

PENN STATE UNIVERSITY COMPLIANCE PLAN

INTRODUCTION

Penn State is a leader in higher education with a mission of teaching, research, and service. The University is committed to the highest standards of ethics, honesty, and integrity in pursuit of its mission. The Penn State University Compliance Plan demonstrates the University's commitment to ethical conduct and compliance in all University operations. The Compliance Plan establishes guidelines, standards and requirements for conduct designed to support and enhance an institutional ethical culture of compliance; prevent, deter, and detect violations of law; uphold accreditation standards; and provide support, training, educational and enforcement resources in compliance with all applicable legal requirements and University policies. The Compliance Plan also details the operational structure of University offices that, working in conjunction with all other University units, are responsible for the management and oversight of the University's ethics and compliance efforts.

I. STANDARDS OF CONDUCT

Penn State University has established policies covering all areas of the University which in the aggregate create a robust system of compliance and internal controls. These policies include but are not limited to the following areas; Administrative, Athletics, Budget, Business Services, Environmental Protection, Financial, Human Resources, Intellectual Property, Payroll, Research Administration, Research Protections, Safety, Student Affairs, and Travel. The University maintains policies and standards that address specifically identified ethics and compliance concerns and establishes baseline requirements for University operations. The following list of policies and standards is partial and illustrative only:

- Code of Responsible Conduct (AD88)
- Disclosure of Wrongful Conduct and Protection from Retaliation (AD67)
- General Standards of Professional Ethics (AD47)
- Institutional Financial Conflict of Interest (AD83)
- Purchasing Code of Ethics
- Conflict of Interest (HR91, RP06)
- Board of Trustees Conflict of Interest (Bylaws Article VIII)
- Conflict of Commitment (AD77)
- Gifts and Entertainment (AD86)
- Code of Conduct for Intercollegiate Athletics
- Student Code of Conduct
- Compliance with the Clery Act (AD74)
- Reporting Suspected Child Abuse (AD72)
- Minors Involved in University-Sponsored Programs or Programs Held at the University and/or Housed in University Facilities (AD39)

- Background Check Policy (HR99)
- Sexual And/or Gender-Based Harassment and Misconduct (AD85)
- Discrimination and Harassment and Related Inappropriate Conduct (AD91)
- Export Regulations and Compliance (AD89, ADG09, RA40, RAG40)
- Health Insurance Portability and Accountability Act (HIPAA) (AD22, RP07,)
- University Policy on Confidentiality of Student Records (AD11)
- Computer and Network Security (AD20)
- Privacy Policy (AD53)
- Policy Governing Copyright Clearance (IP05)
- University Archives and Records Management (AD35)
- Addressing Allegations of Research Misconduct (RP02)
- Sponsorship of Sponsored Programs (RA02)
- Environmental Health and Safety (SY01)
- A Drug-Free Workplace (AD33)
- Possession, Use And Distribution of Alcoholic Beverages (AD18)

II. COMPLIANCE PROGRAM GOVERNANCE

Penn State has a robust system of governance that encourages ethical conduct and a commitment to compliance at the highest levels within the University, including the Board of Trustees and senior leadership. This system insures that the University leadership is knowledgeable about the content of the program and able to exercise reasonable oversight with respect to the implementation and effectiveness of the ethics and compliance program.

A. Board of Trustees:

The Board of Trustees of The Pennsylvania State University is the corporate body established by The Charter of the Pennsylvania State University responsible for the governance and welfare of the University and all the interests pertaining thereto including students, faculty, and staff. The Board shall be knowledgeable about the University's compliance and ethics program and shall exercise reasonable oversight with respect to investigation and effectiveness. The Board exercises these obligations as a whole and through committees, including:

i. Committee on Legal and Compliance:

This Committee oversees adherence to laws, regulations, and policies that pertain to University operations. It also considers, reports, or recommends to the Board on matters pertaining to compliance, oversight and legal issues. The Committee provides oversight for the legal and compliance functions of the University, including the Office of the Vice President and General Counsel, and the Chief Ethics and Compliance Officer (who serves as the Director of the Office of Ethics and Compliance).

ii. Committee on Audit and Risk:

The Committee on Audit and Risk serves as the focal point of open communication between the Board of Trustees, the external auditor, the internal auditor, and the University administration. The Committee on Audit and Risk is dedicated to promoting and assuring a culture of strong internal controls for full financial disclosure and of risk awareness to identify and manage significant risks faced by the University.

