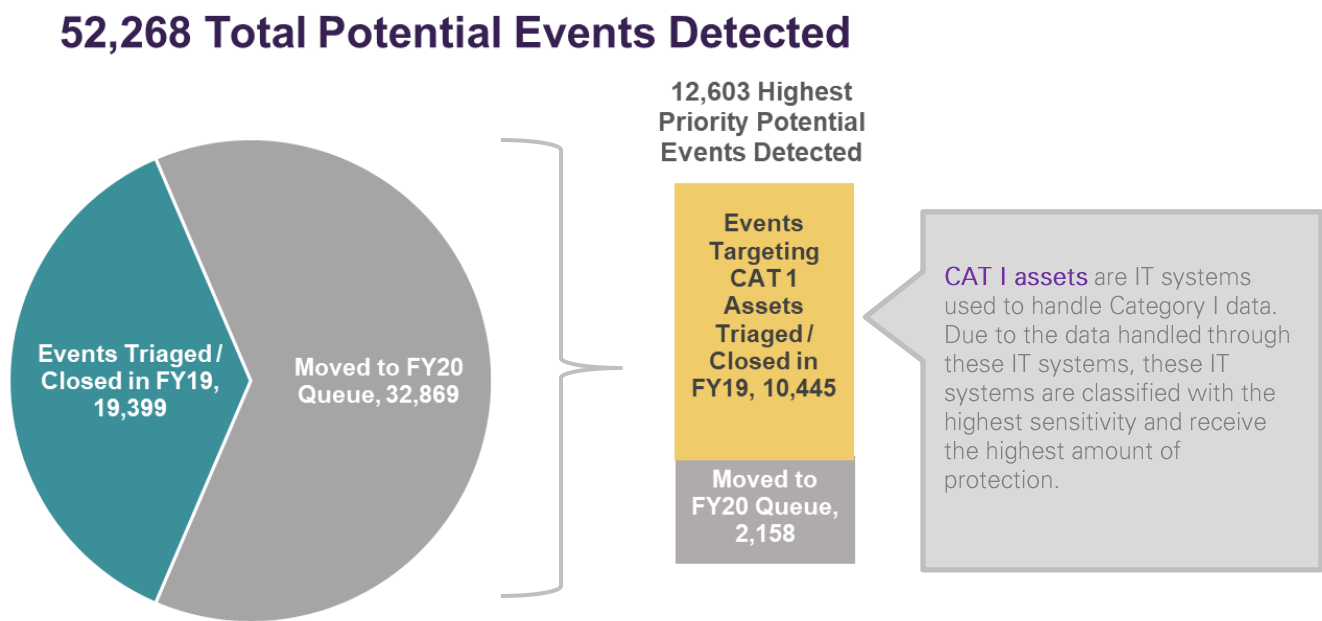
Operational units also assessing disclosures for conflict management in this space are Athletics and Research. This year, Athletics NCAA-required processes have been reconciled into the universitywide electronic solution for centralized coordination and independent oversight. Research-specific practices have been fully intact and operational by research expertise for years. This past fiscal year, matters were as expected with no atypical occurrences or notable changes.
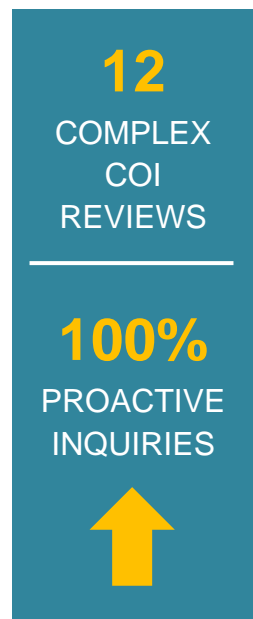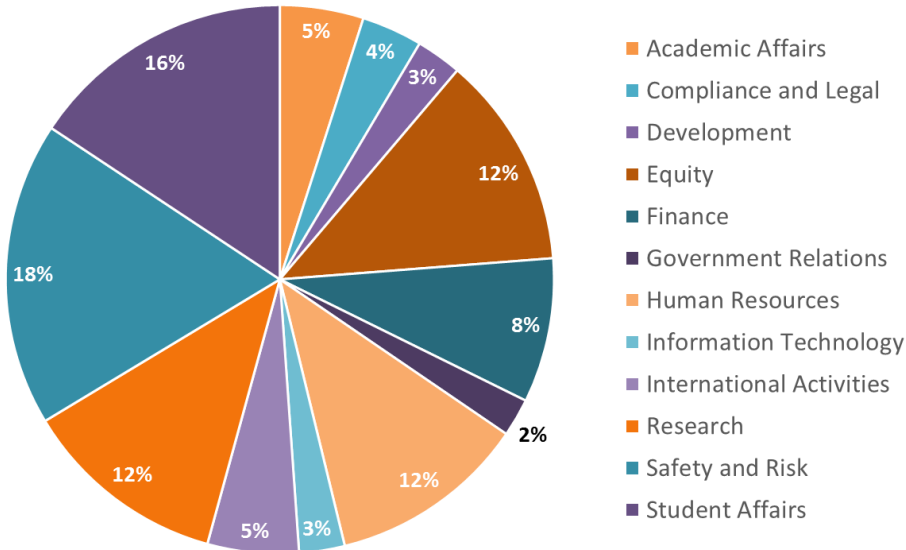
Information Security

