



ECS was actively leading or involved in a number of projects to improve efficiencies as well as meet regulatory requirements to include, but not limited to, the following key outcomes:

- Conducted intellectual property agreement audits at UCSD, UCI and UCSF that netted the system \$789,000, including the cost of the audits.
- Led the Policy and Delegation of Authority Management project (Working Smarter Initiative) which is ongoing, to improve regulatory compliance, update policies and procedures, improve public transparency, and improve systemwide efficiencies.
- Facilitated the Second Systemwide Compliance and Audit Symposium held in northern and southern California that provided continuing education developed by internal subject matter experts to over 400 participants through 40 presentations.
- Conducted two geographic-centric, systemwide workplace investigation training sessions to improve the effectiveness and consistency of training on the basics of investigations and report writing and provide for a more cost-effective way to train staff.
- Facilitated the approval process with two campuses (UCR and UCI) and the Department of Health and Human Services (HHS) for selection to participate in a pilot program to substitute payroll certification for the current time and effort reporting on government-funded research contracts.
- Facilitated a high-level clinical trial billing inventory process review at the campuses with academic medical centers that provided an overview of site-specific processes and recommendations for process improvement based upon industry best practices.
- Provided the campuses external expertise on export controls, and as demonstrated through continued use of the consultant, met the campus requests by hiring an Export Control Officer in the Ethics and Compliance Office.
- Collaborated with Health Sciences leadership on a conflict of interest reporting process review at each of the Medical Center campuses for identification of performance improvement activities.
- Provided support to the systemwide reporting mechanism for acts of intolerance, bias, hate and intimidation.

The attached report outlines in more detail the work of the ECS Office during the past fiscal year in its Executive Summary. The appendices of the report highlight in greater detail the specific activities related to the contributions of each campus and LBNL in meeting and mitigating their individual compliance risks through performance metrics and systemwide educational offerings provided by ECS.

(Attachment below)

**ANNUAL REPORT**  
**ON**  
**ETHICS AND COMPLIANCE**

**FY 2010 – 2011**

## Message from the UC Chief Compliance and Audit Officer

It is with pleasure that I present the third Annual Report for the University of California (University) Office of Ethics and Compliance Services (ECS), which outlines key accomplishments of this Office. These achievements would not have been possible without the support of the Regents, the President and the Chancellors/Director. Many of these accomplishments were attained in collaboration with the University location and Campus Ethics and Compliance Officers.

The University experienced an internal and external operating environment this past fiscal year that had unprecedented impact on the University. State budget cuts forced the President to direct all University locations to make difficult financial cuts, while at the same time there were increasing federal and state agency audits designed to measure the accurate use and reporting of research-related compliance, healthcare, and higher education funds. Campus and location leadership understood the challenge of increased regulatory focus, decreased resources and the potential for compliance gaps, and tried to adapt accordingly. Active discussion of potential compliance risks occurred at each designated Campus Ethics and Compliance Risk Committee, with members working to assure that oversight and controls were in place to mitigate such risks. Our Office worked diligently to support the locations in their risk mitigation activities, specifically in the areas of education and training as well as in larger systemwide initiatives to provide recommendations on process improvements.

In addition to compliance risks generated by operational changes, there were a number of industry-specific compliance risks, which most institutions of higher education faced during this past fiscal year. We included these into our priority risks that we focused on this past year: 1) campus safety and climate, 2) government funds reporting accuracy, 3) research compliance, 4) data privacy and security, 5) culture of ethics and compliance, 6) investigations, and 7) health care reform. University locations integrated these priority risks into their location-specific objectives and respective plans, with progress routinely monitored and reported to ECS throughout the fiscal year. The results of that monitoring are documented later in this report.

Each University location demonstrated its commitment to a compliance-oriented culture by moving towards an effective compliance program through their individual location and collective system activities. I am extremely proud of the growth of the ethics and compliance program at all University locations including the campuses, Lawrence Berkeley National Laboratory (LBNL), Agriculture and Natural Resources (ANR) and University of California Office of the President (UCOP) and know we will continue to evolve and become more effective in our systemwide compliance and ethics program.

We look forward to the challenges of FY2011-12 in assisting our campus colleagues as we strive to fulfill the mission of the University of California to serve our constituents through education, research, healthcare and public service in a compliant culture.

Sincerely

Sheryl Vacca  
Senior Vice President and  
Chief Compliance & Audit Officer

# Annual Report on Ethics and Compliance

## Table of Contents

	<u>PAGE</u>
<b>EXECUTIVE SUMMARY</b> .....	4
<b>APPENDICES</b> .....	10
<b>Appendix A:</b> Summary Detail for Compliance Risk Metrics .....	10
1. Campus Safety and Acts of Intolerance.....	10
2. Government Reporting Accuracy .....	11
3. Data Privacy and Security .....	13
4. Research Compliance .....	15
5. Culture of Ethics and Compliance .....	17
6. Investigations .....	18
7. Health Care Reform .....	20
<b>Appendix B:</b> Function-Specific Compliance Program Activities .....	21
1. Ethics and Compliance Education and Training .....	21
2. Health Sciences Compliance Program .....	23
3. Human Resources Compliance Office .....	25
4. Agriculture & Natural Resources Compliance Activities .....	26
5. Specific Compliance Risk Initiatives.....	27
<b>Appendix C:</b> Flow of Whistleblower Reports .....	29
<b>Appendix D:</b> FY2010-2011 Ethics, Compliance and Audit Education Offerings .....	30
<b>Appendix E</b> Highlights of Focus Area Performance Metrics, by Location .....	34

## EXECUTIVE SUMMARY

The Office of Ethics and Compliance Services (ECS) along with its campus and location counterparts had to adapt to a changing environment as we executed our systemwide compliance plan during this fiscal year, while simultaneously reacting to the external regulatory environment actions impacting the University's operations. In response, ECS completed an in-depth review of the current roles and responsibilities of its staff and concluded that the *structure* continues to meet the needs of our UC locations. However, there were some changes related to efficiencies in the ECS staffing model that were made which included consolidating the Systemwide Privacy & Security Officer role into one position and hiring a Systemwide Export Officer to ensure coverage in this key compliance area. The reduction of staff and costs led to an increased need for awareness of potential compliance risk.

*Education and Training* was a key focus for ECS in the past year. Over sixty webinars were provided to the system, either generated through our internal speakers or free due to a leadership role on the boards of the Health Care Compliance Association and Society for Corporate Compliance & Ethics. Costs saved by our UC locations on this type of training would be approximately \$150/participant attending the webinar. Our second Audit & Compliance Symposium held in northern and southern California proved to be very successful and garnered a record number of attendees (over 400 participants). The response from UC colleagues on the value of these offerings was very positive with practical information that could be utilized by the participant immediately back in their UC location. The reduction in travel and educational expenses for staff requiring ongoing continuing education was a positive outcome. Our education sessions utilized internal subject matter experts, invited cross function participation, and provided content on investigations, general compliance risks and health care. We had Regental and senior leadership involvement, including Regent Ruiz, EVP Taylor, SVP Stobo, EVP Brostrom, Provost Gottfredson and EVC/Provost Breslauer. (More details on education and training is provided in Appendix D).

*Export Controls* was identified by campuses and researchers as an area requiring a central systemwide resource for information and training. ECS responded by contracting with a subject matter expert to assist with campus training and provided advice on questions from our constituents. Hiring a Systemwide Export Control Officer was a direct result of campus requests and needs identified in this area.

*Audit and Monitoring Activities* were increased in FY 2010-11 with a focus on how state and federal funds were spent, accuracy and timeliness of reporting, as well as compliance with billing and coding requirements. Compliance continues to monitor priority areas for external regulatory audits such as the Department of Health & Human Services' Office of Inspector General's focus on health science billing and coding, effort reporting in the research arena (National Science Foundation and the National Institutes of Health), as well as use of funds received as intended (American Reinvestment Recovery Act). The Office of Civil Rights and California Department of Public Health were also active in the health science arena. Emphasis in policy and training development at system and campus levels around privacy of information also were partly a result of external focus on UC by the Office of Civil Rights and also due to changes in federal and state privacy laws

ECS, in collaboration with three health science campuses, facilitated the implementation of a software tool to assist the health science campuses to increase efficiencies and accuracies of auditing and monitoring in the physician billing and coding areas. By making this type of tool available, the campuses will be able to correct and potentially prevent inaccuracies in this area that can result in reduced overpayments by our payors for health care services provided by our health science providers.

*The Systemwide Royalty Audit Program* continued to realize a return on investment to the University in FY2010-11. During this fiscal year, ECS worked closely with locations to identify suitable audit candidates and used an outside expert to conduct several royalty audits. A cumulative outcome was \$897,000 of royalty underpayments returned to UC locations (including the cost of the audit). ECS will continue to pursue royalty agreements to ensure licensee compliance with royalty reporting requirements.

*Systemwide Compliance Initiatives* were also developed through ECS this past year that have added value at individual campuses and/or the Academic Medical Centers (AMCs) in their specific compliance risk mitigation activities. In addition to the summary provided at the back of this section, highlights are listed below (detail provided in Section AI):

- *Effort Reporting* - ECS assisted in the facilitation and approval of a University proposal to the Department of Health & Human Services to launch a Payroll Certification Demonstration pilot at UC Irvine and UC Riverside. This alternative to the current time-consuming and complex effort reporting system for federal grants and awards should improve the accuracy and timeliness of government reporting.
- *Systemwide Clinical Trials Billing Inventory* - Clinical trials billing compliance efforts were bolstered in FY2010-11 through a high level inventory of clinical trials billing processes at health science campuses. Recommendations, web based training, onsite training and tools were provided to further educate on the components of an effective clinical trials billing program. Campuses used this information to further enhance their efforts to leverage price negotiations for research, develop efficient processes for accounting of clinical trial activity and ensure accuracy in claims submission.
- *Systemwide Policy and Delegations of Authority Management Process* –President Yudof requested that ECS develop and implement a policy management system for systemwide policies. This system will improve efficiencies and streamline overall policy management to delete redundant, outdated, and/or contradicting policies, procedures and delegations of authority. This project is included in the University's *Working Smarter Initiative*.
- *Mandatory Training Initiative* - ECS co-led efforts with the Academic Senate to initiate a workgroup to review and develop structures and processes for the effective development, review and approval of all systemwide mandated trainings. The current process is fragmented causing undue burdens on limited resources. Recommendations from this workgroup should be available in FY2011-12.

### *Industry Collaboration: Interuniversity Compliance Consortium*

Ethics and compliance services in higher education and industry continues to grow and mature across the nation. With the lack of formally defined compliance best practices, other than what is published as model program guidance from the Office of the Inspector General or mandated by specific regulations, it is imperative for the compliance office to work with industry colleagues to maintain and enhance elements of their compliance programs. During these times of limited resources, it is difficult to quantify return on investment for compliance activities due to the preventive nature of its business and the variation of the costs related to non-compliance, i.e. from strict claims repayment to additional fines per line item charges levied on a fraudulent claim or an inappropriate use of federal funds, etc. Therefore, it is critical to emphasize risk mitigation with prevention, detection and deterrence of non-compliance.

ECS continues to lead the activities of the Interuniversity Compliance Consortium, an informal group of higher education compliance officer leadership as they discuss potential compliance risks at their organizations and search for best practice mitigation solutions. The Consortium includes the University of Texas, University of California, California Institute of Technology, University of Washington, California State University, and Stanford University. A number of relevant compliance topics including, but not limited to, research compliance issues, education and training, export controls, and conflicts of interest are a few of the areas where this consortium has shared tools and processes to leverage the group's experience and not "reinvent the wheel" in each of our programs.

