

2021-2023 Biennium Internal Budget Proposal Narrative

Division: Business and Financial Affairs - Risk, Compliance, and Policy Services

Evaluation Criteria: Proposals will be evaluated on every aspect of this template. It is highly recommended that the narrative portion touch on each area. Proposals forwarded to UPRC by unit leaders will be discussed at UPRC and authors are encouraged to attend so that they may answer questions and provide clarification.

Risk and Compliance Analyst

- This is a revised version of a previously submitted budget proposal.
If box is checked please briefly outline any significant changes and/or indicate why it is being resubmitted.

[Click here to enter text](#)

Statement of Purpose: *(What is the challenge or opportunity being addressed? How does the proposal address this challenge or opportunity? Limit response to 1 page – please link to any existing reports, data, supplemental materials, etc.)*

RCPS is a small 4 person business unit in Business and Financial Affairs, the office has not grown in resources in over several years however, the demand for services has grown exponentially. Public Records is at an all-time high, both in volume and complexity of request and legal councils now use this avenue as first level discovery in tort's cases. Higher education is one of the most regulated industries in the nation. With regulations continuously increasing and being revised, the University faces significant challenges in meeting both academic objectives and compliance requirements with limited competing resources. Risk management demands on behalf of the faculty and the institution often exceed the current resources. What is coming forward is even more troubling, compliance issues will take more efforts to implement than current staff resources. Multiple states and countries are passing privacy laws, including Washington State, third-party vendor compliance is a growing risk, and greater attention on ethical and compliance issues has been put on higher ed institutions by taxpayers and donors following a number of national headlines. Our institutional Compliance program is just getting start to address the federal sentencing Guidelines (see recent fines levied below). This request is asking for the balance of a 50% FTE that was given 3 years ago. We are at a point where the University needs to recruit a full-time position to train across the spectrum of risk and compliance areas for the institution in order to address the resource limitations, increasing regulatory requirements and increase the viability of the hire.

Two articles to read – What's Coming in the privacy & data compliance world and legislation we are working through currently in the Risk and Compliance Landscape

[Washington lawmakers consider GDPR-style data privacy regulations | Security Info Watch](#)
[CCOs Navigate New Risk and Compliance Landscape - Risk & Compliance Journal - WSJ](#)

Fines Levied on academic higher Ed.

Universities Penalized for Violations • Stanford U – Inflated research overhead cost - \$1.2 M • U of Washington – Billing fraud - \$35 M • U of Texas – Underpayment of royalties - \$12 M • U of Minnesota – Misuse of federal grants - \$32 M • NYU Medical Center – Inflated grant costs - \$15.5 M • U of Penn. – Human subjects, conflict of interests - \$514 K, closed center • Northwestern U. – Inaccurate grant effort reporting - \$5.5 M • U of California – Mischarging research grants - \$3.9 M • NYU - \$1.4 M, Penn - \$1.6 M, Johns Hopkins \$1.1 M – Preferred lenders • U of Med and Dentistry of NJ - overbillings, political activity, no-bid contracts, inappropriate admissions - Dissolved and transferred to Rutgers • U of Tennessee – Export control violation – Criminal charges • UCLA – Death from lab accident – Criminal charges • Penn State – Sexual assault – Criminal charges

Anticipated Outcome(s):

1. Support to the multiple compliance owners with the development of policies and procedures 2. Designating a compliance officer and other appropriate bodies (e.g., compliance oversight committee), 3. Implementation of micro learning style compliance training 4. Evaluation techniques to monitor and develop more efficient compliance activities 5. Effective reporting processes and procedures for complaints 6. Development of more effective corrective action methods 7. Investigation and remediation of systemic problems 8. Risk assessment necessary for design and operation of the compliance program (Section 8B2.1(c)) 9. Providing executive leadership with assurance and awareness of the strength of the compliance areas under their purview.

Metrics: *(How will outcomes be measured? Please include current data points and goals. If this proposal will have any impact on the [Overall Metrics](#) included in the university's strategic plan, please indicate which specific ones here.)*

Monitoring effectiveness is an essential component of the compliance program. Program maturity will be tracked and key areas of the program will be monitored with metrics reported to executive leadership; compliance committee, and the BOT. Metrics will not focus on numbers such as # of trainings held or policies developed, but will focus on the effectiveness of activities in changing behavior. The goal will be to reduce the complexities of regulatory compliance to enable employees to focus on their primary jobs.