The Office of Information Security with Technology Services attained an 86% completion rate for annual training in FY 2019; a slight decrease from 89% in FY 2018, which was an all-time high. Notably, events triaged went down by 46%; largely as a result of staff vacancies throughout the year. Despite the personnel vacancies and a 55% increase in potential security events detected against Category I data, these high priority events are still being remediated timely, as evidence in the chart below. Additionally, the wide adoption and deployment of multifactor authentication is most likely the cause of a significant decrease in compromised accounts, down to six in FY2019 from 85 in FY 2018. The number of reported potential or actual data breaches increased 100% in FY 2019 to 14 largely due to human error.

FY 2019 Security Incident Response statistics:

52,268 Total Potential Events Detected

12,603 Highest Priority Potential Events Detected

- Events Triaged / Closed in FY19, 19,399
- Moved to FY20 Queue, 32,869

- Events Targeting CAT 1 Assets Triaged / Closed in FY19, 10,445
- Moved to FY20 Queue, 2,158

CAT I assets are IT systems used to handle Category I data. Due to the data handled through these IT systems, these IT systems are classified with the highest sensitivity and receive the highest amount of protection.

Regulatory Reporting Monitoring

Federal Regulatory Responsibility by Topic

- Academic Affairs — 5%
- Compliance and Legal — 4%
- Development — 3%
- Equity — 12%
- Finance — 8%
- Government Relations — 2%
- Human Resources — 12%
- Information Technology — 3%
- International Activities — 5%
- Research — 12%
- Safety and Risk — 18%
- Student Affairs — 16%

Full compliance was maintained without issue for all required reporting of data to federal agencies. Quarterly and monthly meetings with operational owners of compliance risks through the Compliance Advisory Committee and individual deeper assessments provide forums for communication of expectations and updates, data assessment and trend lines, inner network group discussions and support for day-to-day operations. Internal Audit is included in these meetings in an effort to inform overall strategy and scope for specific audits.

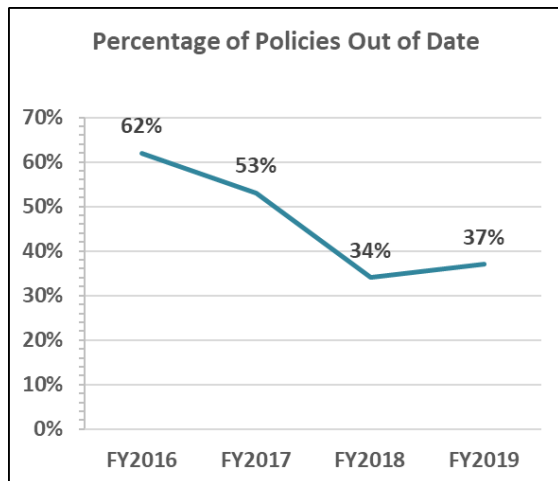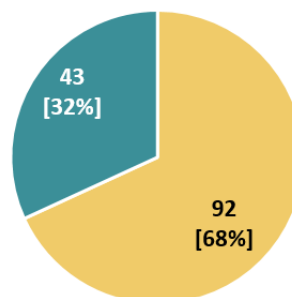Federal Regulating Bodies and Compliance Matters