### **Identification of Systemwide Compliance Risks**

In collaboration with the locations and senior leadership at UCOP, ECS prioritized the myriad identified risks into seven key compliance risk categories listed below, which reflect potential areas of concern to University operations and are not easily assigned to a quantifiable or financial risk category. Compliance risks encompass financial, operational, and reputational components of regulatory risk and are not typically assigned a "risk appetite" in prioritizing mitigation activities. They represent laws or regulations which typically have enforcement consequences, either civil or criminal, for non-compliance and thus mitigation activities cannot be gradated in terms of organizational effort or commitment to remain compliant to law or regulation. The seven key compliance risks identified for FY2010-11 that have commonalities across the University locations and campuses include:

1. Campus Safety
2. Government Funds Reporting Requirements Accuracy
3. Data Privacy and Security
4. Research Compliance
5. Culture of Ethics and Compliance
6. Investigations Practices
7. Health Care Reform



## Compliance Plan Objectives and Performance Metrics

The broad diversity of operations and culture at each University location impacts the specific compliance risks applicable to each of the above seven risks. The ability to develop, measure, and compare quantifiable, “apple to apple” compliance performance metrics where outcomes are of value to the operations is a more difficult endeavor. Each risk area encompassed a number of different compliance risk objectives and potential mitigation activities, so each location was encouraged to prioritize their compliance plan objectives and related activities based upon their location’s unique needs. The tables on the next two pages: “Summary of Annual Plan FY 2010-11 Compliance Risks and Related System Wide Activities and Accomplishments” and “Summary of Campus/Laboratory Compliance Metric(s) Achievement” provide a systemwide overview of key activities and accomplishments, as well as location-specific overview of activities to address the seven systemwide compliance risks as outlined in the FY2010-11 Annual Plan. A listing of the detailed activities locations accomplished to meet their performance objectives in the five main risk areas (campus safety, government funds accounting accuracy, data privacy and security, research compliance, and culture of ethics and compliance) are included in Appendix E.

Health care reform, officially known as the Patient Protection and Affordable Care Act of 2010 (PPACA), was listed as a compliance risk primarily as a “placeholder” in the FY2010-11 Annual Plan in the event significant rules and regulations promulgated by the federal government would require immediate action and the development of monitoring tools. ECS focused primarily on providing systemwide access to education and training on specific areas of the Act that impact University operations.

The Office of the President initiated their Campus (OP) Ethics and Compliance Risk Committee during this past fiscal year and as such does not have detailed metrics to submit for this report. In addition, the unique nature of the Agriculture and Natural Resources Division (ANR) within the UC System is not easily segregated by campus. Therefore, ANR is treated separately in describing their activities that are described in Appendix A.

## Summary of Annual Plan FY 2010-11

### Compliance Risks and Related System Wide Activities and Accomplishments

Compliance Risk Area	Activities and Accomplishments
I. Campus Safety	<ul style="list-style-type: none"> <li>Facilitated campus use of new hotline to allow students, employees and others to report incidents of bias, hate, intolerance, and intimidation, which are then reviewed and addressed by campus management.</li> </ul>
II. Government Funds Reporting Accuracy	<ul style="list-style-type: none"> <li>Facilitated approval by the Department of Health &amp; Human Services of a system-wide pilot program to explore the use of payroll certification in lieu of effort reporting for certification of federally sponsored research awards, with UCI and UCR serving as pilot campuses; the payroll certification pilot is expected to provide greater reporting accuracy and accountability.</li> <li>Monitored campus compliance processes for funds received through the American Recovery &amp; Reinvestment Act (ARRA) to ensure appropriate tracking of jobs, proper expenditure rates, and accurate, complete and timely reporting to the federal government.</li> <li>Assisted 3 HS Compliance offices in implementing MD Audit for monitoring coding accuracy.</li> </ul>
III. Data Privacy and Security	<ul style="list-style-type: none"> <li>Facilitated approval and campus implementation of system-wide HIPAA policies.</li> <li>Developed a system-wide HIPAA training module for non-hospital settings.</li> <li>Facilitated execution of service agreements with three breach response vendors for use by campuses when needed.</li> <li>Helped develop a system-wide privacy and information security incident response plan.</li> </ul>
IV. Research Compliance	<ul style="list-style-type: none"> <li>Conducted formal compliance audits of specific intellectual property agreements (from UCSD, UCI and UCSF) with identification of \$789,000 in underpayments to the University.</li> <li>Provided export controls subject matter expert for campus and/or principal investigator questions and assistance with appropriate licensing.</li> <li>Hired the first system-wide Export Control Officer as a resource to campuses.</li> <li>Delivered several in-person export control training sessions at four UC locations.</li> <li>Delivered a combination of webinars and in-person workshops on clinical research billing.</li> <li>Supported development of system-wide effort reporting training.</li> <li>Supported Research ethics training to be held at campus level.</li> </ul>
V. Culture of Ethics & Compliance	<ul style="list-style-type: none"> <li>Facilitated campus compliance with mandatory training requirements.</li> <li>Supported compliance assistance and training requests from campuses.</li> <li>Hosted in-person Compliance Symposium for UC stakeholders with approximately 400 participants.</li> <li>Promoted National Ethics and Compliance Week at UCOP and system-wide.</li> <li>Hosted a system-wide webinar on ethics and the evolution of the compliance function at UC</li> <li>Established an Ethics and Compliance session in the New Employee Orientation workshops for campus use.</li> <li>Identifying additional areas for improved processes around accountability and transparency in compliance related arenas, e.g. – Public Records Act, Red Flags.</li> </ul>
VI. Investigations	<ul style="list-style-type: none"> <li>Conducted a 3-day workshop on ‘Conducting Effective Workplace Investigations’, presented both in Oakland and Irvine to reduce costs to participants; trained 142 employees on investigation fundamentals, interviewing skills and report writing</li> <li>Director of Investigations worked with campuses on a variety of sensitive and complex investigations, and performed investigations where needed.</li> <li>Ongoing training and education provided to campuses on investigation process and case management system.</li> </ul>
VII. Health Care Reform	<ul style="list-style-type: none"> <li>Facilitated system-wide oversight in billing and coding area by supporting a campus-led Medical Billing Advisory Group focused on policy review and development.</li> <li>Conflict of interest processes related to Health Sciences were discussed at each AMC campus. Identifying system support for improved accountability and transparency in this area.</li> </ul>

## Summary of Campus/Laboratory Compliance Metric(s) Achievement

	<b>Campus Safety</b>	<b>Government Funds Reporting Accuracy</b>	<b>Data Privacy and Security</b>	<b>Research Compliance</b>	<b>Culture of Ethics and Compliance</b>	<b>Investigations</b>	<b>Health Care Reform</b>
<b>Goal</b>	<i>Identify preparedness plans</i>	<i>Enhancement of processes to monitor accurate and timely submission of reports or claims.</i>	<i>Increased awareness and education occurs on internal data privacy and security policies and procedures</i>	<i>Policies and procedures are in place to meet applicable research-related regulatory requirements</i>	<i>Leadership is engaged and demonstrates commitment to System-wide ethics and compliance activities.</i>	<i>Investigations and reporting of observation are consistent across the University.</i>	<i>Impact of health care reform on University operations</i>
<b>Metric</b>	<i>Plans developed and utilized.</i>	<i>Monitoring tools developed and implemented.</i>	<i>Education and training occurs per policy or other directive.</i>	<i>Mechanisms are in place to adhere to appropriate policies and procedures and reporting requirements.</i>	<i>UC staff will demonstrate compliance awareness and ability to report issues without fear of retaliation.</i>	<i>Investigation protocols are consistent with system-wide policy. Education is provided on consistent approach.</i>	<i>Monitoring tools developed as applicable rules are published</i>

### **Location Achievement of Performance Metrics**

<b>UCB</b>	✓	✓	✓	✓	✓	✓	✓
<b>UCD</b>	✓	✓	✓	✓	✓	✓	✓
<b>UCI</b>	✓	✓	✓	✓	✓	✓	✓
<b>UCLA</b>	✓	✓	✓	✓	✓	✓	✓
<b>UCM</b>	✓	✓	✓	✓	✓	✓	✓
<b>UCR</b>	✓	✓	✓	✓	✓	✓	✓
<b>UCSB</b>	✓	✓	✓	✓	✓	✓	✓
<b>UCSC</b>	✓	✓	✓	✓	✓	✓	✓
<b>UCSD</b>	✓	✓	✓	✓	✓	✓	✓
<b>UCSF</b>	✓	✓	✓	✓	✓	✓	✓
<b>LBNL</b>	✓	✓	✓	✓	✓	✓	✓
<b>UCOP</b>	NA						

## Appendix A: Summary Detail for Compliance Risk Metrics

### Compliance Plan Objectives and Performance Metrics



The following provides a high level summary of location-specific mitigation activities by the seven systemwide compliance risks. The graphic at the right represents the *Seven Elements of an Effective Compliance Program* that the University adopted from the *US Sentencing Commission Federal Sentencing Guidelines, Chapter 8*, and will be used as a reference throughout this Report to categorize the activities related to each location’s unique compliance risk metrics and to the overall FY2010-11 Annual Plan. *Within each compliance risk category, any or all of the seven elements listed will be colored blue with white lettering signifying activities related to that element has occurred at one of more of the locations.*

## 1. Campus Safety and Acts of Intolerance

*Campus Safety has emerged as one of the most significant issues facing higher education – including the University of California. Included as a part of this focus area are Acts of Intolerance, laboratory safety as well as overall student safety and other disruptions to campus activities.*



With an enhanced systemwide focus on deterring ‘acts of intolerance’ and promoting health and safety in FY2010-11, a number of campuses strengthened their local compliance programs through implementation of new oversight structures, policies, reporting and response tools, and training campaigns. At the systemwide level, ECS assisted the Provost Office of Student Affairs in identify a systemwide reporting and case management program to allow students and others to report potential incidents of bias, hate, intolerance, and intimidation, and directed to campus management for follow-up and resolution. Of note, 134 campus-climate designated concerns were reported and followed up on as appropriate, during FY2010-11.

### Compliance Risk Goal

- *Identification of preparedness plan to address acts of intolerance or other disruption to campus activities.*

### Metric

- *Provide monitoring of campus process and evaluate effectiveness to meet challenges of student, employee and visitor safety from acts of violence and/or intolerance.*

Each of the locations established a campus climate committee to provide oversight for campus climate program activities. In addition to the University centralized reporting function entitled the “UC Systemwide Intolerance Report”, the campuses and LBNL either launched or enhanced violence prevention programs that included actions such as rapid emergency notification and response teams, student and faculty diversity education or training and community awareness outreach programs.

Of note, UC Merced reported recruiting a Violence Prevention Program Director, UC Santa Cruz created and recruited for the role of a Chief Diversity Officer and UC Berkeley reported conducting and publishing the results of its first ever Staff Workplace and Climate Survey.

## 2. Government Funds Reporting Accuracy

*Government Funds Reporting Accuracy includes the accurate reporting of the use of funds received from the federal or state government per contractual or reimbursement regulation, such as time and effort reporting per National Science Foundation, and Centers for Medicare/Medicaid Services billing and coding accuracy.*



University government funds reporting accuracy for this report encompasses the health sciences billing and coding claims reimbursement and appropriate use of allocated research funding. As noted earlier in this document, this past fiscal year has brought increased government focus on Centers for Medicare and Medicaid Services for the accuracy and appropriateness of University claims for services provided to government beneficiaries.

In addition, intense scrutiny continued on how state and federally funded research projects are charged and reported to governmental sponsors. Locations strengthened their ability to accurately report on use of government funds for research through implementation of new oversight processes, reporting tools and training initiatives.

### **Compliance Risk Goal**

- *Enhancement of location-specific protocols and processes to monitor accurate and timely submission of reports/claims in support of receipt of funds as mandated by government standards or regulations.*

### **Metric**

- *Monitoring tools and related protocols developed and implemented.*

### **Health Sciences**

The Health Sciences Compliance Officers worked diligently during FY2010-11 to enhance their respective internal processes for the ongoing review of claims from the Academic Medical Centers, as well as the Schools of Medicine to ensure accuracy and timeliness for billing and coding of claims. A primary focus this fiscal year included the implementation of a software compliance management program at three of the five health science compliance offices (4<sup>th</sup> AMC to begin implementation FY 2011-2012). The fifth campus has a similar process in place for accomplishing their ongoing reviews of provider coding. The software tool is a comprehensive system for improving efficiencies and increasing compliance productivity in reviewing provider claims for reimbursement.

