



COMPLIANCE COMMUNICATOR

Compliance Update and Survey Results



Welcome to the Spring 2015 edition of Compliance Communicator. This newsletter raises awareness of trending compliance issues that affect University employees and departments, including new and updated policies and procedures. Our 2014 Compliance Survey provided an opportunity for participants to voice their concerns related to compliance issues. This issue of Compliance Communicator will address two of the most prevailing concerns, whistleblower retaliation and the “tone in the middle.” The issue will also introduce the new Uniform Guidance for Federal awards and the revised Government Reviews University Operating Procedure.

Please take a few minutes and read up on these topics. For more information on the Compliance Program and additional resources visit our website www.uvm.edu/compliance. If you have a compliance question feel free to contact Compliance@uvm.edu or call (802)-656-3086.

SPRING 2015

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Recognizing and Eliminating Retaliation

The Code of Business Conduct defines retaliation as “any adverse action taken against UVM personnel because the person made a good faith report of a possible violation of the Code.”

Retaliation is a severe barrier to building trust in an organization; managers and supervisors are the first and best line of defense against retaliation. Awareness of how to spot retaliation and taking immediate action when identified is crucial to fostering trust. How can we significantly reduce the instances and perception of retaliation at our University?

This article addresses the University’s position on retaliation, how managers can identify it and how to report it if it happens to you.

Understand What “Retaliation” Means

UVM has strict prohibitions against retaliation in the Code of Business Conduct and other policies. In fact, retaliation itself is a reportable offense subject to disciplinary action.

To get a full understanding of UVM’s views on retaliation, be sure to read the Code of Business Conduct’s section on whistleblower retaliation and other policies addressing retaliation. While some forms of retaliation may be obvious such as unmerited termination or threats of physical harm, there are often many subtle ways of retaliating such as:

- Implementing unfavorable changes in employment
- Punitive assignments
- “Disinviting” the whistleblower to routine meetings

These kinds of behaviors are considered retaliation, and are unacceptable.



Be on the Lookout for Peer-to-Peer Retaliation

In addition to retaliation by a manager or supervisor, the next most likely source of retaliation can be the whistleblower’s peers. Non-management employees may believe that a peer reporter “sold them out” or got their work group or favorite boss in trouble. This peer response can unleash the subtlest retaliation, often to devastating effect.

Managers have a duty to be on the lookout for this peer-to-peer retaliation and put a stop to any action that might be perceived as retaliation.

Awareness of how to spot retaliation is crucial for all organizations. Managers or supervisors need to know how to receive and handle reports without retaliating, and how to spot and halt any retaliation they may observe.

What to Do if You've been Retaliated Against

If you feel you have been retaliated against for making a good faith report of noncompliance or inappropriate behavior, you should report the retaliation. The Code of Business Conduct directs employees to file a written complaint to the Office of Audit Services or the Office of Compliance Services. These Offices will ensure the complaint is investigated by an independent level of management.

Spotlight on Policies – Government Reviews University Operating Procedure (UOP)



Do you know what to do if a government regulator shows up at your office or sends a notice of an impending review? The Government Reviews UOP outlines the steps you should take in response to these inquiries and identifies the departments on campus that are here to assist you through the process. Recent revisions were made to this procedure in order to better streamline the process and ensure the University's response to these reviews is deliberative, consistent and efficient.

The UOP describes the actions you should take if contacted by a government regulator, first steps include:

- Providing a copy of the Government Reviews UOP to the regulator, and
- Notifying your supervisor and the Office of Compliance Services of the review.

The UOP explains the process of how these reviews are monitored, coordinated and managed as well as describing the role of central administrative offices including Compliance Services, General Counsel, and the VP for Executive operations.

The UOP revisions also clarify the definition of what constitutes a government review and address the University's policy of self-reporting matters of noncompliance to governmental agencies as required by law. To find out more visit:

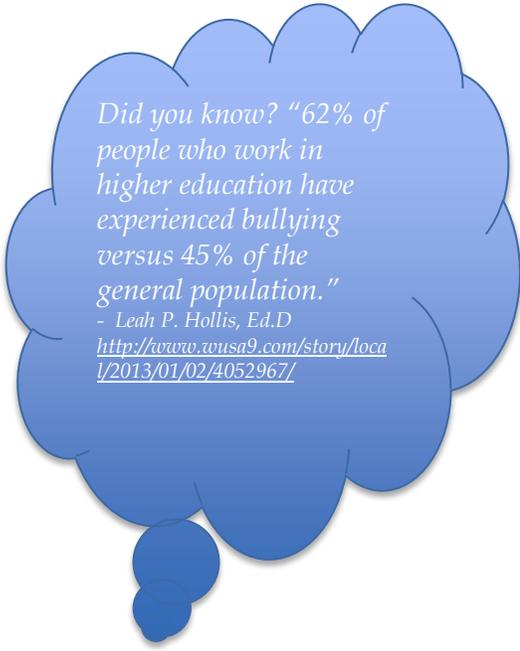
http://www.uvm.edu/policies/general_html/govreviews.pdf

Three women in dark blue dresses stand in a row with their arms crossed. A blue speech bubble above the woman in the middle contains the word "Ethics!".