Universitywide Policies

The Policy Program continued to make improvements in reviewing policies for accuracy and feasibility; streamlining content to reduce quantity and improve quality of existing policies. The program made improvements in educating and supporting the university community with the policy development and approval process. This resulted in increased collaboration between the Policy Program and the university community, leading to improved policy drafting, which contributes to clarity, comprehension and thereby, enhanced compliance. Finally, while a significant number of policies remain outdated, notwithstanding increased communication with associated respective policy owners, the number of policies being actively managed, or in development, within the outdated group has improved [29 out of 65].

The Top 5 downloaded policies in FY 2019 were:

- *Working at VCU Great Place Policies*
- *Sexual Misconduct/Violence and Sex/Gender Discrimination*
- *Faculty Promotion and Tenure Policies and Procedures*
- *Computer and Network Resources Use*
- *Outside Professional Activity, Consulting and Continuing Education Instruction for University and Academic Professionals and Classified Staff* - Interim
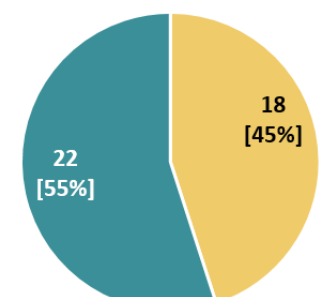
POLICY MANAGEMENT

FY 2019

175 total policies

WEBSITE

15,600 total visits

30 Governance phase completed

29 Past due In-development

13 New or substantively revised

9 Consolidated, retired, removed

Percentage of Policies Out of Date

	FY2016	FY2017	FY2018	FY2019
	62%	53%	34%	37%

Administrative Policies

43 [32%]
92 [68%]

■ Current ■ Past Due

Board of Visitors Policies

18 [45%]
22 [55%]

■ Current ■ Past Due

Measuring the Culture: Ethical Culture & Perceptions Assessment

Since 2010, the Integrity and Compliance Office (ICO) has conducted a biennial culture survey assessing the university's employee community. Specifically measuring awareness of certain resources; perceptions of integrity and compliance in the workplace; and comfort level related to speaking up when clarity is needed or to raise a concern. The survey serves as one tool to measure the culture by identifying and measuring drivers of ethical conduct and opportunities to strengthen the culture and thereby the effectiveness of VCU's Ethics and Compliance Program. Noted throughout the 2019 Ethical Culture & Perceptions Assessment are benchmark statistics from prior years and the Global Business Ethics Survey (GBES) — the leading longitudinal, cross-sectional study of workplace conduct from the employee's perspective — conducted by the Ethics & Compliance Initiative (ECI), released in 2018.

VCU's Culture Assessment report is organized into four main themes:

Awareness of the Program and Resources	Perceptions of Employees and Environment	Observing and Reporting Misconduct	Organizational Justice
• Familiarity with ethics and compliance related resources • Familiarity with VCU's policies	• Perceptions of ethical conduct in the workplace • Trust between managers and their employees	• Comfort-level with raising concerns • Observation of misconduct • Reporting misconduct	• Appropriate resolution and follow up • Perceptions of retaliation in response to voicing concerns

Despite a record low participation rate, results were consistently positive. This year all employee types, major budget units, campus locations and years of service are represented in this year's survey. Overall, the data shows that resources remain well-known and individuals continue to speak up and demonstrate the university's commitment to accountability.

Consistent with prior years, a generally healthy ethical environment is evident this cycle. It seems likely that regardless of record high or low participation, the responses do not significantly change given the respondent quantity. The representation from all employee groups provides some insight but will be compared to other recent, similar surveys and available data points to ensure a comprehensive approach to assessing culture measurements. This will provide a collaborative platform for further reflection.