B. University Ethics & Compliance Council:

The mission of the University Ethics and Compliance Council is to serve as the Advisory Board with oversight responsibility for all University Ethics & Compliance (E & C) matters. The Council currently includes two standing subcommittees: Compliance Training Committee, and Youth Programs Council. The Ethics and Compliance Council reviews and advises on ethics and compliance program content, help develop strategy, evaluate results, suggest improvements and updates, and provide oversight for the overall ethics and compliance program.

C. University Ethics Committee:

The University Ethics Committee serves as an advisory board for the development, implementation, and assessment of policies, standards, programs, research, and education concerning the University's ethical values, ethics culture, and ethical decision-making practices. The University Ethics Committee works in partnership with various University units and groups (including the Rock Ethics Institute and Ethics and Compliance Council) and provides advice to the Office of Ethics & Compliance, Board of Trustees, President, and administration of the University.

D. Privacy Governance Board:

The Privacy Governance Board consists of the Chief Ethics and Compliance Officer, the Chief Information Security Officer, the Privacy Officer and the Vice President for Human Resources or their designees, as appropriate. The Privacy Governance Board advises the Executive Vice President and Provost on privacy related matters. Members from individual units may be consulted/added to the Privacy Governance Board on an ad hoc basis, as needed.

E. Athletics Integrity Council:

The University has entered into an Athletic Integrity Agreement with the NCAA and the Big Ten Conference to promote the University's compliance with the NCAA and Big Ten's rules, regulations, and standards of integrity. The agreement is overseen by the Athletics Integrity Council, which is chaired by the Athletic Integrity Officer and consists of faculty, senior University administrators, the Faculty Athletics Representative, and the Associate Athletic Director for Compliance.

F. Office of the General Counsel:

The Office of General Counsel provides legal advice and representation to the Board of Trustees, the President and other administrators in their capacity as agents conducting University business. The Office also provides legal advice on a broad range of compliance and ethics matters. The General Counsel reports regularly to the Board of Trustees Committee on Legal and Compliance and also serves on the University Ethics & Compliance Council. Associate General Counsels serve on the Privacy Governance Board, Athletics Integrity Council, and University Ethics Committee.

G. Office of Ethics & Compliance:

The Chief Ethics and Compliance Officer (CECO) serves as the Director of the Office of Ethics & Compliance. The CECO has University-wide oversight for all compliance and non-curricular ethics matters. The CECO has operational responsibility for Athletics Integrity, Commonwealth Campus athletic administration Export Compliance, Intercollegiate Athletics Compliance, University Ethics, Youth Programs, and the Penn State Hotline. In addition to the operational units listed, the CECO provides advice and support to the other embedded ethics and compliance units and programs with the University. The CECO is directly accountable to the Board of Trustees Committee on Legal and Compliance and administratively to the Senior Vice President for Finance & Business.

H. Office of the Vice President for Research:

i. The Office for Research Protections (ORP):

ORP is responsible for developing, implementing, and overseeing research compliance programs in accordance with federal, state, and local regulations and standards at all colleges and campus locations except the College of Medicine. ORP partners with researchers and nine compliance committees to facilitate a culture of integrity, responsibility, and trust in Penn State research. These committees are an Institutional Review Board (human subjects), Institutional Animal Care and Use Committee (research, teaching and testing involving vertebrate animals), Institutional Biosafety Committee (research and teaching involving biohazardous materials), University Isotopes Committee (research and teaching involving radioactive materials), Individual Conflict of Interest Committee (financial disclosures and, as necessary, conflict of interest management plans for all researchers), Institutional Conflict of Interest Committee (financial disclosures of University Officials and the University and, as necessary, conflict of interest management plans for the entire University), Institutional Review Entity (research involving the identified 15 select agents and toxins for potential dual use research of concern), Embryonic Stem Cell Research Oversight (research involving human embryonic stem cell research), and Dive Safety Board (all compressed gas diving for scientific and educational purposes). In addition to these research compliance Committees, ORP oversees the use of unmanned aircraft systems (drones) on University property or as part

of a University-affiliated activity as well as the reporting and approval process as outlined in HR80: Private Consulting Practice (for Faculty). .