The Medical Billing Advisory Committee, the systemwide medical center/health sciences advisory group, continued to collaborate during FY2010-11 on identified systemwide billing and coding concerns. An area of concern that is currently being reviewed is the structure, scope and compliance processes at the various campus Student Health Service centers, especially those without affiliation to a HS department on their campus. More detail on specific compliance-related activities undertaken by the Health Sciences Compliance function is included in Section IV – Health Sciences Compliance Programs.

### **Research**

Research grant and contract funds reporting accuracy continued to be complicated by the complexity and diversity of the rules and regulations governing submission of reports to the various government-sponsoring agencies. Two primary compliance risk areas focused on this past fiscal year include:

- **Effort Reporting** - Several campuses improved effort reporting compliance through implementation of oversight structures, processes, tools, resources and training. Six campuses established oversight groups and/or processes that improve federal reporting compliance, management oversight, and investigator access to information and accountability. Two campuses revised their sub award compliance processes. One campus implemented use of the systemwide Effort Reporting System to automate effort reporting and improve compliance. Two campuses are serving as pilot sites in the Payroll Certification Demonstration pilot to test whether payroll certification is a less burdensome and more meaningful alternative to the current process of effort reporting. Finally, six campuses

have implemented new or revised training on effort reporting and grants management for investigators.

- **American Recovery & Reinvestment Act (ARRA) of 2009 Reporting** - All campuses reported required information on ARRA-funded projects to the federal government on a quarterly basis. Campuses continued to provide ARRA education in research administrative forums and at least two campuses developed a website for stakeholders with information about ARRA and associated reporting requirements. Two campuses developed internal process improvements to data sheets and financial systems for improved ARRA reporting. One campus implemented a staffing model for ARRA reporting at the department level, where ARRA administrators were hired and held responsible for departmental compliance. Finally, one campus executed a risk mitigation plan for high-risk ARRA projects.

### 3. Data Privacy and Security

*The privacy and security of personal financial and/or health information for students, patients, faculty and administrative staff is challenging in an environment of open access and autonomous operations.*



With a systemwide focus on enhancing data and privacy security in FY2011, President Yudof established a Systemwide Privacy and Information Security Steering Committee to focus on governance, accountability and policies. Campuses strengthened their local compliance programs through implementation of new oversight structures, policies, breach prevention programs and training campaigns on privacy and security. As an example, with the substantial increase in monetary penalties collected by the Office of Civil Rights (OCR) for privacy and security violations, the Health Sciences Compliance Officers or their campus Privacy Officer counterparts strengthened control systems and processes to ensure compliance with the data breach notification requirements of Health Insurance Portability and Accountability Act (HIPAA)-Health Information Technology (HI-TECH) rules. In addition, the expanded use of Electronic Health Records at three of the five AMCs has resulted in specific programming to embed privacy and security functionality in their EHR initiatives.

## Compliance Risk Goal

- *Data privacy and security efforts meet regulatory requirements and increased awareness and education occurs on internal policies and procedures.*

## Metric

- *Control mechanisms are in place for the protection of students, patients, faculty and administrative staff from privacy/security breaches and appropriate mitigation activities instituted such as policies and procedures, educating staff, reporting breaches and enforcing administrative actions, as appropriate.*

ECS completed a number of projects related to privacy and security risk mitigation including:

- Facilitated approval and campus implementation of systemwide HIPAA policies.
- Developed a systemwide HIPAA training module, for use by non-hospital personnel.
- Facilitated execution of service agreements with three breach response vendors for use by campuses when needed.
- Assisted in development of a systemwide privacy and information security incident response plan.
- Collaborated with the Systemwide Chief Information Officer's development of a new position – the Systemwide Privacy and Security Officer - to better serve systemwide data privacy and security needs.
- Created a Systemwide Health Science Privacy Liaison position with campus subject matter expertise to cover the specific area of Privacy Health Information.

An online HIPAA Privacy and Security training module was collaboratively developed by the Privacy Officers and disseminated to all locations via the Learning Management System this past year. Locations, other than the AMCs who mandate periodic HIPAA training, were encouraged to require employees who may have access to protected health information to complete the training, such as Student Health Services clinics.

Each location reports that its data privacy and security committees report specific compliance-related activities to the Campus Ethics and Compliance Risk Committees. Information privacy and security plans have been developed for risk mitigation; however, the locations vary as to their specific stage of implementation. Eight of ten campuses reported the development of new or revision of current policies to comply with newly adopted regulatory requirements or systemwide University policies on privacy and security. Six of the ten campuses reported adoption of new policies to comply with the HIPAA/HITECH breach notification requirements.

Each location's internal audit plan included an Information Systems (IS-3) audit for this fiscal year with findings and management corrective actions continuing to be monitored through each location's internal audit management. The report was shared by the Systemwide Audit Director with the Information Technology Leadership Council.



Two of ten campuses reported deployment of intrusion detection software to enhance protection of personal information based upon observations from a campus-wide assessment. Two of five AMCs conducted monitoring and auditing of medical center services for areas that have completed implementation of EHR to assess access and security controls. Five of the ten campuses expanded their privacy and security risk assessments and internal controls to cover mobile devices such as laptops and smart phones as well as copiers, multi-function printers and laser printers.

## 4. Research Compliance

*Priority research compliance risks in FY2011 included those related to conflicts of interest and conflict of commitment disclosures, industry relations protocols, export controls and intellectual property.*



Compliance with research-related regulations and policies continues to be a high priority for the University. With the number and complexity of new rules imposed by regulators and sponsors growing exponentially relative to resources available for implementation and management, meaningful prioritization of research compliance efforts was essential in FY2010-11.

### Compliance Risk Goal

- *Systemwide and location-specific policies and procedures are in place and actualized through implementation plans to meet regulatory requirements for all appropriate research activities.*

### Metric

- *Assuring mechanisms are in place to adhere to appropriate policies and procedures and reporting requirements.*

During FY2010-11, ECS accomplished the following:

- Conducted formal compliance audits of intellectual property agreements with identification of \$789,000 in underpayments to the University.
- Recruited a Systemwide Export Control Officer in response to campus needs.
- Conducted in-person export control training sessions at four campus locations.

- Provided a resource for campuses and researchers to answer location-specific questions on export control.
- Provided a combination of webinars and in-person workshops on clinical research trial billing.
- Supported development of a systemwide effort reporting training module.
- Identified conflict of interest and conflict of commitment disclosure and management processes at campuses with AMCs.

All campuses enhanced their research compliance programs through improvements in oversight structures/processes, policies and procedures, training, and monitoring. In the oversight area, one campus created their first Stem Cell Research Oversight Committee, while another established their first Institutional Biosafety Committee to provide oversight and compliance structure to the use of biohazardous agents on campus. One campus developed an oversight structure to address conflict of interest in clinical research when intellectual property is involved, and another established a new Clinical Research Billing Oversight Group and Steering Committee.

In the policies/procedures area, four campuses reported that they revised their location-specific conflict of interest policies and related forms in response to changes in the California Political Reform Act and three campuses improved/streamlined their conflict of interest disclosure processes. Another location developed an interdisciplinary review group for review of research policies and procedures; one campus developed a new policy for biological use authorization; another has developing improved clinical research billing processes, and two locations have established control processes over intellectual property to ensure compliance with University contracts policy.

In the area of training, four campuses improved their tools, resources and websites related to conflict of interest for investigators, three campuses reported implementation of training plans in response to the National Science Foundation requirement to provide certain individuals with Responsible Conduct of Research training, and one campus developed a researcher database to assist with improving compliance with lab safety regulations and tracking of all research-related training.

Finally, in the area of monitoring, one campus implemented an on-line system for submitting research proposals to NIH that includes tracking and reporting capabilities; and another campus implemented a monitoring program for compliance with the National Science Foundation's Responsible Conduct of Research requirement.

## 5. Culture of Ethics and Compliance

*Incorporating the University's Statement of Ethical Values and Standards of Ethical Conduct is universally accepted as the "right thing to do" and needs to be reinforced during chaotic economic times that are facing the University.*



Fostering a culture of ethics and compliance in uncertain financial and political times is as challenging as it is necessary. This challenge was met in FY2011 with campuses establishing new oversight structures, promoting education and training, and developing enforcement and discipline tools that served to enhance local cultures of ethics and compliance.

### Compliance Risk Goal

- *Appropriate level of location leadership is actively engaged and demonstrates commitment to systemwide and location-specific ethics and compliance activities.*

### Metric

- *University personnel at each location will demonstrate awareness of ethics and compliance program without fear of retaliation or retribution through communication and reporting of potential compliance issues. Location communication supports culture of ethics and compliance as evidenced by participation in mandated compliance and other activities.*

In FY 2011, ECS focused on:

- Supporting and facilitating campus compliance with mandatory training requirements.
- Supporting campus requests for training related to specialized areas of compliance risk.
- Promoting National Ethics and Compliance Week through hosting a systemwide webinar and staffing a booth at UCOP to educate on the role of compliance at the University.

Quarterly reports on the status of mandated training completions were disseminated to University leadership for follow-up with employees. Systemwide mandated trainings included: 1) general compliance briefing; 2) compliance briefing and conflict of interest for researchers; 3) conflict of interest for designated officials; and 4) sexual harassment prevention training.

As noted in the Ethics and Compliance Education section of this report, approximately 15 on-site or on-line courses were offered on ethics related topics, including *Ethics and Compliance in Academia: the Need for Transformational Leadership* presented by George Breslauer, Executive Vice Chancellor and Provost at UC Berkeley.

Additional activities undertaken by the locations in support of a culture of ethics included:

- Six locations created a new, or merged existing mid-level risk work groups to adopt a more comprehensive approach to enterprise and compliance risk assessment and management. In support of compliance plan development, the work groups conducted targeted compliance risk assessments, development of risk mitigation plans, and implementation of risk mitigation activities across functional areas.
- Three campus locations (UC Berkeley, UC Davis and UC San Francisco) established ethics and compliance offices with separate budgets and a direct reporting line to either the Provost, Chancellor or both.

## 6. Investigations

*The Investigations unit at ECS is responsible for coordinating, managing and investigating (where applicable) complaints of suspected improper governmental activity, workplace misconduct and breaches of ethical conduct. Ensuring investigation techniques are consistently applied across the system is a priority.*



The University's Whistleblower Policy provides the framework to establish a comprehensive program at all University locations to ensure compliance with federal and state laws requiring confidential reporting of concerns. The Whistleblower Policy created the position of Locally Designated Official (LDO) to receive reports of allegations of improper governmental activity and to manage the investigation process. The ECS Investigations' unit provides administrative support for UCOP and systemwide Locally Designated Officials and serves as a point of contact at UCOP for the campus and laboratory Locally Designated Officials.

During the past fiscal year, the locations have been encouraged to not only report improper government activity but also areas of potential compliance concern. As a result, the University's hotline continued to receive reports from a variety of sources and intake points, as well as locations, reflecting a wider base of potential concerns. The University external hotline provides a mechanism for twenty-four hour per day/seven day per week confidential reporting, and allows for incident case management and the ability to engage in communication with parties desiring to remain anonymous without fear of retaliation and/or retribution.

### **Compliance Risk Goal**

- *Enhance approach to investigations and reporting of observations/findings across the University to encourage consistency.*

### **Metric**

- *Location-specific investigation protocols are consistent with systemwide policy. Education is provided to investigators to encourage consistent approach to investigations.*

The ECS Director of Investigations worked with campuses' Locally Designated Officials on a variety of sensitive and complex investigations, and performed investigations when there were potential conflicts of interest at the involved campus. Not all hotline calls resulted in formal investigations due to the nature of the issue being reported, e.g., some required following specific grievance processes or simply necessitated a management response. Of note, the most common investigation category was allegations related to workplace misconduct, economic waste/misuse of resources, and fraud, theft and embezzlement. Incidents reported that have been investigated, substantiated and closed accounted for approximately 11% of the total during FY2010-11.

