

## Procedure for Processing Reports of Suspected Compliance Violations – Flowchart Narrative

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(Numbering refers to the steps outlined in the flowchart)

### 1

The compliance hotline report will be emailed simultaneously to the System Administration Compliance Officer, Compliance Coordinator, Associate Vice Chancellor for Employee Benefits and Services, and the Managing Attorney in the Office of General Counsel.

### 2

Upon receipt, the Compliance Officer will determine (1) whether the report concerns a compliance issue, and (2) whether the report is related to System Administration or another U. T. System institution. If it is determined that the reported incident is not compliance related, the Compliance Officer will refer the report to an appropriate party to address. If the reported incident is identified as an issue related to a U. T. System institution, the Compliance Officer will refer the matter to the Systemwide Compliance Officer, and if appropriate, the applicable institution's compliance officer, for appropriate action. If the reported incident is determined to be a System Administration compliance issue, the Compliance Officer will determine the appropriate person(s) to investigate the matter. At the Compliance Officer's discretion, he or she may confer with the Chief Audit Executive, Office of General Counsel, System Police and others, as appropriate, to determine the appropriate investigative process to pursue. In the event the Compliance Officer is out of the office or unable to perform this assessment, the Compliance Coordinator will make the appropriate assignment of the compliance violation report or confer with others, as appropriate, informing the Compliance Officer of his or her decision. In addition, if the report is related to the Compliance Officer or any of his or her direct reports, then the Associate Vice Chancellor for Employee Benefits and Services and the Managing Attorney in the Office of General Counsel will determine the appropriate person(s) to investigate.

If the report is associated with select executive officers and high-ranking officials, the following investigation protocols will be utilized.

- I. If the report is associated with the ***General Counsel*** or ***Systemwide Compliance Officer***, positions that report directly to the Chancellor and are routinely involved with compliance investigations, the Compliance Officer will inform the Chancellor and the Systemwide Compliance Officer (if the General Counsel is the report subject) or the General Counsel (if the Systemwide Compliance Officer is the report subject). The Chief Audit Executive will lead the investigation and, along with the Compliance Officer, may involve the Director of Police, an outside investigator,

and/or others in the investigation. If the Chief Audit Executive finds the allegations are substantiated, he or she will inform the Chairman of the Board of Regents through the General Counsel to the Board and determine what communication is appropriate.

- II. If the report is associated with the *Chancellor, General Counsel to the Board, or Chief Audit Executive*, positions that report directly to the Board of Regents, the Compliance Officer will inform the Chancellor (unless he or she is the report subject), General Counsel, General Counsel to the Board (unless he or she is the report subject) and the Chairman of the Board of Regents. The Chairman of the Board of Regents will have significant input as to who will lead the investigation and may involve an outside investigator and/or others, such as the Chief Audit Executive and Systemwide Compliance Officer, in the investigation. If the investigator finds the allegations are substantiated, he or she, along with the Chairman of the Board of Regents and/or the General Counsel, will determine what communication is appropriate.

If the report is associated with an executive officer or high-ranking official *not specifically identified in I or II above*, the Compliance Officer will determine the investigative process to pursue with significant input from the Chancellor and may confer with the Chief Audit Executive, Office of General Counsel, System Police and others, as appropriate, to determine the appropriate investigative process to pursue.

### 3

The Compliance Officer and investigator will establish a timeline for completing the evaluation and investigation of the report of suspected non-compliance. The investigator will conduct a thorough investigation of the allegation.

To the extent that the communication does not compromise the integrity of the investigation, and provided that the identity of the individual is known or the report is made through a process that allows for the individual to call back for progress updates, the Compliance Officer or designate will communicate regularly with the individual who reported the suspected non-compliance to keep him or her apprised of the status of the investigation.

The Compliance Officer will inform the unit head of the report of suspected non-compliance unless the unit head is the subject of the investigation, in which case the Compliance Officer will inform the unit head's supervisor. The investigator will keep the unit head (or appropriate officer) advised of the status of the investigation.

At the point and to the extent that the investigator determines that it will not compromise the integrity of the investigation, the investigator will notify the individual against whom allegations are raised of the nature of the allegation and the status of the investigation.

The investigator will complete an Official Investigation Report, including the corrective or disciplinary action taken or to be taken, and forward the report to the Compliance Officer, who will notify the Systemwide Compliance Officer of institutionally significant reports so that the Systemwide Compliance Officer may bring them to the attention of the Audit, Compliance, and Management Review Committee of the Board of Regents.

4

The Compliance Officer will provide a summary report of the status of all outstanding or recently completed investigations to the Executive Compliance Committee and Compliance Working Group at their regularly scheduled quarterly meetings. The Compliance Officer will provide a copy of each official investigation report and a quarterly summary of compliance reports to the Vice Chancellor for Administration.

5

The Action Plan to Enhance Institutional Compliance states that the Compliance Officer should communicate identified events of noncompliance that require corrective or disciplinary action to appropriate administrative personnel. If the Compliance Officer believes that appropriate corrective or disciplinary action has not been taken, then the Compliance Officer should report his or her concerns to the Vice Chancellor for Administration. The Vice Chancellor for Administration is responsible for the appropriateness of the actions taken to resolve the compliance issue.

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