

COMPLIANCE OFFICER ROUNDTABLE



BOSTON
UNIVERSITY

JACQUELINE KNISKA, CHIEF ETHICS AND COMPLIANCE OFFICER, VIRGINIA COMMONWEALTH UNIVERSITY

NEDRA ABBRUZZESE-WERLING, AVP OF COMPLIANCE SERVICES, BOSTON UNIVERSITY

SCCE (virtual) Higher Education Compliance Conference, June 2020

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HOUSEKEEPING

■ Today's Tech

CHANGE
OF PLANS

GOALS FOR TODAY'S CHAT

Discussion of real-time and emerging challenges faced by compliance and ethics officers on campuses of varied sizes and within compliance programs at every stage of maturity.

- The opportunity to understand the issues and challenges that face other Compliance Officers;
- Strategies for strengthening compliance programs and providing adequate responses to emerging issues and trends; and
- Program success in a shifting landscape, and maintaining focus and integrity in the face of truly unprecedented regulatory, political, and media scrutiny.

Audience polling and the chat section will help drive today's roundtable discussion

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INTRODUCTIONS

Jacqueline Kniska

Chief Ethics and Compliance Officer,
Virginia Commonwealth University



Nedra Abbruzzese-Werling

Associate Vice President for Compliance Services
Boston University

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CURRENT "WORK HOMES"

COMPLIANCE AT OUR INSTITUTIONS



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VCU at a Glance

Public Urban Research University & Academic Medical Center



Established in 1838



Located in Richmond, Va.



Enrolling 31,288 students



\$310 million

sponsored research

100

countries represented in
student population

22,888

employees

190,000

alumni

5



VCU Integrity and Compliance Office

Role and Function of the Program

- > Oversight
- > Keep distinction between oversight and operations (i.e., management) at forefront of our interactions and reports
- > Keep the public's interest at forefront – one of trust and integrity
- > Empowered to direct and affect change
 - A facilitator is usually helpful to keep dialogue focused
- > Issues need time and commitment
- > Purpose is to influence and affect behavioral change
 - look for risk via gaps – augments – identify weaknesses and get systems shored up by bringing independent clarity to what is needed



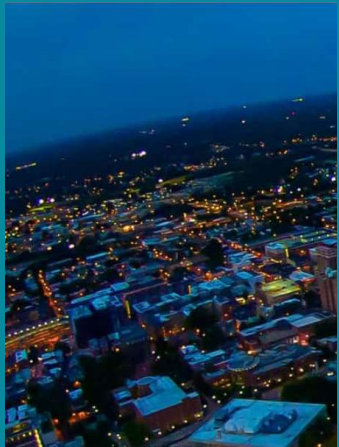
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VCU Up, DOWN, and Throughout Ethics and Compliance at VCU



- > Make and deliver quarterly reports directly to the Board of Visitors, Audit Integrity & Compliance Committee
- > **Independent oversight** role helps to assure proper controls and conduct through
 - Internal Audit - 3rd line of defense
 - Ethics & Compliance Program - 2nd line of defense, reinforcement for management and operation's ethical conduct
- > Coordinate efforts universitywide with functional compliance area leads and operational program managers



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VCU Scope of Operations - VCU Program* Ethics and Compliance at VCU

- FSG Base with HEAVY focus on Ethical Conduct
- Our Specific Internal to the Integrity & Compliance Office Operations
 - E&C Training
 - E&C Related Inquiries and Investigations when Management unable or unwilling to address
 - Have line of sight over the handling of all reported misconduct by functional area
 - Regulator Response and Relations during Non-routine Reviews or Inquiries
 - COI & C
 - Policy Program - governance, coordination, gap assessments, research
 - DATA HEAVY reports to BOV, Senior Leadership and CPN
 - FEEDBACK LOOP -- getting there
 - Lead Compliance Advisory Committee (ops and functional area leads)
- Compliance Partner Network - Informal org. structure - runs on mutual benefit
- Heavy involvement in university committees and working groups

*Context: Age 13



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BOSTON UNIVERSITY AT A GLANCE