The downsizing of departments, changed workloads, or increased awareness to report areas of concern and/or suspected non-compliance or improper governmental activity has instigated an increased need for investigation services. Due to enhanced public policy in support of, and governmental resources allocated to, the reporting and enforcement of improper governmental activities, the University has reinforced its efforts to orient and train employees on how to convey potential issues of non-compliance to appropriate University individuals.

As a result of increased reporting, the need to have efficient and effective investigators immediately available to conduct investigations, analyze interview results and draft a credible and comprehensive report was essential to maintaining trust in the reporting system. As the number of investigations increased, the need for qualified investigators increased systemwide. The demand for lower cost investigative services, competency of investigators and consistency in how investigations are planned and implemented were key foci of ECS efforts during FY2010-11. In addition to assisting the campuses in identifying investigators, ECS provided training this past fiscal year that reached a variety of employees whose roles include investigations, internal audit, police services, general counsel, human resources, faculty, laboratory security, ombudspersons, and the chancellor and provost offices. Of note, the following programs for investigators were offered systemwide.

A three-day workshop, facilitated by ECS, on ‘Conducting Effective Workplace Investigations’ that focused on investigation fundamentals, interviewing skills and report writing was presented in northern and southern California to reduce travel-related costs to participants.

- An “Investigations Basics” workshop was offered by ECS for interested employees on the investigation process, dealing with witnesses, and interviewing skills.
- An “Advanced Interview Techniques” seminar for auditors and police officers was offered and focused on techniques for obtaining an admission/confession.
- A “Violence in the Workplace” seminar was offered that covered why people are violent, what clues to look for to prevent workplace violence, and a practical process for violence risk assessment.

## 7. Health Care Reform

*The Patient Protection and Affordable Care Act provides the potential for increased compliance risks to the University as the Act’s terms are interpreted and mandated across the nation.*



In response to compliance-related challenges with the new health care reform laws, the UCOP Office of General Counsel developed impact guidance for the campuses with AMCs.

### Compliance Risk Goal

- *Determination of impact of Patient Protection and Affordable Care Act sections on University operations and development of ECS monitoring tool to track implementation efforts to ensure compliance to Act timelines.*

### Metric

- *Comprehensive tool developed outlining Act regulations that impact the University and the potential compliance risk.*

ECS primarily provided access to systemwide education and training on Patient Protection and Affordable Care Act while awaiting finalization of the Act rules. However, for the compliance-related provisions of the Act, including fraud and abuse provisions, ECS worked with the AMC Health Science Compliance Officers in providing education on the changes and/or reinterpretation of the rules and updating current policies and procedures. At the time of this report, elements of Act are still pending Center for Medicare/Medicaid Services regulatory finalization; although several of the Medical Centers have reviewed the Accountable Care Organization regulations and have initiated discussions and action plans on potential implementation.

## Appendix B: Function-Specific Compliance Program Reports

### **Ethics and Compliance Education and Training**

Education is the cornerstone of any ethics and compliance initiative. Effective education of all University employees on institutional compliance obligations demonstrates the Regents' commitment to transparency and accountability. With input from the Campus Ethics & Compliance Officers and Campus Ethics & Compliance Risk Committees, ECS developed an education plan to address the general compliance education needs of University employees. ECS leveraged systemwide and campus resources to streamline compliance education while avoiding duplication of effort. Employees require appropriate and timely information to identify, understand, prioritize, and mitigate compliance risks as the University strives to meet its strategic goals in a complex regulatory environment. ECS adopted a cost-effective and efficient means to deliver education within a limited timeframe while ensuring that our employees have the information they need to navigate this regulatory environment.

### **Systemwide Mandatory Education and Training**

ECS continued to work with location representatives on the following mandated compliance training that was offered through the University Learning Management System operated by Human Resources and/or face-to-face learning opportunities.

#### ***Compliance Briefing: UC Ethical Values and Conduct***

- The course was to be completed within a twelve-month window from January 1, 2010 through December 31, 2010.
- Compliance rates were monitored on a quarterly basis and distributed to campus and location leadership to encourage completion per the deadline.
- Locations were encouraged to offer the on-line or similar version of the course to new employees at the time of orientation.
- This course was designed to reinforce the UC Statement of Ethical Values and Standards of Ethical Conduct. It has been mandated for all University employees except those individuals designated as researchers.

#### ***Compliance Briefing: UC Ethical Values and Conduct and Conflict of Interest for Researchers***

- The general compliance briefing material (noted above) was combined with specific conflict of interest training to satisfy granting agency requirements for those employees identified as researchers who receive federal funds and targeted approximately 19,000 UC employees.
- Compliance rates were monitored on a quarterly basis by ECS and distributed to campus and location leadership to ensure completion per deadline dates, with enforcement actions determined by location senior leadership.

### ***Sexual Harassment Prevention Training – CA AB1825***

- This state mandated training is required every twenty-four months and includes all University employees who manage one or more employees.
- UC has internally mandated that management supervisory personnel and active faculty be considered supervisors for the purpose of the course.
- Compliance rates were monitored on a quarterly basis by ECS and distributed to campus and location leadership to ensure completion per deadline dates, with enforcement actions determined by location senior leadership.

### ***Conflict of Interest Training for Designated Officials***

- This mandated training is required for certain UC employees appointed as “designated officials” per the California Fair Political Practices Act who must complete CA Form 700 documenting potential conflicts of interest every two years.
- The University requires completion of the course by each of the approximately 1,800 systemwide designated officials every two years.
- Compliance rates were monitored on a quarterly basis by ECS and distributed to campus and location leadership to ensure completion per deadline dates, with enforcement actions determined by location senior leadership.

### ***Specific Compliance Risk Education and Training Opportunities***

ECS adopted an instructor-led and web-based learning approach when implementing the FY2010-2011 education plan that focuses on clear communication to all employees on UC’s standards and statements, and targeting individuals in high risk areas. As noted previously in other sections of this report, key examples of training sessions included, but may not be limited to the following:

- Systemwide Compliance and Audit Symposia in northern and southern California of 26 session offerings with an emphasis on health science and research compliance. Total attendance was approximately 400 registered participants.
- Clinical Research Trials Billing compliance systemwide webinar series and select on-site training sessions.
- Investigator Training programs as previously described.
- Numerous webinars and audio-conferences on topics ranging from the seven compliance elements to the seven compliance risk areas identified for FY2010-2011.

Through special arrangements with a number of professional organizations, ECS continued to provide webinars hosted by the University of Texas, Ethics Point, Health Care Compliance Strategies, Health Care Compliance Association, and Society of Corporate Compliance & Ethics. By utilizing these “free” resources provided as a benefit from the board membership of the SVP/CCAO, ECS realized a substantial saving of systemwide and location-specific education monies. Select audio/video presentations were uploaded to either the Learning Management System or ECS website to allow for future access by University employees who were not able to attend the training on the appointed date. For a detailed listing of all the ECS offered compliance webinars and on-site training, refer to Appendix B.



## Health Science Compliance Program

*The overall objective of the Health Sciences Campus Compliance function is to help ensure that the University complies with applicable laws and regulations relating to reimbursement and documentation of patient services, patient confidentiality and to provide recommendations and suggestions for continuous improvements.*



As noted earlier in this report, the Health Sciences Compliance Officers and their respective AMCs continue to be faced with increasing regulations, more focused enforcement, and decreasing resources. The four primary regulatory agendas being focused on by state and federal regulators include: 1) medical center/professional services; 2) clinical research billing compliance; 3) privacy and security; and 4) Industry relations and conflict of Interests. Specifically, the five health science campuses faced potential enforcement activities from the California Department of Public Health and Safety, Medicare Recovery Audit Contractor (RAC), Medi-Cal RAC, Medi-Cal Integrity Program, and Medi-Cal Integrity Contractors. There was a steady number of letters this past fiscal year to the AMCs from the RACs focusing on select diagnosis-related groups and other ancillary charges. Each AMC Health Science Compliance Officer continued to re-allocate scarce resources to address the audit and/or request for information requests.

### Clinical Research Trial Billing Compliance

As noted earlier in this report, a systemwide clinical research trial billing inventory was conducted at the health science campuses. Each of the Health Science Compliance Officers collaborated with campus and AMC operations and adjusted internal claims generation control systems and processes to address the Center for Medicare/Medicaid Services Office of Inspector General (OIG) enforcement of the Medicare 2000 National Coverage Decision governing clinical research billing. The enhanced OIG enforcement has entailed increased scrutiny of covered services provided during clinical trials, treatments stemming from complications/subject injuries, and billings to Medicare versus sponsors during trials. As a consequence, each of the Health Science Compliance Officers has led, supported or facilitated the following:

- Revised clinical research billing policies and procedures
- Updated and/or developed training materials
- Provided education to PIs, study coordinators, and billing and registration staff to promote compliance with clinical research billing rules and regulations

## **Leveraging Compliance Knowledge and Expertise between the Medical Centers**

The exchange of knowledge and expertise in a number of health science compliance risk areas is fostered by ECS facilitation of several systemwide committees or workgroups, to include the Health Science Compliance and Privacy Officer conference calls/on-site meetings; HIPAA Privacy Officer conference calls; the Medical Billing Advisory Committee as noted earlier in this report; and Health Science Research Compliance Committee calls. Discussion of issues, on-site audits and/or surveys at each location and the success or challenge of mitigation activities has allowed compliance leadership to become more aware of potential compliance issues at their entity and what best practices may be in the industry, or within the University system, to successfully address the identified risk.

## **Health Sciences Compliance and Privacy Officer Committees**

Monthly Health Science Compliance and Privacy Officers conference calls are held with meeting and agenda leadership alternating between the five Health Science Compliance Officers. Typically, the agenda includes government regulatory changes, results from state surveys or payer audits and related trends, or discussion of practices and systems to address individual location needs. Twice a year, if budgets permit, on-site meetings are held at one of the AMCs to foster networking and knowledge exchange.

Health Sciences Compliance Officers share information about government audits, coordinate multidisciplinary RAC response teams in targeted high risk areas, adopted best practices in policy implementation in areas such as professional fee billing, HIPAA-HITECH privacy and security, and collaboration in the development of a system-wide Health Sciences Compliance Manual.

Health Sciences Compliance Officers pooled their resources in leveraging information and technology through the efforts of the Health Sciences Research Compliance Committee facilitated by ECS. This adjunct committee to the Health Sciences Compliance Officer group focused on specific issues and needs as they span two different functional areas – health sciences compliance and research compliance. Given the complexity and lack of consistency among the campus clinical trial billing processes, members of the committees collaborated closely in helping each other identify gaps and improving processes, systemwide.

As described earlier in this report, three of the AMCs deployed a medical billing auditing and compliance monitoring software. This product automates many of the administrative tasks involved in compliance auditing, dramatically improving productivity, and streamlining the audit process. The AMCs developed a common auditing framework that documents findings down to the physician level and enables systemwide reporting of trends and risk highlights. A fourth AMC was in negotiation with the software vendor at the end of the fiscal year and the fifth AMC has a system currently in place.

## Human Resources (HR) Compliance Office

*The Human Resource Compliance Department has a dotted line relationship to the SVP CCAO and works closely with ECS in supporting the overall system-wide Ethics and Compliance program with a focus on HR initiatives.*



HR Compliance, in coordination with the Office of General Counsel and Academic Personnel continues to review systemwide processes for developing affirmative action plans to fully meet the requirements of the Office of Federal Contract Compliance Programs, and instituting improvements to ensure development of location plans as required.