Ethics!

Culture Building: Tone in the Middle

You may have heard the term "tone in the middle" and its importance in creating a culture of integrity. But why is it important? And what exactly do managers, at every level, need to do to create the right tone?



Why It's Important

Employees take their cues from those serving in a supervisory or leadership capacity. If something is a priority to you as a unit leader, it's a priority to them. As their leader, employees look at your attitudes and actions to answer the questions, "What's really important around here?" and "How do we really do things on this campus?" The way University faculty and staff think, behave and work is the very definition of our culture. Our Compliance Survey feedback indicated a wide range of cultural attitudes towards compliance and ethics; these diverse attitudes may be due in part to our organizational structure. Building a culture that has a reputation for ethics and integrity is a goal we can all strive for.

What Managers Can Do to Create the Right Tone

While ethical culture building may feel like an enormous responsibility, it is a natural outcome of good management. It is also a primary goal of an effective compliance program, in which you already play a part. There are several things you can do to set the right tone and actively support the compliance program:

- **Be intentional about the messages you send:** Be aware of your words, your actions and your underlying attitudes. Model the principles of Our Common Ground Statement. Saying or doing something that sends the wrong message, such as "Do whatever it takes to get that done," speaks volumes about the location of integrity on the priority list.
- **Play a role in education:** When it comes to compliance training, what is your attitude? You can support the initiative by explaining to employees why it is important and take the training yourself. Periodically, pick a policy or compliance topic to discuss in a group meeting that is relevant to the risks your department faces or invite a guest speaker from the Compliance Office to discuss the role of the compliance program on campus. Refer to the underlying policies or the Code of Business Conduct when helping an employee resolve an issue. All of these actions set the tone about the importance of compliance.
- **Manage trust:** This means addressing wrongdoing appropriately and with consistency. Protect confidential information and avoid favoritism. Keep your promises; tell the truth; be respectful. Cooperate fully with investigations. All these behaviors build trust in you and in the system. Employees view the organization's commitment to integrity through the lens of how they are treated.

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- **Respond to problems:** Asking questions and raising concerns is an important compliance activity. As a supervisor, you are the top resource employees turn to with workplace questions and issues. Your key responsibilities in this role include being available to employees and listening objectively to their issues. Equally important is your duty to handle issues properly and promptly. Never forget to close the loop with the person who raised the concern. Your approach has the power to encourage employees to come to you with important issues or shut down the process.
- **Use your resources:** If you need any assistance to properly address an employee question or concern or in handling signs of misconduct, reach out to any of the resources provided by the organization— including Compliance Services, Audit Services, General Counsel, Human Resources or your own supervisor.

Q&A



Q: Isn't it the President's responsibility to set the ethical tone for the organization?

A: Tone at the top is important, but it's not enough. The people at the top of the University must have the vision for an ethical culture and they must model it themselves. President Sullivan's statement on ethics may be found here:

http://www.uvm.edu/president/?Page=ethics_statement.html

However, the message often gets lost or diluted as it travels down the chain of command. And employees have very little if any contact with the President's wing. They take their behavioral cues from their supervisors. In the healthiest organizations the message of integrity is openly and consistently sent by all levels of leadership. But when employees want direction on how to conduct themselves at work, they look most often to their supervisors.

Federal Funds Focus: New Uniform Guidance



The new Uniform Guidance, or UG! as it is sometimes referred to, is the Federal government's new comprehensive guidance for Administrative Requirements, Cost Principles and Audit Requirements for Federal awards. This guidance offers a mix of new flexibility regarding allowable expenses and some stricter oversight affecting the management of federal funds.

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What is changing now?

The new guidance applies to new awards or additional funding granted on or after the December 26th, 2014 effective date. The primary changes that will be most apparent to the University community are:

- Increased flexibility for the direct charging of administrative salaries,
- Easing of rules for the direct charging of essential and allocable computing devices,
- Exclusion of participant (not human subject) expenses from the research base subject to the F&A rate,
- Greater documentation for subaward monitoring, and
- The addition of several new circumstances requiring the prior approval of the funding agency.

What is changing later?

The UG includes extensive changes to procurement practices that will become effective in FY17. These include changes to both the threshold for procurements requiring more than one quote and changes to the current criteria for sole source procurements.

Where can I learn more?

Sponsored Project Administration maintains an up to date website informing the campus community of the upcoming changes and implementation process. For more information on the current changes please visit:

http://www.uvm.edu/spa/?Page=omni_guidance.html

2014 Raffle Winner!

Congratulations to Melissa Wright of UVM Print and Mail, Winner of our 2014 Compliance Survey Raffle Prize.



Thanks to all who completed our annual survey. In order for us to improve our program and serve the campus community better it is important for all employees, including faculty, staff **and** management, to participate in our annual survey and recognize the role we all play in contributing to a culture of compliance that supports Our Common Ground values and ethical behavior.