Private Urban Research University



Founded in 1839



Located in Boston, Massachusetts



Enrolling 35,472 students

579.4 MILLION
RESEARCH AWARDS
\$176.2M BMC
CLINICAL RESEARCH
GRANTS

Research

10,348
EMPLOYEES,
3,991 FACULTY

Employees

17 SCHOOLS AND
COLLEGES (LAW AND MED)
300+ PROGRAMS OF STUDY
10:1 STUDENT TO FACULTY
RATIO

Academics

300+ GLOBAL
INITIATIVES
180 ALUMNI
COUNTRIES
10,500 INTL STUDENTS

Global Impact

390,708
LIVING
ALUMNI

Alumni

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BOSTON UNIVERSITY

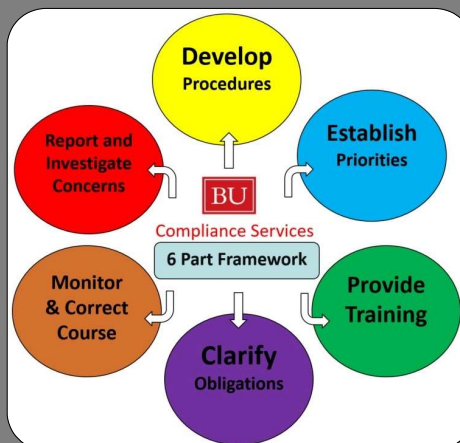
Compliance Services Office



- Compliance Services was established in January 2015 and reports to the Vice President and General Counsel.
- Staffing: One AVP of Compliance Services and one Compliance Coordinator.
- Compliance Services provides regular reports to the Audit Committee of the Board of Trustees.
- University-wide Enterprise Risk Management effort identifies compliance (and other) risks across the University.

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The Compliance Framework identifies the critical components of any effort to achieve compliance. The BU community will be able to meet its compliance obligations more efficiently and effectively if we share a common framework for communicating about and tackling compliance.



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Policy

- Maintain University's central policy website, www.bu.edu/policies
- Identify policy gaps, update existing policies as needed, monitor policy changes



Compliance Matrix

- Maintain compliance matrix and inventory of compliance obligations, identifying responsible units and individuals and establishing accountability
<http://www.bu.edu/compliance/compliance-matrix-public/>



Training

- Assist in development of training for individuals with compliance responsibilities and assessment of training gaps



Hotline Facilitation

- Assist in managing University's response to hotline and other compliance-related complaints

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BOSTON UNIVERSITY Compliance Services Office

Ongoing Responsibilities and Activities



Conflict of Interest Process and Oversight

- Facilitate the University's annual conflict of interest disclosure process
- Assure implementation of management plans as necessary



Monitoring

- Work closely with Internal Audit and Advisory Services to monitor ongoing compliance efforts
- Participate in the University's Enterprise Risk Management program to evaluate and mitigate compliance risks



Clery Compliance Coordination

- Facilitate Clery compliance tasks with OGC, BUPD, and others throughout campus



Support of Title IX Compliance Efforts

- Contribute to ongoing Title IX efforts as needed, including monitoring changes to the federal and state regulatory landscape

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GOALS OF THIS ROUNDTABLE

1. Learn from each other
2. Get insight from others on how to fix a problem
3. Learn about issues you should be prioritizing
4. Learn you aren't alone
5. Network so you have contacts to reach out to for insight (as much as we can in this virtual environment)

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WEBINAR COMPOSITION POLL | GAUGING THE AUDIENCE

QUESTION

How long have you been in your role?



RESPONSES

1. Less than 1 year
2. 1-3 years
3. 3-5 years
4. 5-10 years – Expert level

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WEBINAR COMPOSITION POLL | GAUGING THE AUDIENCE

QUESTION

How mature is your program?



RESPONSES

1. **Infancy** - Brand new
2. **The Tween Years** - On our way to mature
3. **Learning to Adult** - Somewhat Mature
4. **Fully Mature** - We got this Compliance thing down

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WEBINAR COMPOSITION POLL | GAUGING THE AUDIENCE

QUESTION

What do you struggle with most?



RESPONSES

1. Communicating your scope/role to offices at the University
2. Getting buy-in from your institution about your offices purpose
3. Becoming the contact for every compliance issue/function at your institution
4. Making your Compliance Program a formal part of the governance at your institution
5. Other – Type response in chat

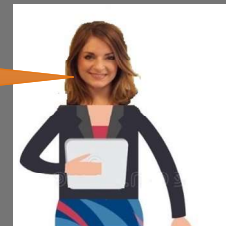
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Compliance Officer Roundtable

Priorities and Topics for Discussion



What's on your mind?



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WEBINAR COMPOSITION POLL | COMPLIANCE OFFICE PRIORITIES/INVOLVEMENT

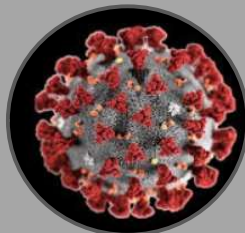


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WEBINAR POLL | COMPLIANCE OFFICE PRIORITIES/INVOLVEMENT

QUESTION

How involved have you been in your school's COVID-19 response?