ORP also promotes the integrity of research conducted at Penn State by offering ethics and compliance education and training to faculty, staff, students, and the community; developing and monitoring management plans for real or perceived conflicts of interest; and overseeing investigations and corrective actions related to non-compliance and research misconduct (plagiarism, and falsification and fabrication of data).

ii. Office of Sponsored Programs (OSP) and Defense Related Research Units:

OSP provides central coordination and oversight of Penn State sponsored projects. This includes processing proposals and negotiating resultant grants, contracts and other agreements. All agreements are reviewed to confirm that the terms and conditions protect the interests of Penn State faculty members, students and institutional interests; are consistent with Penn State's policies and mission statement; and are consistent with all applicable state and federal laws, regulations and cost principles. Key considerations include protection of publication rights, data rights, and other intellectual property rights; identification of conflicts of interest; and screening of projects subject to export control, confidentiality, and/or data security requirements.

I. Office of Human Resources:

The Vice President for Human Resources and Chief Human Resources Officer is responsible for the administration of talent acquisition, compensation and classification, benefits, labor and employee relations, professional development, child care, and occupational medicine, as well as for compliance with applicable employment law, governmental regulations, and University policy.

J. Office of Student Affairs:

Student Affairs supports the academic mission of the university through the delivery of programs and services that, among other efforts, helps students to develop coherent values and ethical standards. Student Affairs practice provides opportunities for students to demonstrate the principles and core values that define a learning community. Effective learning communities challenge students to develop meaningful values and principles for a life of learning that reflects the ethical practices and educational mission of the institution.

The Assistant Vice President for Student Affairs at University Park and senior Student Affairs administrator at each campus oversees adherence to University policies SY03 (Emergencies Involving Students) and SY42 (Missing Student Policy). The Office of Student Conduct (OSC) provides oversight for implementation of the Student Code of Conduct and related procedures. OSC investigates Code of Conduct violations regarding students. OSC also assists in ensuring compliance with the Campus Security Act by collecting statistics for discipline referrals involving alcohol, drugs and weapons and reporting to Office of Police and Public Safety. In addition,

the staff members of the Office of Student Conduct and the Office of the Assistant Vice President for Student Affairs, and other Student Affairs staff from multiple offices in Student Affairs, report crimes to Office of Police and Public Safety pursuant to the Clery Act. The Office of Student Activities provides oversight for resolving complaints made against Registered Student Organizations.

Student Affairs also has operational oversight of University Health Services (UHS) and Counseling and Psychological Services (CAPS) which provides medical and psychological treatment for students in compliance with HIPAA and the Family Educational Rights and Privacy Act of 1974 (FERPA).

i. Office of Sexual Misconduct Prevention and Response

The Title IX Coordinator is Senior Director of Office of Sexual Misconduct Prevention and Response. Reporting to the Vice President for Student Affairs, the Title IX Coordinator oversees the Title IX program for the University and is responsible for helping to ensure that Title IX infractions reported to any University official receive appropriate attention (e.g., investigation, remediation, and response).

K. Office of the Executive Vice President and Provost:

The Executive Vice President and Provost is responsible, through organizational arrangements, for all the academic units (colleges, schools, and campuses) as well as major academic support units, such as the University Libraries, Educational Equity, Affirmative Action, the University Faculty Senate, and Information Technology Services.

i. University Faculty Senate:

Per University policy HR76 (Faculty Rights and Responsibilities), the University Faculty Senate oversees two programs:

a. Faculty Ombudsperson Program:

The Faculty Senate maintains a Faculty Ombudsperson program that provides for a Faculty Ombudsperson within each college, campus and academic unit. The functions of the Faculty Ombudsperson are;

- Clarification of misunderstandings involving faculty;
- Advising faculty and administrators as to appropriate courses of action;
- Assisting in the informal resolution of differences involving faculty;
- Assuring that appropriate department, college and/or campus procedures are exhausted before referring cases involving faculty to higher levels;
- Informing the Office of the Executive Vice President and Provost and appropriate college or campus officials if a matter cannot be

resolved at the lower level and the case is to be referred to the Committee on Faculty Rights and Responsibilities.