How does this proposal align with your departmental/divisional strategic priorities? *(Please reference specific items from the recently completed departmental/divisional strategic plan and attach a copy.)*

Supporting University Growth and Western's 2025 Vision - WWU needs a BFA division that can deliver the administrative needs of students, faculty and staff, both now and in the future. From 2014-2019, the University grew by 1,170 students, yet the numbers of many of BFA's teams have not changed. The University's 2025 vision is ambitious: it aims for an increase in up to 20% of degrees being awarded, 16% more faculty, and an almost doubling of research revenue by 2025. This means that there are, for example, the equivalent increases in the amount of

student loan applications to process, staff to onboard and support, bills to pay, and contracts to manage. There is a genuine concern across BFA that the division does not only have the adequate resources to support this growth, but that it has been insufficiently staffed to properly service the needs that have arisen by recent growth. **Increasing demands on the multiple compliance owners across the University, not only as a result of growth, but also regulatory and compliance requirements,** have meant the division has barely been delivering the support services to the extent that University personnel need to free up their time so they can focus on achieving student and university success.

Quote from SCOT Analysis 2018, #5. Gaps in Compliance, Safety, and Risk Management - Western would be well served to adopt certain elements of an effective compliance program, although Higher Education is subject to many regulations at the federal and state levels. Recent reviews have identified gaps in compliance.

How does this proposal support the University Mission and Strategic Objectives? *(Please refer to the [2018-2025 Strategic Plan](#) and indicate which core theme(s) this proposal will help achieve.)*

Mission and values: Integrity, responsibility and accountability in all our work.

Goal #3: Western will foster a caring and supportive environment where all members are respected and treated fairly. *Western's greatest strength is the outstanding students, faculty, staff, and alumni/ae who make up its community. Western supports an inclusive governance structure for all and provides a learning and working environment in which everyone can thrive.*

1. Strengthen shared governance to ensure that students, staff, and faculty are meaningfully empowered in the university's policies, decisions, and direction.

Goal #4: Western will pursue justice and equity in its policies, practices, and impacts.

What are the consequences of not funding this proposal?

Disruption in efforts to achieve department, program, division and/or university goals due to:
• Imposition of fines and sentences • Media coverage, reputational harm • Threat of whistleblower lawsuits • More external regulatory and audit agency scrutiny • Management time and effort for damage control • Exclusion from governmental programs and funding • Decrease in donor confidence and support • Probation and court-imposed programs • Imposition of government-designed programs/procedures

What alternatives were explored?

Cross training , temporary Students, temporary employees, added IT Software to free up resources

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Which units (departments, colleges, etc.) will be involved?

All Compliance owners across the University and for Privacy the entire University

Equipment needed:

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For major (>\$25k) purchases, please provide the following information.

Item:

Click here to enter text

Purpose:

Click here to enter text

Cost:

Click here to enter text

Anticipated Useful Life:

Click here to enter text

Replacement Cost if any:

Click here to enter text

Human Resources (Complete the table below adding additional rows if necessary):

<i>Position Title</i>	<i>Total Headcount</i>	<i>Total FTE</i>	<i>Salary and Benefits per FTE</i>	<i>Total Cost</i>
<i>Risk and Compliance Analyst</i>	<i>1</i>	<i>.50</i>	<i>\$110,000</i>	<i>\$55,000</i>

Table above should match data on budget spreadsheets submitted with this proposal. Complete the spreadsheet to get salary, benefit, and total cost amounts. Contact your division budget officer with questions.

Operating & Maintenance Costs (include service contracts, installation costs, etc.):

Public Records Redaction Software \$23,000 annual cost

Space Requirements:

What type of space is needed for this proposal? (e.g., private office, lab space, group work/study space, etc.)

Space had been identified in the RCPS/Internal Audit/AAG office's

What features must this space have? (e.g., fume hoods, plumbing, 3-phase power, etc.)

none

What needs can be accommodated within your existing space?

None

How much new space will be required?

Office has been identified

None