In partnership with the Executive Director, Staff Management and Diversity, the University continues to provide current training as required by CA AB1825 Sexual Harassment Prevention. HR Compliance is also collaborating with HR Policy and the Office of General Counsel to update University policy in light of recent regulatory and legal guidance in this area.

HR Compliance similarly monitors payroll to identify recipients of severance payments under Personnel Programs for Staff Members 65 (Termination of Career Employees—Managers and Senior Professionals, Salary Grades I through VII) and to ensure that any recipients of severance who return to University employment repay the appropriate amounts per policy.

In FY2010-11, HR Compliance expanded the duplicate health coverage reports to identify more instance of duplicate health and welfare coverage, not allowed under the Group Insurance Regulations. In addition to identifying individuals who receive benefits both as an employee and as a family member, the expanded reports now also identify family members who are covered by more than one University employee. This project has ensured greater savings for the University and greater compliance in this area.

HR Compliance has established a regular bi-monthly schedule of conference calls with the Chief Human Resource Officers (CHROs), Compliance Committee (a committee established by the locations' CHROs with representatives from Irvine, Irvine Medical System, Los Angeles, Davis Health System, Lawrence Berkeley National Laboratory, and Santa Cruz).

This committee continues to monitor compliance with the policy on Reemployment of University Retired Employees Into Senior Management Group and Staff Positions, collecting regular reports from locations on reemployment actions, validating the information against data in corporate systems, and providing summary information to University leadership for review of compliance with University policy.

## ANR Compliance Activities

*The Division of Agriculture and Natural Resources (ANR) is a statewide network of University of California researchers and educators dedicated to the creation, development and application of knowledge in agricultural, natural and human resources.*



ANR personnel and operations are geographically dispersed throughout the State of California including over fifty county locations, nine Research and Extension Centers, and on three campuses. ANR's programs include significant involvement with the public and applied research conducted off-campus. Given the unique compliance issues associated with geographically dispersed operations, public service programming, and research conducted off-campus, ANR has established a Compliance and Ethics Committee similar to the campuses. In addition, as ANR utilizes campus-based business processes and systems, many campus based compliance activities apply to ANR as well. Specific ANR compliance highlights for FY2010-11 included:

- Continued program of on-site compliance reviews performed at the Research and Education Centers and Cooperative Extension facilities throughout the State. Reviews were aimed at conducting focused training, compliance audits and engaging location personnel in risk assessment activities.
- An on-line tracking system was launched for contracts and grants function, automating a paper process. ANR's new on-line system incorporates the pre-award Research Compliance Checklist and strengthens the link between ANR researchers and central administration.
- Development of an ANR training website that included links to University systemwide mandatory compliance training sessions as well as additional informational ANR training. Website includes a section specific to compliance.

- Cross-functional working committee comprised of key fiscal officers and managers oversaw organizational changes and centralization of business processes in response to budget reductions. Compliance and internal controls, as a result of centralization of processes, was either maintained and preserved, or strengthened, overall
- Continued comprehensive revisions to the ANR Administrative Handbook with specific focus on compliance related policy.
- Established new centralized units for employee-related investigations. All personnel with investigations related job responsibility completed annual investigations training during the year.

## Specific Compliance Risk Initiatives

As compliance issues arose during FY2010-11, ECS either led or facilitated coordinating activities in response to anticipatory regulations or potential risk. The following is a list and brief explanation of key projects undertaken this past fiscal year:

### Public Records Acts (PRA)

In response to media reports of poor PRA response by the University to a number of record requests, President Yudof requested the SVP/CCAO to research and provide an analysis of current protocols and make recommendations for process improvement. ECS performed a high level inventory of the various campus processes and procedures in responding to PRA requests by collaborating with the campuses in gathering relevant data such as existing PRA policy, processes used by campus in responding to a PRA request and potential concerns with the processes.

### International Activities

As a result of a number of international incidents this past fiscal year, including regional insurgencies, earthquakes, tsunamis and displacement of people, infrastructures and daily business, there was a Regental request for the SVP/CCAO to report on the management controls helping to mitigate the compliance risks related to UC policy and current international activities. ECS collaborated with a multi-disciplinary group at UCOP, including the Office of the General Counsel, Risk Services and other groups to conduct an informal inventory of international activities across the system.

As part of this inventory, information was collected on international agreements, including research activities, foundations and international advancement, and the Education Abroad Program. The objective of the group is to develop recommendations for processes to be put into place that will provide assurance that international activities and opportunities are aligned with the University's mission that policies, procedures and controls at international locations are effective, and that adequate monitoring activities are performed to evaluate international operations

## **Red Flags Rule**

Changes were made to the federal Red Flag Rules that significantly reduced the regulatory requirements for identity theft prevention plans. As a result, ECS worked with the Office of General Counsel in interpreting the Red Flag Program Clarification Act of 2010 and the impact on the University, and issued guidance to the campuses in an effort to maintain safeguards against identity theft.

## **Mandatory Training (Senate Administration Advisory Workgroup on Required Training)**

In an effort to respond to the increasing concerns of the faculty and administrative staff in meeting mandatory training requirements, ECS undertook a high level summary process of inventorying mandated course/training at all University locations. ECS aggregated the data and shared this information with the respective locations. The second phase of the project is to develop a formal structure for the approval of new training and periodic review of ongoing training to ensure appropriate relevancy, teaching methodology and appropriate audience.

Senior administrative leadership approved the second phase of this project, and in collaboration with the Academic Senate, ECS is co-leading the workgroup and recommendations will be submitted to senior leadership at the conclusion of the project.

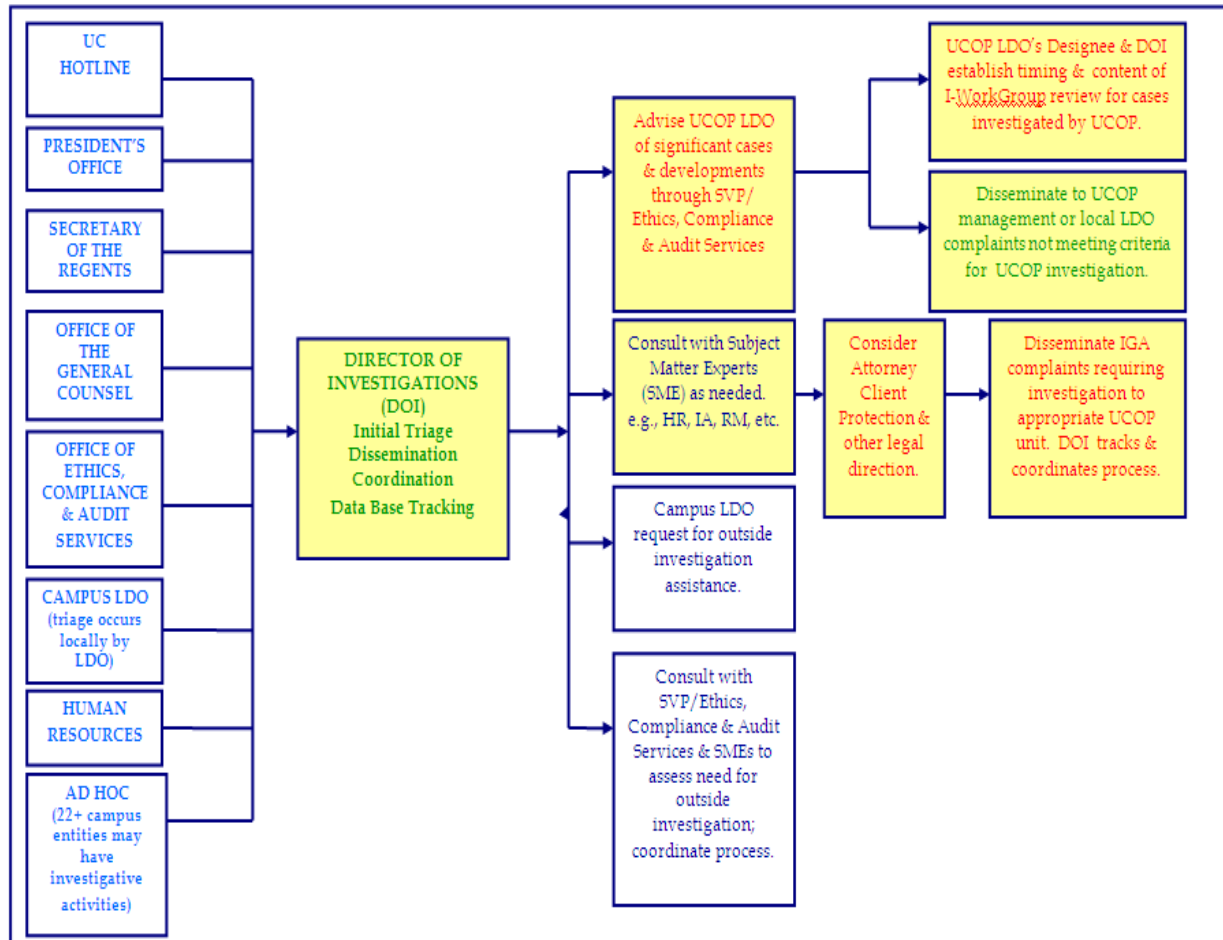
## **Systemwide UC Policy Management Process**

As a result of an external audit and growing concern at the University, President Yudof has approved a systemwide policy management process, under the auspices of the Working Smarter Initiative. ECS provided operational oversight to this project whose goal is to develop and implement a consistent and transparent policy approval, review and rescission protocol that will allow for the easy access to University's systemwide policies both internally and public facing.

During FY2010-11, a primary structure was established and approved to review and determine the status of current systemwide policies. This project is ongoing with a goal to have a system established and repository for archived and current policies on-line by end of third quarter FY2011-12.

# Appendix C: Flow of Whistleblower Reports

## *Flow of Whistleblower Reports* *Office of the SVP/Chief Compliance & Audit Officer of the Regents*



## Appendix D: FY2010-2011 Ethics, Compliance and Audit Education Offerings

Date	Title	Category	Length
7/8/2010	PHS – Proposed New Conflict of Interest Rules and the Physician Payments Sunshine Act: Impact on Compliance	HCCA	90 min
7/13/2010	New Interim Final Regulations for E-Prescribing	SCCE/HCCA	90 min
7/15/2010	Social Media and the Workplace: Legal, Ethical and Practical Issues Every Employer Must Consider	HCCA	90 min
7/27/2010	Making Social Media Your Ally: Resources for Compliance Professionals	SCCE/HCCA	90 min
8/2/2010	Risk Diverse Environments - Prioritizing the Priorities	UT/Internal	60 min
8/12/2010	Meaningful Use for Certified EHRs and Incentive Payments: A Compliance Officer's Perspective	HCCA	90 min
9/15/2010	Importance of the Clinical Research Billing Process: Opportunities & Challenges (R. Meade)	Internal	60 min
9/15/2010	The Basics of Clinical Research Billing: A Team Effort (R. Meade)	Internal	60 min
9/16/2010	The Basics of Clinical Research Billing: A Team Effort (L. Murtha)	Internal	60 min
9/16/2010	Importance of the Clinical Research Billing Process: Opportunities & Challenges (L. Murtha)	Internal	60 min
9/21/2010	How Clinical Trial Agreements Can Affect Research Billing (R. Meade)	Internal	60 min
9/21/2010	How Informed Consent Documents Affect Research Billing (R. Meade)	Internal	60 min
9/23/2010	Federal Funding Accountability and Transparency Act (FFATA)	HCCA	90 min
9/23/2010	How Informed Consent Documents Affect Research Billing (R. Nosowsky)	Internal	60 min
9/23/2010	How Clinical Trial Agreements Can Affect Research Billing (R. Nosowsky)	Internal	60 min
9/28/2010	Improving Study Budgets by Using Research Billing Rules (R. Meade)	Internal	60 min
9/28/2010	The Basics of Clinical Research Billing: A Team Effort (R. Meade)	Internal	60 min
9/30/2010	Compliance Monitoring Tools in Higher Education	UT/Internal	60 min
9/30/2010	The Basics of Clinical Research Billing: A Team Effort (L. Murtha)	Internal	60 min
9/30/2010	Improving Study Budgets by Using Research Billing Rules (L. Murtha)	Internal	60 min
10/5/2010	Medicare Advantage & Clinical Research Billing (R. Meade)	Internal	60 min
10/5/2010	Addressing Specific Billing & Coding Challenges for Research Billing (R. Meade)	Internal	60 min