b. Committee on Faculty Rights and Responsibilities:

The Committee on Faculty Rights and Responsibilities (HR 76) reviews any situation in which a faculty member asserts that he or she has suffered a substantial injustice resulting from a violation of: a) academic freedom; b) procedural fairness; or c) professional ethics. In addition, the Committee reviews any situation in which an administrator seeks a Committee judgment as to appropriate action toward a faculty member, who, in his or her judgment, may be failing to meet his or her responsibilities. The committee also reviews petitions of university academic employees receiving a notice of dismissal, no reappointment, or other petitions as it deems appropriate.

ii. Vice Provost for Affirmative Action:

The Affirmative Action Office (AAO) has responsibility for compliance with all federal and state non-discrimination laws and employee or third-party violations of University policy AD 91 (Discrimination and Harassment and Related Inappropriate Conduct). The office investigates and resolves discrimination complaints brought against employees or institutional programs and practices. In addition, AAO responds on behalf of the University to all external agency (Equal Employment Opportunity Commission, United States Department of Labor; Office of Civil Rights, United States Department of Education; Pennsylvania Human Relations Commission, State of Pennsylvania) complaints of discrimination. AAO also has responsibility for evaluating and resolving employee requests for reasonable accommodation under the Americans with Disabilities Act. The Vice Provost also certifies compliance with federal and state non-discrimination law as required by federal and state agencies awarding grants and contracts to the University. Finally, the Affirmative Action Office is responsible for ensuring the University's compliance with Executive Order 11246 (affirmative action program regulations for federal contractors.)

iii. Vice Provost for Educational Equity:

The Office of the Vice Provost for Educational Equity serves as a catalyst and advocate for Penn State's diversity and inclusion initiatives. It includes Student Disability Services (ADA compliance) and the Office of Veterans Programs (Department of Veterans Affairs benefits compliance). It also operates the "Report Hate" web form to report acts of hate or intolerance observed by or directed towards students.

iv. Vice Provost for Academic Affairs:

The Vice Provost for Academic Affairs works closely with the Provost in areas including faculty development, leadership training, tenure and promotion,

executive searches and reviews, and other issues related to academic personnel and their concerns. The Standing Joint Committee on Tenure (HR 70) acts solely in an advisory capacity to the President on matters pertinent to the dismissal of tenured or tenure-eligible faculty. It holds hearings to receive evidence, adjudicate the matter, and to provide the President with a reasoned opinion and recommendation for action with respect to the request to dismiss a faculty member.

v. Vice President and Dean of Undergraduate Education:

The Office of Undergraduate Education (OUE) contains units responsible for various compliance activities including: the Executive Director of Student Aid, University Registrar (which administers FERPA compliance), the Director of the Morgan Academic Support Center for Student-Athletes, the Executive Director for Undergraduate Admissions, and Joint Service Coordinator of ROTC.

c. Student Aid

Under the aegis of the Division of Undergraduate Education, the Office of Student Aid administers over \$1.2 billion in student aid annually on behalf of more than 75,000 University students. The University's student population is predominantly assisted through federal- and state-funded student aid programs, but assistance is also provided from a growing institutional funding base and from private aid sources.

To strengthen and support its overall compliance efforts, the Office of Student Aid has a formal compliance team, led by the Senior Manager for Student Aid Compliance, which is responsible for overseeing and coordinating the office-wide compliance efforts to assure that the University is conforming with all federal Title IV, state, and related institutional regulations and policies that govern student aid.

vi. Vice Provost for Outreach and Online Education:

As a distance-education provider, World Campus is required to obtain State Authorization per the U.S. Department of Education Program Integrity Regulations of the Higher Education Act for each state in which a World Campus student has residency. World Campus is responsible for seeking authorization and/or registration to deliver distance education in each applicable state, according to each state's unique laws.

vii. Office for Information Security:

The Chief Information Security Officer (CISO) is director of the Office of Information Security (OIS) and reports to the Provost and Senior Vice President for Finance and Business. OIS is responsible for a number of functions and activities supporting legal, regulatory, and policy compliance for electronic data, including: protecting institutional and personal information stored or processed electronically; documenting system data sensitivity and security level;

maintaining centralized scanning tools to locate and remediate weaknesses in computer and network security environments; detect, investigate, lead response and recovery operations for intrusions; conducting forensic investigation of possible breaches of computer security and violations of acceptable use; and retrieval and/or analysis of electronically stored evidence in response to subpoenas, search warrants or court orders.