Specifically, results indicate managers would likely benefit from increased training, especially related to handling reported concerns. Increased incentives to handle concerns appropriately (e.g., consideration for performance reviews, bonuses, promotion, etc.) are also recommended. Lastly, awareness levels around policies promoting anti-retaliation and civil, professional and ethical expectations indicate a need for more communication. While these topics continue to be addressed in annual training and other ICO awareness initiatives, messaging from direct managers and senior leadership members is needed to increase ethics outcomes (e.g., reporting of concerns, perceptions of retaliation, rates of misconduct, pressure to compromise standards).

Training and Education

This fiscal year, a comprehensive, proactive onboarding course for all new employees was implemented as a part of the larger Human Resources Onboarding Program. This ensures training within the first month, covering baseline expectations on:

- core values
- ethical decision-making
- university policies and other expectations
- reinforcement of selected topics
- policies based on institutional risk
- resources to achieve clarity
- a zero tolerance commitment to retaliation

This approach compliments the needed risk based approach for required annual training for all employees.

Figure 1: President Rao's video introduction to the refreshed Code of Conduct

This year, annual education took the form of an overview and acknowledgement of the refreshed Code of Conduct, which was revised to include more resources and tools for the covered topics and improved navigation. Completion rates rose to 90% overall and 99% for core employees, an all-time high.

Training for FY20 will continue with modern and evidence based research for effectiveness - including micro-learning and just-in-time messaging.

Effectiveness Statement

External third party review was noted prior in this report, in addition:

Maintaining an effective ethics and compliance program in an ever changing regulatory landscape, shifting societal norms, multigenerational workplaces, and the multifaceted social media driven environment, while facing competing interests with finite resources, challenges every organization. Program implementation requires:
- on demand information
- strategically placed incremental training reminders
- continual and ongoing risk assessment
- interdisciplinary and enterprise-wide collaborations
- transparent and timely communications with key stakeholders
- risk-based decision making

Supporting an approach based in regulatory and industry best practice, permitting dedicated expert resources to systematically translate obligations and expectations into appropriate actions that drive positive outcomes, requires sustained commitment to integrity and accountability at the highest levels.

Apart from the challenges organizations of similar scope and complexity experience, (generally relating to communication, documentation and accountability) no newly discovered patterns or practices of systemic misconduct have been identified this fiscal year. However, further progress of ethics and compliance initiatives continues to be impacted by competing priorities of other areas and the exclusion of the function in strategic planning and incident response.

Overall, the Ethics and Compliance Program continues to operate from a position of strength in:

- supporting creation and maintenance of clear expectations;
- supplying reporting mechanisms to identify perceived or actual misconduct;
- ensuring resources are dedicated to assist with appropriate responses to misconduct with an aim to prevent recurrence when identified; and
- reporting to the governing authority on matters of progress and of concern.

Additionally, the network of trusted advisors, known as compliance partners, and the continued commitment by Compliance Advisory Committee members adds to the strength of VCU's capacity for ethics and compliance program effectiveness.