<b>10/7/2010</b>	Addressing Specific Billing & Coding Challenges for Research Billing (L. Murtha)	Internal	60 min
<b>10/7/2010</b>	Medicare Advantage & Clinical Research Billing (L. Murtha)	Internal	60 min
<b>10/26/2010</b>	Compliance Implications of the Dodd-Frank Act: New Whistleblower Incentives and Protections	SCCE	90 min
<b>10/28/2010</b>	Organizational Ethics in the University: Practicing What We Teach	UT/Internal	90 min
<b>10/28/2010</b>	Compliance Pitfalls to Avoid When Implementing EHR Systems – Part 2	HCCA	90 min
<b>11/9/2010</b>	Viewing Global Business Ethics through Different Cultural Lenses: Global Business Ethics 2.0.	HCCA	90 min
<b>11/16/2010</b>	Stark Self-Disclosures: Understanding and Working with CMS's New Self-Referral Disclosure Protocol.	HCCA	90 min
<b>11/18/2010</b>	Accountable Care Organizations: Compliance Concerns	HCCA	90 min
<b>12/7/2010</b>	The I-9 – Small Form, Big Liability. The CHW Experience	HCCA	90 min
<b>12/9/2010</b>	Fundamentals of Government Contracting: Compliance Tips and Recent Trends	HCCA	90 min
<b>1/18/2011</b>	"Final Physician Supervision Rules for Hospital Outpatient Therapeutic Services: Clarity or Continuing Quagmire?"	HCCA	90 min
<b>1/21/2011</b>	Understanding Oversight Liability, Recent Legal Updates and the Impact on Compliance Effectiveness	HCCA	90 min
<b>1/28/2011</b>	Internal Investigations: The Basics; Interviewing the Reporter	SCCE	90 min
<b>1/31/2011</b>	Expanding Anti-Corruption Enforcement: New Legislation, Continuing Trends, and Compliance Program Implications	SCCE	90 min
<b>2/1/2011</b>	Medicare Provider Enrollment, Part I: The Changing Landscape for Continuing Care Providers"	AHLA	90 min
<b>2/3/2011</b>	Medicaid RACs: Get Ready, 'Cause Here They Come!	HCCA	90 min
<b>2/15/2011</b>	Psychology of Fraud: "Why Good People Do Bad Things"	SCCE	90 min
<b>2/16/2011</b>	New Enrollment Rules Reflect a Focus on Fraud and Abuse Prevention	HCCA	90 min
<b>2/16/2011</b>	International Research Collaborations & Complying with OFAC Regulations – What do You Need to Know?	Internal	90 min
<b>2/24/2011</b>	Internal Investigations: The Basics: Planning the Investigation	SCCE	90 min
<b>3/3/2011</b>	Medicare Provider Enrollment, Part II: Navigating the Maze of Enrollment and Tips to Protect Billing Privileges	AHLA	90 min
<b>3/22/2011</b>	Internal Investigations: The Basics: Taking Effective Interviews	SCCE	90 min
<b>3/29/2011</b>	Using Comparative Data in PEPPER to Prepare for Regulatory Audits and Support Hospital Auditing and Monitoring	HCCA	90 min
<b>4/13/2011</b>	Attorney Client Privilege & Its Application In Compliance Investigations	Internal	60 min
<b>4/26/2011</b>	Internal Investigations: The Role of Documents in the Investigation	SCCE	90 min
<b>4/27/2011</b>	IT for Non-IT Auditors – How to Speak "Information Technology-ese" 101	Internal	60 min
<b>5/4/2011</b>	Emerging Trends in Research Compliance - Lisa Murtha	UT	90 min

<b>5/9/2011</b>	The UK Bribery Act Guidance: What It Says and What You Should Do	SCCE	90 min
<b>5/11/2011</b>	It's a Gift. Why Can't I Buy TurboTax?	Internal	90 min
<b>5/18/2011</b>	Measuring Compliance Program Effectiveness	UT/Internal	60 min
<b>5/19/2011</b>	Internal Investigations: Closing the case and reporting your findings	SCCE	90 min
<b>5/25/2011</b>	Emerging Trends in Privacy and Data Security	UT/Internal	60 min
<b>5/26/2011</b>	10 Common Misconceptions that Increase the Likelihood of FCPA Violations	SCCE	90 min
<b>6/1/2011</b>	A Primer on Foreign Corrupt Practices Act and Anti-Corruption Issues for Healthcare and Life Science Companies, Part II	AHLA	90 min
<b>6/2/2011</b>	The Compliance Model: A Framework for All Things Compliance	SCCE	90 min
<b>6/7/2011</b>	Hot Topics in Government Contracts	SCCE	120 min
<b>6/8/2011</b>	Assessing Data Breach Exposures, Securing Your Organization and Ensuring HIPAA and HITECH Compliance	ComplyHealth/IDExperts	60 min
<b>6/8/2011</b>	Graduate Medical Education Compliance	UT/Internal	60 min
<b>6/13/2011</b>	Building the Structure for Compliance - Best Practices for Institutional Policies	UT/Internal	60 min
<b>6/15/2011</b>	2011 Harassment Prevention & Compliance	ELT	60 min
<b>6/16/2011</b>	New Compliance & Ethics Officer? – Where to Begin, Whether the Role is New or You are New to the Role	SCCE	90 min
<b>6/20/2011</b>	Research and HIPAA at UC	Internal	60 min
<b>6/21/2011</b>	Assess, Implement, Evaluate: Understanding the Impact of Technology on ICD-10	CCH	90 min
<b>6/22/2011</b>	Emerging Trends in Healthcare Compliance	UT	60 min
<b>6/29/2011</b>	Construction Audits: Where is the Value Added?	Internal	60 min
<b>6/29/2011</b>	Social Networking, Blogging & "Sexting"	ELT	60 min

## On-Site Training Programs

Date	Title
8/3/2010 - 8/5/2010	Investigations Training
10/20/2010-11/4/2010	Clinical Research Billing Workshop (Oakland and Irvine)
2/28/2011 - 3/3/2011	<p><b>2011 Compliance &amp; Audit Symposium</b> (Costa Mesa – Repeated in San Francisco)</p> <ol style="list-style-type: none"> <li>1. Investigations Basics</li> <li>2. Elements of Effective Compliance Programs</li> <li>3. A Criminologist’s Guide to Organizational Compliance</li> <li>4. Audit, Regulation and Health Care Reform</li> <li>5. Restructuring Medicare to Pay for Value, Outcomes and Innovation: The Hospital Inpatient Value-Based Purchasing Program Proposed</li> <li>6. Conflicts of Interest - Effective Management Across Silos</li> <li>7. Why People Are Violent &amp; What Are the Clues to Look For?</li> <li>8. Privacy and Data Security in Patient Clinical Data - What you DO Know May Hurt You</li> <li>9. International Partnerships and Activities in Compliance Issues</li> <li>10. Healing Humankind, One Patient at a Time</li> <li>11. Ethics and Compliance Programs in Academia: The Need for Transformational Leadership</li> <li>12. Conditions of Participation – Survey, Plan of Correction and Appeals</li> <li>13. Compliance and Enterprise Risk Management – Collaborating for Success</li> <li>14. Now What? A Practical Defensible Process for Violence Risk Assessment</li> <li>15. Hot Topics in AMC Billing &amp; Coding</li> <li>16. Recent Legal Developments in Academic Research and Clinical Trials</li> <li>17. Beyond Compliance – Social Responsibility and the University</li> <li>18. Internal Audit Best Practices and Techniques</li> <li>19. Attorney-Client Privilege at the University of California</li> <li>20. Health Reform - Understanding the Law</li> <li>21. Building the Structure for Compliance: Best Practices for Institutional Policies</li> <li>22. Internal Audit &amp; Compliance Department Collaboration – Measuring the Effectiveness of Compliance Programs</li> <li>23. Compliance = Cash: The Bottom Line Benefits of Compliance in the Revenue Cycle</li> <li>24. Preliminary Surveys – Key to an Effective Audit</li> <li>25. Investigation Interviewing Techniques</li> <li>26. Healthcare Regulatory Environment Overview</li> <li>27. Purchasing – Policy and Methods</li> <li>28. It's a Gift. Why Can't I Buy Turbo Tax?</li> <li>29. Auditing an Electronic Medical/Health Record</li> <li>30. Effective Audit Management - Pulling it all Together to See the "Big Picture"</li> <li>31. Effective Communication - How to Deal with Difficult Audit Clients</li> <li>32. Virtualization: IT Audit and Security Perspectives</li> <li>33. Laboratory Safety – Who's on First?</li> <li>34. University of California at a Crossroads</li> <li>35. Construction Audits: Where is the Value Added?</li> <li>36. Cash – Tales from the Till</li> <li>37. UC Research Compliance – Risks, Challenges and Best Practices</li> <li>38. Data Analysis Part 1 – Analysis of Network Traffic Data</li> <li>39. IT for Non-IT Auditors – How to Speak "Information Technology-ese" 101</li> <li>40. Data Analysis Part 2 – Data Mining and Analytics Paralysis</li> </ol>

## Appendix E: Highlights of Focus Area Performance Metrics, by Location

### *Campus Safety /Acts of Intolerance*

#### **UC Berkeley**

- Created an Advisory Council on Campus Climate, Culture and Inclusion at the direction of Chancellor Birgeneau to oversee the development and monitor the implementation of new campus Strategic Plan for Equity, Inclusion and Diversity.
- Instituted three Climate Teams: Senior Administration Climate Team (SACT), Equity and Inclusion Climate Team (EICT) and an Undergraduate Campus Climate Team (UCCT). Working together, the SACT and the EICT:
  - Conducted and published the first UCB Staff Workplace and Climate Survey. Based on the findings, the teams then developed a three-phase approach to strategic planning and assessment in implementing the recommendations.
  - Launched a Campus Watch Program that assigns officers to specific campus areas with designated group of buildings. The Officers work with the Building Coordinators to provide or arrange presentations on a variety of topics (i.e., active shooter training, workplace violence, theft prevention, etc.).

#### **Lawrence Berkeley National Laboratory**

- Created a Diversity and Inclusion Council that developed and implemented initiatives designed to strengthen existing diversity and inclusion efforts – with the goal of attracting and retaining a workforce that reflects the diverse community.
- Developed a Diversity and Inclusion Plan for the Lab. The Plan included recruitment strategies, education outreach, contracting and procurement, and policy development.
- Conducted an assessment on diversity and inclusion and presented findings and recommendations to senior laboratory management.

#### **UC Davis**

- Reconstituted its Campus Council on Community and Diversity. The new Council developed a Campus Climate and Inclusion Action Plan.
- Launched a Hate-Free Campus Initiative through the Student Life Issues and Campus Climate subcommittee. As a part of the Hate-Free Campus Initiative, the Council oversaw the creation of “Rapid Response Teams” with established protocols for addressing the incidents of acts of intolerance.
- Created a new Living the Principles of Community online course for staff and faculty.
- Offered interactive, competency-based diversity education programs.

#### **UC Irvine**

- Continued activities for the second year of the campus’s Advisory Council on Campus Climate, Culture and Inclusion, per the direction of Chancellor Drake. The Advisory Council's information is available at: [http://chancellor.uci.edu/campus\\_climate/index.php](http://chancellor.uci.edu/campus_climate/index.php)
- Developed a “UCIrvineToday” website that features links to UCI's emergency management plans, the national security threat level, tips on how to prepare for terrorism and other emergencies, and resources for psychological assistance.
- Published an “Assisting Students in Distress” brochure and website that helps faculty, staff and students recognize symptoms of student distress and identify specific options for interventions and referrals to campus resources.