1. *University Privacy Office*

The University Privacy Office serves as a central resource for issues of privacy and provides leadership in the development of programs and practices to meet relevant privacy requirements and standards for the University. The Chief Privacy Officer serves as the Assistant CISO with direct responsibility for the security and legal compliance related to personally identifiable information (PII) and personal health information (PHI), specifically the Health Insurance Portability and Accountability Act (HIPAA).

L. Office of the Senior V.P. for Finance & Business:

The Office of Finance & Business encompasses many departments responsible for internal control and compliance activities including the Controller's Office (which includes Research Accounting); Internal Audit; Environment, Health & Safety; Human Resources; and the Office of Police and Public Safety.

i. Office of the Corporate Controller:

The Controller's Office is responsible for assuring compliance with all accounting and financial standards including federal and state government standards in areas such as payroll, tax, student accounting, sponsored awards, endowments and cash management. Within the Controller's Office, the Financial Officer and Risk Management organizations both play key roles in maintaining compliance with internal policies as well as external laws and regulations. These organizations form the core of the Controller's Office University-wide network to ensure appropriate communication, collaboration, and oversight of these matters.

ii. University Police & Public Safety Office of Compliance:

The Office of Compliance within University Police & Public Safety is responsible for assuring compliance with a number of state and federal legislative standards including The Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (Clery Act). The Office of Compliance serves as the University's designated "Campus Safety Survey Administrator," as explained by the United States Department of Education. The office is charged with developing, implementing and administering policy, action plans, and strategies to ensure the University's overall compliance with the Clery Act and associated regulations.

iii. Environmental Health & Safety:

The Department of Environmental Health and Safety (EHS) within the Office of the Physical Plant (OPP) is responsible for the development and implementation of environmental and all occupational health and safety programs throughout Penn State's multi-campus system. EHS has five areas of responsibility which include compliance: Environmental Protection, Laboratory and Research Safety, Workplace Safety, Radiation Protection and Hazardous Materials.

1. University Safety Council

The University Safety Council is comprised of members representing academic colleges and administrative units. University Safety Council representatives are commonly referred to as "Safety Officers." Safety Officers develop and implement, under the guidance of the Office of Environmental Health and Safety, a comprehensive and practical occupational health and safety program, and maintain an environment that is conducive to the safety, health and well-being of the University community.

M. Penn State Hershey Milton S. Hershey Medical Center and the College of Medicine:

The Penn State Milton S. Hershey Medical Center has adopted a comprehensive Compliance Plan which establishes the guidelines and policies under which the Compliance Program operates. The Compliance Program is under the direction of the Chief Compliance Officer at the Medical Center. The Penn State Milton S. Hershey Medical Center has established a Compliance Committee which has the primary responsibility for advising and assisting the Chief Compliance Officer and in facilitating the implementation and ongoing operation of the Compliance Program. In addition, the Board of Directors has a standing Audit & Compliance Committee which has oversight of the Compliance Program. The Chief Compliance Officer has a direct reporting relationship to the Chair of the Audit & Compliance Committee.

III. REPORTING

Penn State University actively encourages the reporting of violations of law or the University's policies, and has established systems that allow for the reporter to remain anonymous if desired. The University is also committed to protecting all individuals against retaliation.

A. President's Message on Reporting Resources:

The University President sends a message to all students, faculty and staff at the beginning of each semester informing all of the resources available to them for reporting:

- Crime or an emergency situation

- Behavioral threat
- Bias or discrimination
- Clery reportable offenses
- Research-related misconduct
- Sexual harassment and other forms of sexual misconduct
- Student misconduct
- Suspected child abuse
- Suspected ethical or policy violations

B. Penn State Hotline:

The University has established an ethics & compliance “hotline” where the University community can report any misconduct except emergency situations, suspected child abuse, and Clery reportable offenses. Such reports can be filed anonymously either by phone or email and all reports are reviewed and investigated by appropriate personnel. In all cases a response is provided to the reporter. Individuals may make a report via 1-800-560-1637 or <http://hotline.psu.edu>.