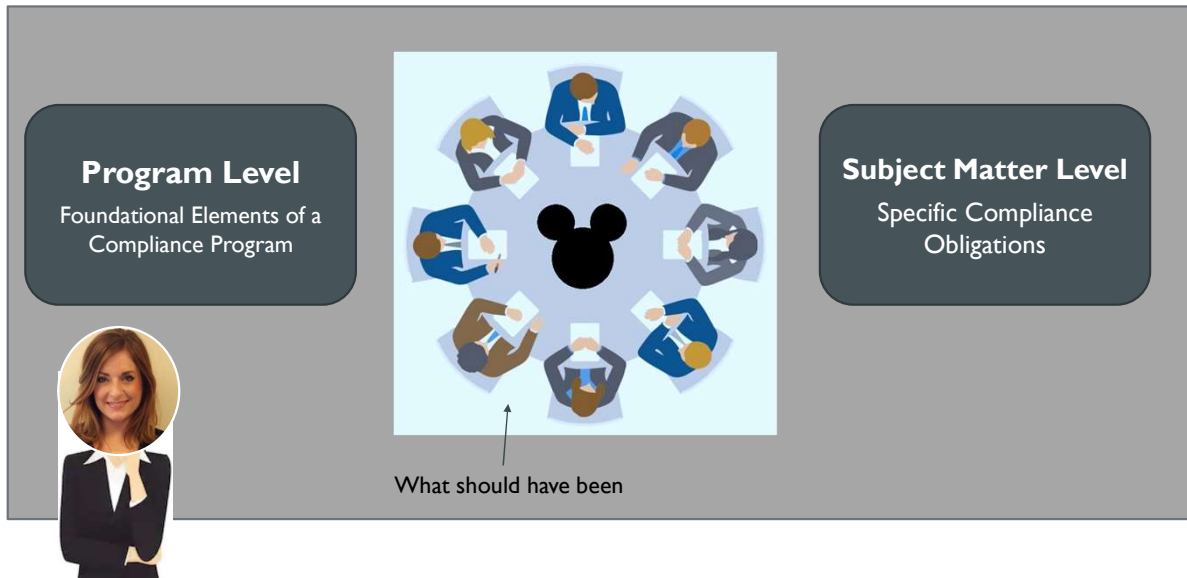


RESPONSES

1. Not involved at all
2. Peripherally involved
3. Directly Involved
4. Heading response

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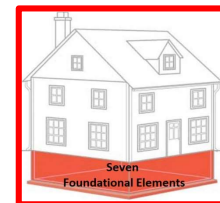
ROUNDTABLE TOPICS | TWO AREAS FOR DISCUSSION



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ROUNDTABLE TOPICS PROGRAM LEVEL - FOUNDATIONAL ELEMENTS

1. Program Assessments or Evaluations
Government Regulators
Maturity Ratings
2. Scope of Program - What is in your program **beyond** those
How operational is too operational?
How do you survive the curse of being good at your job?
Successful pivots to share the workload and re-center on your E&C Initiatives
3. [Re]Positioning of the Program w/in the Org. - how do you stay focused to advance your initiatives?
4. The "Risk-Based" Approach - the best answer when you know you can't do it all, but how do you create the basis?
5. Other ideas?



Use the Public or Private Chats to let us know what you'd like to discuss

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ROUNDTABLE TOPICS

SUBJECT MATTER LEVEL - SPECIFIC COMPLIANCE OBLIGATIONS

1. Undue Foreign Influence
All activities with a foreign comp (i.e. Sec. 117)
2. Title IX - New Regulations
3. Privacy
4. Minors - now in our virtual space
5. Accessibility
6. COVID
7. State Authorization (and SARA compliance) and Distance Education Requirements and Disclosures
8. What's missing?



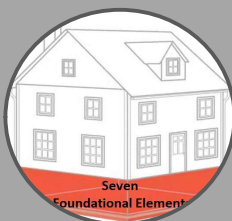
Use the Public or Private Chats to let us know what you'd like to discuss

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WEBINAR COMPOSITION POLL | AUDIENCE CHOICE

QUESTION

Which Foundational Elements are priorities you'd like to discuss?



RESPONSES

1. PROGRAM ASSESSMENTS OR EVALUATIONS
2. SCOPE OF PROGRAM - WHAT IS IN YOUR PROGRAM **BEYOND** THOSE
3. [RE]POSITIONING OF THE PROGRAM W/IN THE ORG. - HOW DO YOU STAY FOCUSED TO ADVANCE YOUR INITIATIVES?
4. THE "RISK-BASED" APPROACH - THE BEST ANSWER WHEN YOU KNOW YOU CAN'T DO IT ALL, BUT HOW DO YOU CREATE THE BASIS?
5. OTHER IDEAS?