- Developed an online Diversity and Inclusion training program designed to expand awareness of different dimensions of identity that are reflected in our diverse community, and to share best practices for creating and sustaining an inclusive environment.
- Launched the Living Peace Series that brings to the campus international leaders committed to making the world a healthy, sustainable and compassionate place.
- Initiated a student-led lunch time lecture series designed to explore the universal, as well as unique, beliefs and customs specific to a culture, with the goal to foster the appreciation of global cultural differences among faculty, staff and students. Also enhanced the quarterly brown bag lunch time lecture series that provides the campus community with opportunities to engage in dialogues about contemporary topics related to equal opportunity and diversity.

### **UC Los Angeles**

- Formed the UCLA Council on Diversity and Inclusion in support of the campus' Principles of Community.
- Developed the True Bruin Respect website to report acts of intolerance. The True Bruin Respect program is intended to aid the campus community and its individual members in responding to hostile climate incidents directed toward any of the members.
- Created a new UC Center for Laboratory Safety as a research center to develop best practices and shared resources to promote laboratory safety.
- Published a new and revamped "Employee Safety Handbook" that includes emergency preparedness and laboratory hazard management, as well as identification of safety and security resources.
- Launched a new campus "got safety?" campaign with the goal of continuing to improve the safety culture by increasing education, and to promote a safe and healthy environment.

### **UC Merced**

- Created the Council on Campus Climate, Culture and Inclusion in support of systemwide diversity efforts.
- Launched a Violence Prevention Program (VPP) and named a VPP Program Director and Campus Advocate.
- The campus also rolled out Violence Prevention training for students, faculty and staff.
- Provided Diversity Training to all UC Merced Police Officers, conducted Rape Aggression Defense Classes (RAD) each semester for students, staff and faculty women and provided Duress Alarm Training for all staff working in offices with duress alarms.

### **UC Riverside**

- Formed the Committee on Campus Climate and Community to review and make recommendations about the culture of the campus, including the intellectual and social climate, and for increasing the sense of community.
- Implemented a new Violence in the Workplace training for all campus employees.
- Developed New Laboratory Safety Program, including an Accountability in Laboratory Safety protocol, which outlines actions and responsibilities at all campus levels-including Faculty, Deans, and the Provost.

### **UC San Diego**

- Created the Council on Climate, Equity and Inclusion as part of its ongoing focus to enhance diversity, and is currently recruiting for a newly established Vice Chancellor for Equity, Diversity, and Inclusion.
- Created a new department to provide oversight of campus climate issues – the Office for the Prevention of Harassment and Discrimination.
- Added a general education requirement for all undergraduates at each of the six colleges related to diversity. Hosted a Teaching Diversity Conference in January 2011 to discuss best practices for teaching students to engage with questions of diversity in America.
- Began development of a mandatory training program for all campus supervisors, including administrators and department heads, on culturally competent management.
- Established a task force to identify best practices for the recruitment, support, and retention of faculty from underrepresented groups.

- Launched a Racism: Not in Our Community campaign to reinforce the campus wide message against racism and hate, and implemented a campus-specific online reporting system for bias incidents.
- Implemented Triton Alert, an emergency notification service to alert employees about emergencies via email accounts, phones, and devices listed in the campus directory.
- Established an Integrated Safety and Environmental Management Program (ISEM) to instill safety values and procedures into all work areas.

### **UC San Francisco**

- Created the UCSF Council on Campus Climate Culture and Inclusion, per direction of Chancellor Desmond-Hellman. The Council includes broad campus representatives and several community members. <http://www.ucsf.edu/chancellor/council-campus-climate-culture-and-inclusion>
- Appointed a vice chancellor of Diversity and Outreach.
- Convened focus groups of representatives from the Jewish Student Association, the Muslim Student Association, graduate students and postdoctoral scholars, as well as professional student groups to identify issues and concerns.
- Formed a Gay-Straight Alliance in the School of Dentistry to facilitate dialogue, support and resource sharing among students, faculty and staff.
- Convened the nation’s first Summit on Lesbian Bisexual Gay Transsexual (LBGT) Issues in Medical Education, for medical school faculty and administrators.
- Instituted a Campus Climate Reporting/Response System.

### **UC Santa Barbara**

- Created the Advisory Council on Campus Climate, Culture and Inclusion to address challenges in enhancing and sustaining a tolerant and inclusive environment.
- Instituted UCSB Alert as the campus’ primary emergency notification system which allows for text messages to serve as an immediate notification of an emergency situation.
- Instituted the Community Emergency Response Team (CERT) program that is designed to help communities prepare for effective disaster response through training and planning. Individual and community groups are trained to serve as crucial resources, capable of performing many of the emergency functions needed in the immediate post-disaster period.
- Developed a “Distressed Student Response Protocol” guide that includes emergency and non-emergency contacts names and numbers.

### **UC Santa Cruz**

- Created an Advisory Council on Campus Climate, Culture and Inclusion to oversee the implementation of: 1) diversity performance standards; 2) faculty programs under the “Engaging in Diversity” initiative; 3) Student Affairs education, assessment and advocacy program; 4) Fair hiring initiative; 5) a Diversity and Inclusion certificate-awarded training program and 6.) the role of campus diversity officer. <http://diversity.ucsc.edu/training/certificate.html>
- Conducted training for unit and divisional managers on cultural competency and creating inclusive work environments. Developed a conflict of resolution training series for all employees.
- Established a campus “Hate/Bias Policy” for facilitating and insuring effective and immediate response to reports of hate/bias; coordinated and promoted support for targeted individuals and groups as appropriate.
- Developed and implemented the “See Something, Say Something, Do Something” outreach campaign for the campus community to assist distressed students; guide includes emergency and non-emergency contact names and numbers. <http://studentaffairs.ucsc.edu/see-say-do>
- Promoted expansive “Be Smart about Safety” campaign that includes a wide variety of workplace safety initiatives and programs to enhance employee safety and wellness.
- Participated in the national “Enough is Enough” week, April 4-8, to fight violence on campus and promoted the month of April annually as Sexual Assault Awareness Month.

### UC Berkeley

- Implemented a process to monitor payroll cost transfers in the management of federal grants to ensure that transfers can no longer be made to federal funds after 120 days.
- Created an Extramural Funds Accounting Focus group to monitor effort reporting, cost sharing and cost transfers in grants management.
- Developed oversight structure to ensure each department's effort reporting certification is tracked to completion in a timely manner.

### Lawrence Berkeley National Laboratory

- Completed a risk assessment of all ARRA –funded projects to determine highest risk areas in operations.
- Established a risk mitigation process for ARRA –funded project management.

### UC Davis

- Developed and implemented an accountability-focused process flow that assigns key tasks and due dates to Effort Reporting System Coordinators (ERSCs).
- Implemented training on use of internal website to monitor timelines and due dates in Campus Effort Reporting System.
- Created a Stimulus Funding Information Website to assure compliance with ARRA quarterly reporting requirements.

### UC Irvine

- Implemented the MD Audit Compliance Software system in the Health Sciences Compliance Office.
- Spearheading a pilot Payroll Certification program in collaboration with UC Riverside as an alternative to the current effort reporting system for federal grants. This pilot was approved by the U.S. Department of Health & Human Services and when fully implemented, the program has the potential to reduce the number of annual transactions by up to 90 percent.

### UC Los Angeles

- HSCO accepted "contract-status" to provide systemwide HIPAA privacy consultation as needed.
- Implemented the MD Audit Compliance Software system in the Health Sciences Compliance Office.
- Established a standing campus-wide workgroup to develop solutions to systems, process, and policy and procedure "obstacles" to on-time effort certification.

### UC Merced

- Provided training for relevant staff on federal grants management effort reporting requirements.
- Conducted monthly meetings on grants administration and ARRA reporting requirements through a Contract and Grant Accounting committee.

### UC Riverside

- As noted above, in collaboration with UC Irvine UCR is spearheading a pilot Payroll Certification program as an alternative to the current effort reporting system for federal grants.
- Developed and implemented a monthly reporting tool for Contracts and Grants, the "Principal Investigator Web Reporting System (PIWRS)". UCR also secured campus-wide access to "A Guide to Managing Federal Grants for Colleges and Universities" Website – a subscriber-only service that includes access to pertinent Government Documents.

## **UC San Diego**

- Implemented the MD Audit Compliance Software system in the Health Sciences Compliance Office.
- Developed an ARRA reporting website for easy access to reporting guidance and requirements, and a hybrid staffing model developed by the Office of Post Award and Financial Services resulted in improved HIPAA reporting at the department level.
- Implemented training and monitoring procedures for effort certifications for federal contracts and grants.

## **UC San Francisco**

- Developed and provided Provider Billing and Coding education to all relevant billing providers, as designated by campus.
- Developed and implemented an Award Management Flow process (AWF) through the Controller's Office for the management of federal and non-federal grants.
- Launched a new training update for Principal Investigators (PIs) on use of the UCSF Effort Reporting System (ERS).
- Updated their Effort Reporting System Self-Certifier Training that is located at the following address: [http://controller.ucsf.edu/fin\\_compliance/files/ERS\\_SelfCertifierTraining](http://controller.ucsf.edu/fin_compliance/files/ERS_SelfCertifierTraining).
- Created an internal process on ARRA Data Collection Page in the RAS for each award based on the quarterly reporting timeline in three classifications: prime recipient awards, prime and sub-recipient awards and sub-recipient awards.

## **UC Santa Barbara**

- Effort certification using ERS has begun with a number of pilot departments, and the campus is in the process of staff training and rolling out the application to the campus.

## **UC Santa Cruz**

- Implemented the UC Effort Reporting System to improve compliance with reporting requirements associated with federally-funded sponsored awards.
- Updated the Financial Information System reporting and monitoring processes to incorporate enhanced ARRA-funded sponsor compliance requirements.
- Revised the Principal Investigator handbook to update information on effort reporting.
- Improved the sub award process and revised the sub recipient commitment and A-133 audit certification forms.



### UC Berkeley

- Adopted UC Irvine's online Information Security Tutorial for faculty and staff designed to help keep information and computers safe. The tutorial describes information security best practices, why they are important, and how people can protect themselves from common risks.

### Lawrence Berkeley National Laboratory

- Developed and implemented a new Cyber Security Assurance Plan. The Plan includes a Performance Evaluation and Measurement Plan with quarterly reporting on incidents, the mitigation of threats, system availability, and response times.
- Conducted risk assessments of controls in emergent security risks areas of cloud computing functionality, system authorization cycle, and UC systemwide IS-3 compliance.
- Conducted cyber security training for all relevant staff.  
<https://commons.lbl.gov/display/cio/2010/12/15/The+New+Risk+Management+Approach>

### UC Davis

- Launched the UCD Protecting Privacy Campaign (PPC).
- Promulgated new data privacy and security guidelines governing the security of copiers, multi-function printers, and laser printers.
- Conducted campus wide survey in a review of software vulnerabilities, virus infections, security authentication protocols, security of personal information, physical security, among others.
- Conducted on-going campus wide communications about protecting privacy.
- UCDMC has conducted monitoring and auditing of medical center services for areas that have completed implementation of EHR in testing access and security controls.

### UC Irvine

- Created an online Information Security Tutorial for faculty and staff designed to help keep information and computers safe. The tutorial describes information security best practices, why they are important, and how people can protect themselves from common risks.
- UCIMC has conducted monitoring and auditing of medical center services for areas that have completed implementation of EHR in testing access and security controls.

### UC Los Angeles

- Developed and implemented Policy 404 - Protection of Electronically Stored Personal Information.

### UC Merced

- Completed and disseminated campus data privacy and security policies.
- Completed the Social Security encryption in the Banner system.
- Launched a records and information management website with links to relevant data privacy and security policies.