C. Report Hate:

The Office of the Vice Provost for Educational Equity has established a “Report Hate” web form. Students may use the form to report any act of intolerance they experience themselves or observe directed against anyone else. Faculty, staff, alumni, and guests only use the form to report acts they observe that are directed against students.

D. Behavioral Threat Assessment Team:

In furtherance of Penn State’s commitment to safety and well-being of the University community, the University has created a team of professionals to:

- Encourage all University staff, faculty and students to report behaviors which are perceived to be a potential concern
- Educate others to recognize risky or threatening behavior
- Increase awareness of potential threats and how to report and respond to them
- Identify trends that negatively affect the campus community
- Manage all referred incidents and other processes related to threat analysis

E. Disclosure of Wrongful Conduct and Protection from Retaliation (AD 67):

It is the policy of the University to encourage and enable any member of the University faculty, staff, or student body to make good faith reports of suspected wrongful conduct, and to protect such individuals from retaliation for making such reports to the University or an appropriate authority, participating in any investigation, hearing, or inquiry by the University or an appropriate authority or participating in a court proceeding relating to an allegation of suspected wrongful conduct at the University.

IV. DELEGATION OF AUTHORITY

The University uses reasonable efforts not to include within the substantial authority any person whom the organization knew, or should have known through the exercise of due diligence, has engaged in illegal activities or other conduct inconsistent with the Penn State Ethics & Compliance Program.

A. Pre-Employment Screening Process

Consistent with HR 99, Background Check Process, offers of employment are issued contingent upon successful completion of background checks applicable for the positions. Volunteers working with minors, new employees/interns, current employees/interns accepting new responsibilities or new positions requiring background checks not previously performed, employees/interns in sensitive/critical positions, and third-party contract employees are required to disclose any misdemeanors and felonies and to successfully complete applicable background checks.

B. Employee Criminal Background Check

Consistent with HR99, Background Check Process, background checks will include criminal history checks and a national sex offender check for positions requiring background checks. Employees and volunteers having direct contact with minors are also required to have the following current background checks: PA State Police Criminal Background Check, PA Child Abuse History Clearance Form, and Federal Fingerprint Criminal Background Check. Additional verification of motor vehicle, credit, education, and licensure checks are conducted dependent upon the responsibilities of the position, per HR 99. Additionally, individuals engaged by the University (whether paid or unpaid) are required to notify the appropriate Human Resources representative within 72 hours if they are charged with, or convicted of, a misdemeanor or felony enumerated in the Penn State Arrest or Conviction self-disclosure form. This requirement is also in place for third-party contract employees.

V. TRAINING AND EDUCATION

Penn State takes all reasonable efforts to communicate its ethics and compliance standards, policies and procedures to the Board of Trustees, senior leadership and all appropriate University employees. One way this is done is through training programs specifically focused on ethics and compliance issues. For example, the Board of Trustees participates in and receives relevant training. In addition, the Office of Human Resources, in collaboration with other University departments, has developed a number of training programs specifically designed to communicate the University's ethics and compliance standards to all appropriate persons, which include employees and volunteers. The programs include:

A. Reporting Child Abuse

All Penn State employees and volunteers who work with minors are required to complete this online training annually. All other Penn State employees take the full training once

(normally during new employee onboarding) and will take an annual ethics and compliance training that includes reporting suspected child abuse.

B. Clery Training

All Penn State employees and volunteers who are classified as Campus Security Authorities (CSA's) are required to complete this online training. All other Penn State employees will take an annual ethics and compliance training that includes reporting criminal activity that falls under the Clery Act.

C. Sexual Assault and Harassment Training

All Penn State employees are required to take one of two versions, depending upon their designation as “responsible” or “confidential” under Title IX. Once completed, Penn State employees take an annual ethics and compliance training that includes reporting criminal activity that falls under the Clery Act.