The role of management to enforce expectations and set the tone at the top of integrity in all operations remains critical. These efforts ultimately combine to increase value to VCU as it strives to meet its mission of excellence and in upholding the public's trust. Industry benchmarks continue to identify that changes bring pressures and an increase in pressures require deliberate diligence in supplying messaging around values. With increasing pressures (e.g.; regulatory and public demands), an effective program with solid foundational elements will continue to require deliberate design, formal structure and the time and the agility to respond to changing demands whether from industry, regulation, or specific to the needs of VCU.
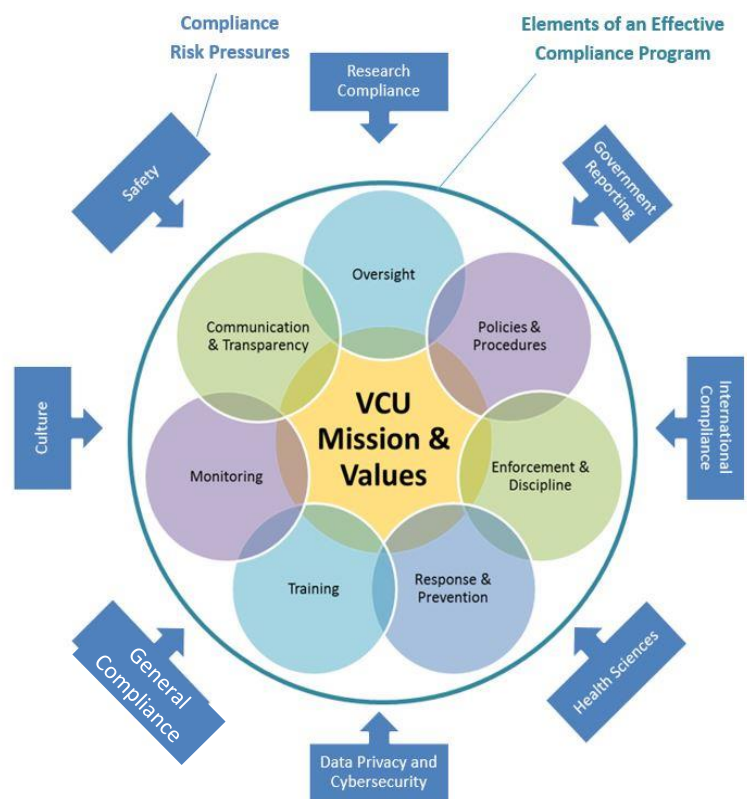
Student and Employee Ethics and Compliance Areas – Select Highlights

A growing trend in higher education is the evolution from an employee-centric approach to one in which includes students. Both intentional messaging to the student population and relevant data points are also included in assessing the effectiveness for ethics and compliance programs. With this in mind, notable statistics from the Office for Student Conduct and Academic Integrity (OSCAI) within the Division of Student Affairs and the Health Science's Division for Academic Success (comprised of Student Academic Support Services and Disability Support Services) are included below. Once a university benchmark is established, these data points will be integrated into the traditionally reported data points and benchmarked as part of standardization of ethics and compliance efforts.

Additionally, selected areas with marked increase in demand and accomplishment are included

Student Conduct and Academic Integrity

Of the reports made to Student Conduct and Academic Integrity, 72% were substantiated. (Note: 46 cases remain open as of August 5, 2019) All reports were made directly to the office with 89% reported by faculty and 11% reported by students or on behalf of university offices. The substantiation rate represents the OSCAI finding of "responsible" for the misconduct. This is consistent with the prior year's data. In 17% of cases, the subject was found to be "not responsible."

Reports related to academic integrity

Academic Integrity is defined by the *Honor System* policy to mean: Plagiarism; Cheating; Lying; Stealing; and Facilitation.

414
Reports of misconduct
(total student population of 31,000)

▼ **7%**
Decrease from FY 2018

Student Accessibility and Accommodations

The Student Accessibility and Educational Opportunity (SAEO) Office on the Monroe Park Campus and the Division for Academic Success (DAS) on the Health Sciences Campus work together to provide equal access to the university's educational programming and activities to students with disabilities. SAEO is a resource for the Monroe Park Campus for individuals with disabilities requesting reasonable accommodations to receive services and obtain the protection of Section 504 of the Americans with Disabilities Act. DAS also provides disability support services and academic support services to students on the Health Sciences Campus.

On the Health Sciences Campus, DAS enhanced the student database to gather information to ensure students seeking services understand the accommodations process and are aware of the technical standards for their programs. DAS conducted a