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WEBINAR COMPOSITION POLL | AUDIENCE CHOICE

QUESTION

Which specific Compliance Obligations (subject matter) would you like to discuss?



RESPONSES

1. UNDUE FOREIGN INFLUENCE
2. TITLE IX - NEW REGULATIONS
3. PRIVACY
4. MINORS - NOW IN OUR VIRTUAL SPACE
5. ACCESSIBILITY
6. COVID
7. STATE AUTHORIZATION (AND SARA COMPLIANCE) AND DISTANCE EDUCATION REQUIREMENTS AND DISCLOSURES

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ROUNDTABLE TOPICS | AUDIENCE-DRIVEN DISCUSSION



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COOL-DOWN EXERCISE FOR THE CHIEF ETHICS AND COMPLIANCE OFFICER (CECO)

QUESTIONS

1. How do you ground yourself in your work
2. How do you get in touch with your organization?
3. What do you do to remember why you do what you do?
4. Have you seen someone burnout?
5. Feel near burnout? Its touch out there and we already have tough jobs!



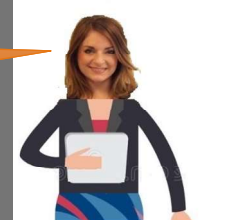
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5 MINUTE WARNING

FINALIZE YOUR THOUGHTS AND SEND VIA
PUBLIC OR PRIVATE CHAT NOW



Thank you!



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SO WHAT IS A LEADER TO DO?



**Prioritize
your integrity**



**Say what you
mean and
mean what
you say**



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CONSIDER THE ROLE OF STRESS - EVERYONE HAS IT

As stress [fueled by incivility] increases, employees become **less** capable – because stress disrupts memory **and** hampers the processing of information.

Fortune 1000 firms spend as much as **13%** of their time, or **7 full weeks a year**, mending employee relationships and replacing workers who just can't - or won't - take it anymore.

Christine Pearson and Christine Porath [management professors, Georgetown University], *The cost of bad behavior; how incivility is damaging your business and what to do about it*. 2009 study cited in *Creating a civil workplace culture*, David Bogoslaw in *Corporate Secretary.com Special Report 2*, 2014

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High-Performing Teams Need Psychological Safety. Here's How to Create It

by Laura Delizonna

AUGUST 24, 2017



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“

In a very uncivil America, we are gratified to see civility is alive and well in the workplace. However, we also have to remind those who lead and manage that they cannot afford to become civility-complacent. The stakes are high and employees are looking to leadership to not only ensure a civil workplace, but to be civility stewards.

Pam Jenkins, President of Global Public Affairs,
Weber Shandwick

*Civility in America 2018: Civility at Work
and in Our Public Squares*
Weber Shandwick

“

Our research makes it clear that employees expect greater diversity and inclusion in their workplaces. The evidence that D&I also contributes to civility and respect among colleagues suggests that acknowledging, addressing and adapting to our differences is a business imperative that companies must embrace to build reputations and organizational endurance in the future.

Tai Wingfield, SVP, Diversity, Equity &
Inclusion, Weber Shandwick

Handout provided



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LRN's 2016 *The HOW Report*
A Global, Empirical
Analysis of How
Governance, Culture and
Leadership Impact
Performance

The HOW Report® | 2016 Major Findings

1
Self-Governing
Organizations are
increasing in number.

Over the past three years, the percentage of Self-Governing Organizations has more than doubled, from 3% to 8%. Increases occurred in all regions examined. Moreover, Blind Obedience is in decline, dropping from 43% to 30%. Informed Acquiescence remains the most prevalent organizational archetype at 62%.

2
Self-Governing
Organizations
outperform across a
broad spectrum of key
outcomes.

In Self-Governing Organizations, 97% of employees report high performance, versus 80% and 36% of employees in institutions characterized as Informed Acquiescence and Blind Obedience, respectively. This trend holds across financial performance, competitive positioning, levels of innovation, customer satisfaction, risk of misconduct, and brand reputation, among other critical outcomes. Performance is generated by strong character and high trust.

3
Managers who
emphasize shaping
character and fostering
freedom are more
effective leaders.

When managers emphasize shaping character and fostering freedom, 96% of employees score them effective leaders — versus 52% when they do not. These managers are also more than three times as likely to deliver high business performance, scoring 85% versus 25% for their peers.

4
There is a deep divide
between the experience
of working in the C-Suite
and operating elsewhere
within an organization.