D. Ethical Awareness Training

All new Penn State employees will be required to take an online training on the Penn State Values, Code of Responsible Conduct (AD88), conflicts of interest policies, other ethics policies, misconduct reporting, protection from retaliation, and ethical decision making.

E. Annual Compliance Training

All current employees will be required to take an annual online ethics and compliance training that will include information regarding research misconduct, bias and discrimination and summaries of the Ethical Awareness, reporting child abuse, Clery, and sexual assault and harassment trainings.

F. Leadership and Management Curriculum

All new staff and faculty with responsibility for supervision and performance management will be required to complete both online and in-person supervisor training. Existing supervisors, managers, and directors are invited to complete the following certificate programs that include ethics and/or compliance standards: Penn State Emerging Leaders; The Supervision Series, Level I; The Supervision Series, Level II; Excellence in Management; and Excellence in Academic Leadership. All of the above are the responsibility of the Office of Human Resources in collaboration with the Office of Ethics and Compliance

G. New Employee Orientation

This Office of Human Resources program is offered to all new Penn State employees and covers the basic requirements and resources needed as a new employee. This program is in the process of being converted to mandatory online modules. This will include mandatory ethics and compliance trainings of all employees and those specific to responsibilities of the new employee's position.

H. Scheduled Programs

Based on a needs assessment process and in collaboration with other Penn State offices, the Office of Human Resources offers a core set of programs around the issues of ethics and compliance. The programs include: Employees, Ethics, and Education; Everyday Ethics; and Ethical Leadership. As a part of the Penn State Learning Network on-line curriculum, Human Resources also offers other programs focusing on ethics.

I. NCAA

NCAA athletics compliance training covers NCAA and Big Ten rules as well as selected institutional policies for PSU coaches, staff, student-athletes, and external constituents. Penn State also provides mandated annual training on mandated topics for all individuals classified as "covered persons" in accordance with Penn State's Athletics Integrity Agreement.

J. Additional Training

The University conducts other ethics and compliance training programs in the areas of research compliance, export compliance, prevention and handling of sexual assault and sexual harassment, bystander intervention, discrimination and harassment, diversity and inclusion, employment law, performance management, and health, safety and environment requirements.

VI. MONITORING AND AUDITING

The University has policies, procedures and mechanisms for monitoring compliance with internal controls and compliance standards.

A. Office of Internal Audit:

The Office of Internal Audit is committed to performing value-added, risk-based audits, designed to independently review, test, and evaluate the financial, electronic, and operational controls throughout the University.

Department functions include examination and assessment of:

- Business risks facing Penn State leadership
- Compliance with policies, procedures, laws, and regulations
- Safeguarding and use of University assets
- Accuracy, reliability, and integrity of University records and reports
- Development and implementation of methods, systems, and procedures
- Suspected fraud, waste, abuse, etc.
- Adequacy of internal controls

B. Risk Management Department:

The mission of the Risk Management Department within the Office of the Corporate Controller is to provide excellent service which will enable the University-wide community to protect revenue and assets, and to facilitate good business judgments permitting the efficient use of resources to accomplish the goals of the University. A critical part of their work is to conduct risk assessments, through various formal and informal processes including a University-wide Enterprise Risk Management program which gathers information about the relative impact of various risks, mitigation steps in place, changes on the horizon and plans for improving the University's risk profile. The Board of Trustees is engaged through their direct oversight of various risks, and through their responsibility to understand risks faced by the institution.

VII. PROMOTION OF THE ETHICS & COMPLIANCE PROGRAM AND DISCIPLINE FOR COMPLIANCE VIOLATIONS

Through leadership, training, and policy development, Penn State promotes ethical behavior and compliance with federal, state, and local laws and regulations on the part of all faculty, students, and staff.

The University has policies and procedures for the discipline of students, employees, and volunteers who engage in unethical behavior or behavior that is not in compliance with existing federal, state, local, and University laws, regulations, and policies.

VIII. ACTIONS FOLLOWING IDENTIFICATION OF WRONGDOING

After wrongdoing has been detected, the University shall take all reasonable steps to respond to the wrongdoing and to prevent similar incidents from occurring again, including making modifications of the University's compliance and ethics program as necessary.

Approved by Board of Trustees Committee on Legal and Compliance on May 4, 2017.