### UC Riverside

- Finance and Business Operations (FBO) has instituted an annual process of audits of FBO units for personal and protected data.
- Developed a new campus policy that requires employees involved with student systems to complete annual FERPA training.

## UC San Diego

- UCSDMC has conducted monitoring and auditing of medical center services for areas that have completed implementation of EHR in testing access and security controls.
- Updated mandatory training for all employees with access to patient care records.
- Formed a compliance sub-committee on Information Security and Privacy and required that security breach incidents be reported to the Computer Incident Response Team (CIRT), tracked and followed up appropriately.
- Administrative Computing and Telecommunications Policy Committee (ACTPC) Security Subcommittee has developed network security standards that cover the range of devices connected to the UCSD network.

## UC San Francisco

- Developed and implemented a new policy on Control of Access to and Release of Information from UCSF Medical Center Information Systems for Research Purposes.
- Updated the UCSF Privacy and Confidentiality Handbook to incorporate HITECH breach notification requirements.
- Implemented Be a Privacy Protector campaign with information located at: [http://hipaa.ucsf.edu/education/privacy/downloads/Privacy%20flyer\\_092710.pdf](http://hipaa.ucsf.edu/education/privacy/downloads/Privacy%20flyer_092710.pdf) .
- Published a UC San Francisco Privacy & Security Survival tips brochure: <http://hipaa.ucsf.edu/documentation/downloads/PrivacySurvivalTips.pdf>.
- Mandated an online training program for anyone who uses, sees or hears protected health information (PHI). The training program incorporates recent changes in the state privacy laws and the HITECH Act.

## UC Santa Barbara

- Identified campus departments subject to HIPAA and FERPA health regulations and provided updated training that was provided by UCOP using the learning management system.

## UC Santa Cruz

- Completed a campus HIPAA security risk assessment and campus review, and update of HIPAA privacy and security policies as part of annual HIPAA compliance activities.
- Updated security breach and Personally Identifiable Information (PII) inventory procedures to include clarification for HIPAA breach procedures.
- Initiated implementation of a data management system to ensure security of PII and improve the management of processes related to numerous areas of compliance within HR (e.g. FMLA, E-Verify, Glacier, Affirmative Action, Equal Employment, etc.).
- Conducted campus-wide internal audits of workstation security and compliance with BFB IS-3 policy.
- Deployed desktop management tools to over 2800 computers to ensure current patching and updates along with other security improvements.
- Focused annual National Cyber Security Awareness Month communication campaign on mobile device security, passwords, data disposition and Top 10 Best Practices for security.
- Launched the highly successful first annual data Disposition Day.
- Developed “Notice regarding disposition of and access to records upon separation from employment” to set privacy expectations at time of hire and separation.

### UC Berkeley

- Developed user-friendly tools and launched a new website for Conflict of Interest (COI) in Research, and posted Guidelines for Review of Financial Interest Disclosures.
- Responded to recent revisions in the California's Political Reform Act by revising its 700-U form in allowing Principal Investigators to be more responsive to the reporting requirements of the Act.

### Lawrence Berkeley National Lab

- Implemented an on-line system for submitting research proposals to the National Institute of Health. This system has compliance tracking and reporting capabilities, and reduces the potential for errors. This custom implementation was embraced by the vendor as a product starter site which has been accepted by other Universities licensing the product.
- Revised policy on financial conflict of interest reporting requirements for Principal Investigators in response to changes in the California Political Reform Act.

### UC Davis

- Revised the campus policy on Individual Conflicts of Interest Involving Research.
- Created a "one-stop" shop approach to new State and Federal Financial Disclosure forms for researchers. Each individual meeting the state and federal definition of investigator will now complete and sign a discrete disclosure form and submit it with applicable proposals to the UCD Conflict of Interest Committee. The new forms reflect a change in the way disclosure is made at the Davis campus for proposals or awards subject to state and federal regulations.
- Offered eight Responsible Conduct of Research (RCR) sessions. Researchers who cannot attend in person may review recorded webinars. Participants who attend or view five sessions receive a certificate of completion for the RCR program.

### UC Irvine

- Implemented a Responsible Conduct of Research Training plan to address the required training for NSF-funded students that includes offering a menu of options to meet requirements including online and in-person briefings.
- Instituted a Health Sciences Research Compliance Leadership Council to address challenges in health sciences research across the UC School of Medicine and UC Irvine Medical Center.
- Implemented a Clinical Research Billing Task Force and developed a standardized format for completing a billing coverage analysis.

### UC Los Angeles

- Formed a Clinical Trials Task Force that is charged with examining and creating guidelines regarding the real or potential personal and institutional conflicts of interest that may arise when faculty who have developed Intellectual Property (IP) licensed by the Regents to a company, may want to conduct clinical testing of those technologies at UCLA.
- Implemented the on-line Responsible Conduct of Research (RCR) course developed by a UCLA faculty committee in response to the National Science Foundation (NSF) mandate.
- Developed a campus-wide researcher database to assist with improving compliance with laboratory safety regulations and improve the tracking of all research related training.
- Established a Research Administration Process Improvement & Deployment (RAPID) work group to address challenges to the effort reporting certification process. The group has made a number of recommendations that address enhancements to the Effort Reporting System (EFS), new training programs and policy changes.

## **UC Merced**

- Established the Institutional Biosafety Committee (IBC) to review, assess safety of, and approve use of biohazardous agents or processes used by researchers on campus.
- Revised the biological use authorization use policy.
- Revised the process for a biological use authorization application and a recombinant DNA project registration.
- Created policy on Assurance of Laboratory Safety Compliance.

## **UC Riverside**

- Developed an interdisciplinary project (Finance and Business Operations and Office of Research) to review campus research policies and procedures.
- Created the Stem Cell Research Oversight Committee that reports through administration with support of the Office of Research Integrity.

## **UC San Diego**

- Instituted a Clinical Research Billing Oversight Group and Steering Committee, and has engaged an outside consultant to assist with clinical research billing process redesign, and began pilot program to implement suggested revisions and improve billing efficiencies.
- Developed a frequently asked questions (FAQ) page about the online conflict of interest briefing for researchers - including access, format and required information.
- Streamlined conflict of interest reporting for Health Sciences personnel in accordance with requirements of APM-025 and the Health Sciences Compensation Plan. Established a Compliance Advisory Committee to assist faculty with and to evaluate exceptional conflict of interest disclosures.
- Provided resources and assumed a leadership role in development of automated Kuali Coeus COI disclosure modules for potential adoption by higher education Kuali affiliates.

## **UC San Francisco**

- Reviewed and revised the UCSF Guidelines on Conflict of Interest under the Statement of Economic Interests for Principal Investigators in response to changes in the California Political Reform Act.
- Revised the Principal Investigator certification process with revision to the Principal Investigator Certification form.
- Updated the Conflict of Interest reporting forms to include post-approval reporting of compliance with grants management plan.

## **UC Santa Barbara**

- Initiated a "buddy review" system in the Office of Technology and Industry Alliances (TIA) to assure any contract with nonstandard Intellectual Property terms is reviewed by a second TIA staff member.
- Implemented an Office of Research control procedure to ensure that Research Agreements cannot be processed until the Office of Research conflict of interest coordinator indicates that conflict of interest issues have been reviewed and approved.
- Implemented on-line Responsible Conduct of Research training for graduate students and postdoctoral fellows paid under NSF funds. Training is supplemented by faculty presentations and undergraduates will receive written training materials.

## **UC Santa Cruz**

- Established a process for notifying and tracking faculty and staff who require RCR training to ensure required training has been completed.
- Implemented controls over intellectual property to ensure compliance with contract rules.
- Completed an internal audit of campus Intellectual Property – Technology Transfer.

## Culture of Ethics and Compliance

### UC Berkeley

- Created a new Office of Ethics, Risk and Compliance Services encompassing a number of risk related areas with separate budget and reporting through the Chief Compliance and Ethics Officer (CECO) to the Chancellor.
- Merged the UCB Compliance, Audit, Risk and Ethics committee with the UCB Committee on Audit, Internal Control, and Financial Accountability (CAICFA) to affect greater efficiencies in the development of a comprehensive campus risk profile.

### Lawrence Berkeley National Laboratory

- Consistently maintains the highest compliance rate in faculty and staff mandatory compliance training.
- Conducted Employee Survey on Workplace Culture to guide and prioritize improvements and posted results of the Survey on the LBNL web site.
- Revised Workplace Substance Abuse Policy.
- Posted Office of Chief Financial Officer Signature Authority Guidelines.

### UC Davis

- Appointed a Campus Chief Compliance Officer.
- Initiated policy streamlining efforts.
- Revised UCD Travel and Transportation Policy to comply with BFB G-28
- Launched an on-line new employee orientation program with content devoted to ethics, safety and University policy.
- Substantially revised Ethics@UCDavis website.

### UC Irvine

- Evidence of senior leadership commitment to compliance noted through monthly CECRC meetings and continued active involvement by Provost.
- Maintained mandatory training compliance rates at one of highest systemwide levels through support and enforcement activities on campus.

### UC Los Angeles

- Published an updated version of the Administrative Responsibilities Handbook and made it available on-line as a reference guide for those who oversee administrative and financial activities
- Developed a process for senior leaders, such as the Chancellor, Dean of the College's Division of Physical Sciences, and acting associate vice chancellor for research to accompany the EH&S Director and inspectors on unannounced campus lab inspections.

### UC Merced

- Reconstituted the Enterprise Risk Management Panel for mid-level managers to report up to the UCM Campus Ethics, Audit and Compliance Committee.
- Updated Cleary Act reporting to include new required information as mandated by US Department of Education.
- Launched Records Management & Privacy Series with training in Records Management.
- Conducted an annual review and update of delegations of authority.

## **UC Riverside**

- Formed the Committee on Campus Climate and Community to review and make recommendations about the culture of the campus, including the intellectual and social climate, and for increasing the sense of community.
- Developed and implemented enforcement actions that would limit employee system access and research/department funding in the event of non-compliance with key campus policies.
- Initiated a review by the Finance and Business Operations Unit of UC and Campus Delegations of Authority

## **UC San Diego**

- Created a joint Ethics Assessment Workgroup in collaboration between the Academic Senate and Administration to assess needs and opportunities for a cost effective approach to promoting ethics.
- Utilized the UCSD Business Leadership Forum to focus on organizational culture and strategies and has included specific training on business officer accountability, ethics, and fraud prevention.
- Communicated the campus Principles of Community to all new employees as well as students.
- Drafted revisions to the Student Code of Conduct to help create a stronger sense of community and to underscore the values of respect and integrity.
- Continued to offer a wide range of researcher training including mandatory training for Ethics in Scientific Research (all training grant recipients) and Introduction to Stem Cell Ethics (all who work with embryonic stem cells or their equivalent).

## **UC San Francisco**

- Recruited and hired a new position - Associate Vice Chancellor for Ethics and Compliance who serves as the full-time Campus Ethics and Compliance Officer (CECO) and oversees campus and clinical enterprise compliance-related functions.
- Created a new policy on Administrative Guidelines for Allocation, Reallocation and Administration of Gifts and Bequests.
- Contracted for an Interim Director of Clinical Enterprise Compliance program while actively recruiting a full-time Director.

## **UC Santa Barbara**

- Created the Advisory Council on Campus Climate, Culture and Inclusion to address challenges in enhancing and sustaining a tolerant and inclusive environment.
- Developed and implemented a Business Leadership Forum that focuses on organizational culture and strategies and includes specific training on business officer accountability, ethics, and fraud prevention.

## **UC Santa Cruz**

- Conducted monthly meetings with Enterprise Risk Management Compliance Program (ERMCP) management committee. Continued to develop and implement protocols for campus enterprise risk identification, prioritization, and management.
- Revised and implemented UC systemwide and UCSC procedures for reviewing UCSC-affiliated operations and organizations for potential inclusion in campus financial statements.