FY 2019

Student Accessibility and Educational Opportunity

1893
Number of students self-disclosing and seeking services from SAEO

23%
Increase from FY 2018

1028
Individual students requesting accommodation letters

24%
Increase from FY 2018

28 / 35
● Yes ● No
Emotional Support Animal Requests Approved

4 / 63
● Yes ● No
Housing Accommodations Requests Approved

survey open to 1,472 students with disclosed disabilities (251 responded) on barriers to disclosing. Results showed that the top two reasons students were reluctant to disclose having a disability was 1.) fear of being negatively labeled; and 2.) the competitive nature of the programs. DAS is reviewing ways to offer disability awareness training to faculty, staff and students to educate on with these impressions.
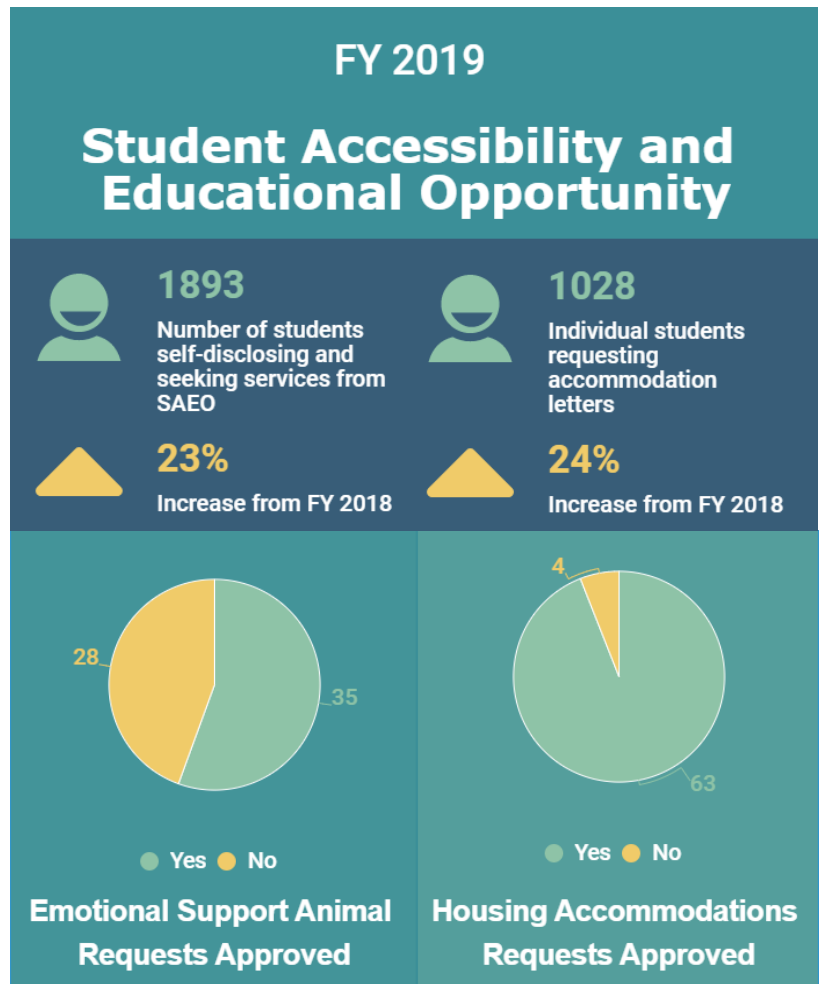
Virginia's Freedom of Information Act (FOIA)

