

## **Ethics & Compliance Program Charter**

### *Mission*

UMDNJ is committed to the highest levels of ethics in all of its academic and other functions and to an effective Ethics & Compliance Program that helps maintain a culture promoting the prevention, detection and resolution of potential violations of law or University policies. The University's Ethics & Compliance Program is tailored to its academic, research, clinical and community service goals, which are delivered within an ethical business environment.

### *Goals and Purpose*

The Office of Ethics & Compliance ("OEC") is charged with ensuring that UMDNJ has a robust ethics & compliance program. The goals of this program are consistent with the criteria articulated in the U.S. Organizational Sentencing Guidelines (the "Federal Sentencing Guidelines") and the Supplemental Compliance Program Guidance for Hospitals issued by the Department of Health & Human Services, Office of the Inspector General (the "OIG Guidance"), which are the minimum starting point for UMDNJ.

The OEC supports a broad set of ethical business conduct principles that will reduce the prospect of criminal and other improper conduct. These standards are to be delivered in writing and through training to guide employees, faculty, students and volunteer staff about the specific regulations, policies and procedures that must be followed for compliance. In addition, the Ethics & Compliance Program encourages adherence to school, unit and departmental procedures created to effect delivery of our services while operating within a compliant environment.

### *Elements of the Program*

UMDNJ's Ethics & Compliance Program addresses all of the elements of an effective ethics and compliance program, requiring the University to:

- (1) Establish standards and procedures to prevent and detect criminal conduct and other wrongdoing;
- (2) Ensure governing authority oversight of the content, operation, implementation and effectiveness of the compliance & ethics program, with overall responsibility for the program in the hands of a high level vice president with adequate resources, appropriate authority, and direct access to the University Board of Trustees;
- (3) Avoid providing substantial management authority to individuals known to act in a manner inconsistent with an effective program;
- (4) Effectively communicate standards, procedures and other aspects of the compliance and ethics program to the Board of Trustees, to senior and mid-level management, to employees, to students and to agents of the University through training programs and other means;

- (5) Monitor and audit compliance with program requirements to detect improper conduct; evaluate the effectiveness of the ethics and compliance program; and maintain an anonymous, confidential and non-retaliatory reporting system, which also may be used to seek guidance or advice;
- (6) Promote and enforce the University's compliance and ethics program throughout the organization, using appropriate incentive and disciplinary measures; and
- (7) Respond to any detected or reported misconduct and prevent similar misconduct by modifying or enhancing organizational controls, including changes to the organization's compliance and ethics program, along with periodically assessing the risk of criminal conduct and taking appropriate steps to design, implement, or modify the program to reduce the risk of criminal or other improper conduct.

### *Structure*

The University's governance-level oversight responsibilities for UMDNJ's Ethics & Compliance Program are assigned to the Audit Committee of the Board of Trustees. In addition, the Ethics & Compliance Oversight Committee, chaired by the Vice President/Chief Ethics & Compliance Officer, and which consists of the University President and most senior level vice presidents, unit heads and deans, provides management level input and oversight of the program. Further responsibility and accountability for compliance is delegated to the schools and units, through the deans and department chairs. Regular compliance reporting from the Vice President/Chief Ethics & Compliance Officer has been established to assist the Board in meeting its governance and oversight responsibilities.

The Vice President/Chief Ethics & Compliance Officer shall be responsible for the day-to-day leadership of the Ethics & Compliance Program including appropriate oversight, monitoring and support of all compliance functions. In addition to being the spokesperson for the Ethics & Compliance Program, the responsibilities of this office will include coordinating and supporting compliance auditing and monitoring. This is accomplished through Compliance Officers located in the schools and units of the University. They will be responsible for coordinating departmental or school compliance initiatives, providing internal monitoring and reporting support, and acting as an additional resource for raising compliance concerns.

### *Education and Training*

The Director of Ethics Programs/Ethics Liaison Officer will oversee internally developed and New Jersey State mandated ethics and compliance training of employees. This will occur through a combination of web-based training and in-person training. Training and compliance education may be tailored to the nature of the employment but will also include broad, ethics-based training as well as education in response to any assessed risks.

### *Internal Reporting Mechanisms*

UMDNJ has engaged a third party vendor to operate the University's toll free Ethics Helpline. This is a resource through which reports of employee misconduct can be made, in addition to the other management or human resources channels which are available. In addition, the Ethics Helpline can serve as a resource for University employees desiring guidance on compliance or ethics concerns.

### *Monitoring and Auditing*

Regular and periodic compliance based audits of various schools or units and activities of the University will be planned and developed by the Director of Compliance Operations within the OEC. Reports will regularly be provided to Audit Committee of the Board of Trustees. Audit planning will be coordinated with the Vice President of Internal Audit and any outside healthcare auditors to avoid duplication of effort between the various audit groups, to ensure that compliance audit objectives are documented and achieved and to marshal the University's resources most efficiently.

### *Prompt Response Mechanism*

The OEC's Compliance Investigations unit is responsible for conducting internal investigations of reports of wrongdoing or ethical misconduct. The Vice President/Chief Ethics & Compliance Officer will generally oversee the internal investigations process, as required, by managing, through a designee, case reports made through the Ethics Helpline and working with designated managers to resolve issues. Strong anti-retaliation provisions will protect employees who make allegations of misconduct.

### *Enforcement through Performance Standards & Disciplinary Action*

Senior management, working with the OEC and the Ethics & Compliance Oversight Committee, will ensure that effective and consistent disciplinary standards are in place. Following a review or investigation of any compliance concern, application of those disciplinary standards, if appropriate, will occur. Further enforcement will include implementing compliance measurements in performance evaluations of all supervisory and management employees of the University.

### *Risk Assessment*

The OEC Manager for Risk Assessment, Evaluation and Measurement shall prepare and conduct regular compliance risk assessments across the University, working with the Department of Internal Audit and other resources within the University. The goal is to assess periodically the risk that criminal conduct will occur, by evaluating: (i) the nature and seriousness of any possible wrongful conduct; and (ii) the likelihood that certain criminal conduct may occur. If there is a substantial risk that certain types of criminal conduct or other wrongful conduct may occur, the OEC's responsibility is to help the University take reasonable steps to prevent and detect that type of conduct.