On average, the levels of trust, collaboration, and information-sharing among senior managers and executives are 20 percentage points higher than they are among employees in other levels of an organization. The gap in the experience of the C-Suite and other employees intensifies as individuals work further away from the C-Suite.

5
The key enabler
of innovation is trust.

High trust organizations experience eleven times greater innovation than low-trust organizations. Trust fuels vulnerability and risk-taking in a way that innovation programs alone cannot.

6
Inspiration has a
differential impact on
business performance
beyond employee
engagement.

Inspiration — identified when employees are authentically dedicated, deeply accountable, and fully responsible for their organization — is 27% more predictive of high performance than employee engagement. Inspired employees do not simply recommend their company or exert discretionary effort. Rather, faced with ethical dilemmas, they reason and act from a set of shared values. They meet challenges with creativity and fidelity to purpose while forging sustainable paths to growth with humility, grit, and hope.



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“The world is not just rapidly changing; it is being dramatically reshaped – it operates differently.”

“We can't solve problems by using the same kind of thinking we used when we created them.”

Albert Einstein

The Three Archetypes of Governance, Culture, and Leadership

Blind Obedience

Power-based, task-driven organizations that operate through command-and-control-based principles and policing, and which place little emphasis on building enduring relationships among colleagues, with customers, or within society. Employees are coerced to do as they are told under the threat of punishment or adverse consequences. Such organizations focus on short-term goals.

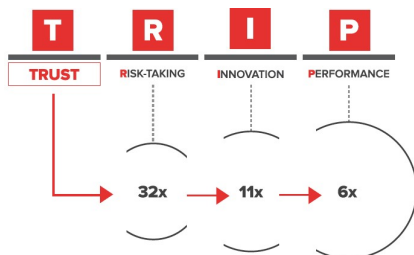
Informed Acquiescence

Rules-based, process-driven organizations that operate through hierarchy, policy, and 20th century “good management” practices. Employees are motivated by performance-based rewards and expected to fulfill the expectations of their roles. Long-term goals are identified but are often set aside in favor of short-term success.

Self-Governance

Purpose-inspired, values-based organizations that are led with moral authority and operate with a set of core principles and social imperatives. Employees are inspired by a desire for significance and encouraged to act as leaders regardless of role. Such organizations are focused on long-term legacy and sustainable performance.

The Key to Innovation: **Trust**



The Self-Governing Organization:
A Human Operating System™

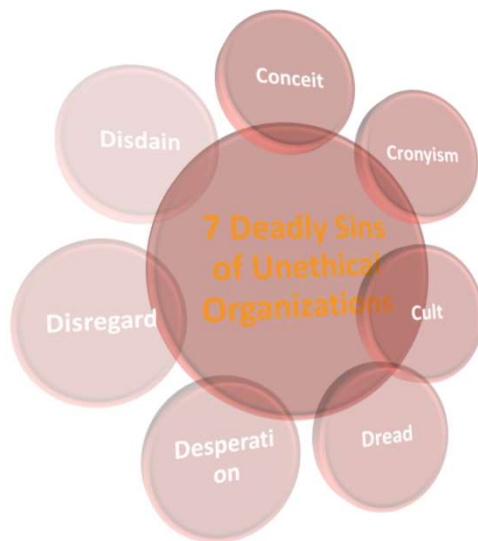
LRN's 2016 *The HOW Report*
A Global, Empirical Analysis of How
Governance, Culture and Leadership Impact
Performance



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Specific organizational qualities that, at a minimum, increase the chance of illegal or unethical behavior and may even cause it.

- Article: John Cross *Ethikos*
July/August 2014



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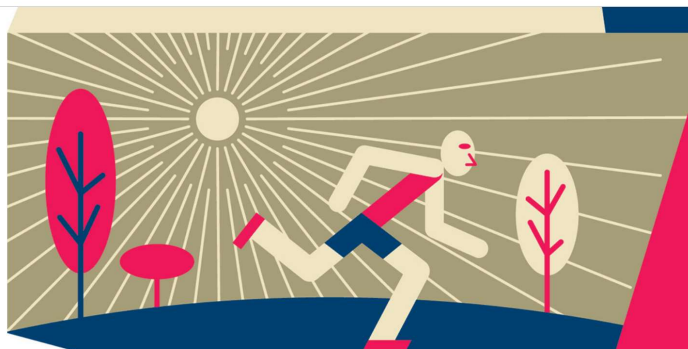
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Harvard
Business
Review

Managing Yourself | Manage Your Energy, Not Your Time



MANAGING YOURSELF

Manage Your Energy, Not Your Time

by Tony Schwartz and Catherine McCarthy

FROM THE OCTOBER 2007 ISSUE



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