Over the last few years, implementing FOIA training has resulted in a more educated population with better coordinated institutional responses. Responses have reached a maturity point wherein disclosing necessary information with minimal redactions helps fortify VCU's commitment to transparency in all dealings. As a public
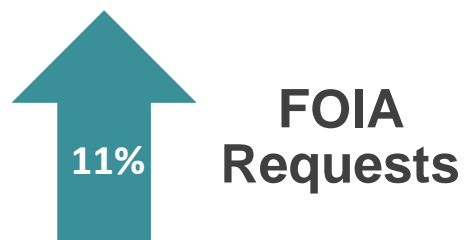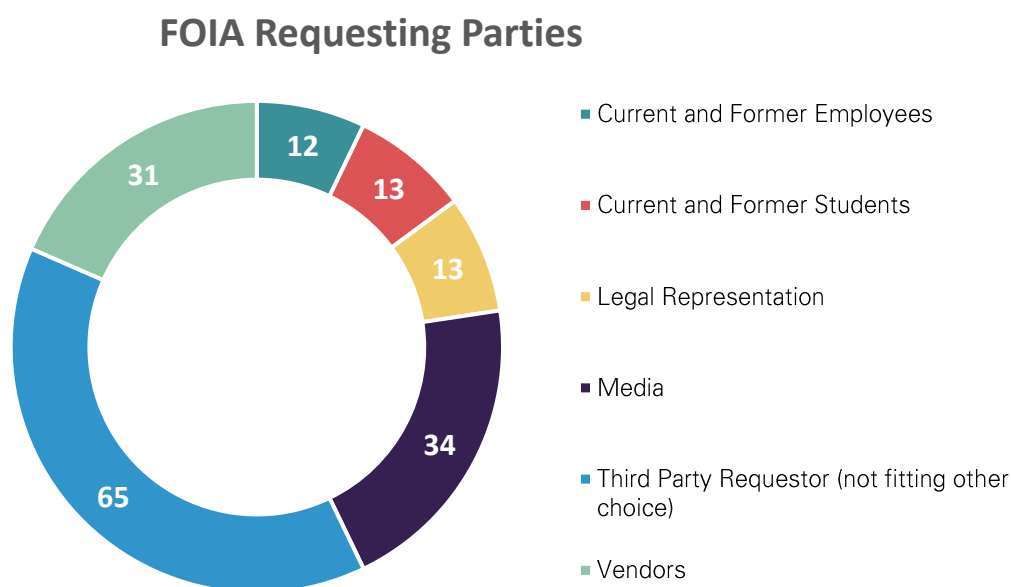
11% ⬆ **FOIA Requests**

state agency, VCU has 5 days to respond to all FOIA requests.

This year, the 11% increase translates to 168 requests typically covering - procurement and athletic department contracts; employee salary data; employee hiring and recruitment; administrative investigation results; parking, transportation and GRTC; and student demographics.

Trends in the use of the Act

1. Significant increase in journalist/media requests – almost double the number of requests in FY 2019 as compared to FY 2018
2. Slight increase in requests from political consultants requesting information on individual employees
3. Requests for contracts or documents related to donations and funding attributed to increased interest in influence of foreign donors on higher education in the US

FOIA Requesting Parties

- Current and Former Employees
- Current and Former Students
- Legal Representation
- Media
- Third Party Requestor (not fitting other choice)
- Vendors

International Activities: Export Controls and Foreign Corrupt Practices Act (FCPA)

The Office of Research and Innovation provides universitywide export compliance support and optional FCPA training for the university. Placement of proactive messaging provides timely information as to resources, travel warnings, recommended safety precautions and identifies online resources, on-demand information and an optional, no cost, clean lap-top loaner program.

Individuals traveling to destinations that have US sanctions or other export restrictions are deemed high risk and receive customized guidance on compliance requirements. This year saw an 18% decrease over the prior year with 267 individuals deemed high risk travelers. Another 822 travelers were deemed low risk travelers.

Additional compliance review, screening, and training efforts included:

- 421 export controls based reviews via Sponsored Programs Checkpoints
- 178 visa reviews prior to hire
    - 79 for H1-B visas for employees
    - 99 for J1 visas for post docs
- 3 Travel Training Sessions held
- 8 active Technology Control Plans – an all-time high, demonstrative of the university's complex and strictly regulated research
- 3722 restricted party screenings performed universitywide
    - 370 performed by the Export Controls Office

Appendix A

Definitions for Report Outcome Classification

A report is classified as ***Substantiated*** when, after inquiry or investigation, violations of expectations, policy, regulation, or law are found. When this occurs, the ICO is available to consult in the development of a corrective action plan for appropriate parties.

A report is classified as ***Partially Substantiated*** when, after inquiry or investigation, a violation of expectations, policy, regulation, or law is found but other allegations—or elements of an allegation—contained in the report were unsubstantiated. When this occurs, the ICO is available to consult in the development of a corrective action plan for appropriate parties.

A report is classified as ***Unsubstantiated*** when, after inquiry or investigation, no violations of expectations, policy, regulation, or law exist.

Reports that contain general questions rather than concerns or specific allegations; are not related to current VCU employees or during employment with VCU; or include allegations later withdrawn by the reporter and ICO determines that no further investigation is necessary are classified as ***Other***.

Reports that contain insufficient information to proceed with additional inquiry or investigation are classified as ***Not Enough Information***.