Texas A&M University at Galveston

Ethics and Compliance Plan for 2012-2013

February, 2013
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Executive Summary

_Crisis breeds innovation_ is a term that is used in industry boardrooms across the nation when dealing with industry downturns; however, it is a term that can be aptly used now in the halls of academia. Innovation is needed as higher education continues in its efforts to meet its mission of preparing a growing number of students for the future, but is encumbered by overall decreasing revenues with increasing regulatory burdens. Organization survival and growth are predicated on a workforce that positively meets its challenges and works together to build a stronger, more flexible foundation.

Ethics and compliance are two essential elements of organizational survival and growth. Properly integrating a culture of ethics and compliance into overall A&M System operations, efficiency and efficacy become transparent by-products of effective management. Identifying, prioritizing, understanding and mitigating potential compliance risks is an essential tool in the arsenal of institutions as they steer their organizations to meeting strategic goals.

As evidenced across the nation, institutions of higher education are saddled with similar compliance risks such as campus safety, accuracy in government reporting, data privacy and security and a myriad of research-related risks. The following Ethics and Compliance Plan for FY2012-2013 has been developed based on identified compliance risks facing Texas A&M University at Galveston (TAMUG) as part of a statewide system of 11 universities, seven state agencies and a comprehensive health science center. The process for ethics and compliance risk identification is a collaborative effort of the compliance team at TAMUG to ensure that key compliance risks facing TAMUG are identified and a plan for mitigating them is established.

The draft plan has been shared internally with key leadership at the campus and A&M System level to gain feedback and a better understanding of the risks facing all TAMUG locations. Following final approval of the plan by the Board of Regents, it will be appended to include detailed work statements for each of the identified key risks. The plan will incorporate and link to campus and other key departments’ risk mitigation plans for the next fiscal year.

The attached work plan includes a detailed work strategy that outlines key monitoring elements and project management by the Ethics and Compliance Committee.
Overview

Potential Compliance Risks

A comprehensive list that includes, but may not be limited to, potential compliance risks has been identified and prioritized for focus during the next fiscal year. The list incorporates a number of areas identified as risks during the past fiscal year but continue to pose potential concerns to the University. The seriousness of the risk and the complexity of such risk identification and mitigation activities, coupled with the complexity of the Texas A&M University at Galveston (TAMUG) in its administrative and academic operations and its relationship with Texas A&M as a branch campus, lend itself to developing strategies that span several years and are multi-faceted in approach.

Interwoven within the risks and action plans identified within this document is the ever-present and potentially debilitating constraint of budgetary cuts. Major budget cuts can be viewed as a compliance risk in itself; however, the comprehensiveness of the state deficit and its impact on daily operations, coupled with resultant compliance activities to identify and mitigate such risks adds to the burden of campus compliance teams. The identification and monitoring of internal controls and control systems is essential during tumultuous financial times to assist leadership in efficiently and effectively managing their respective organizations to ensure compliance with regulations.

The following list outlines the top eight potential compliance risks to the University as identified through interviews with key campus, laboratory and Texas A&M Galveston leadership; review of current literature and discussions with compliance leadership at a number of academic institutions across the nation; review and consultation with our parent campus of Texas A&M and its compliance office; and review of internal, current risk-related issues and mitigation plans. The Compliance Officer will work collaboratively with location compliance leadership to assist in the identification of related processes or issues; development and implementation of monitoring tools and related process protocols; and evaluation; monitoring activities designed to determine the effectiveness of the activity.

The risks listed below are not presented in any priority order, but are randomly listed and bear equal attention with a due date of fiscal year end – August 31. Further detail on planned mitigation activities by the campuses will be provided as periodic updates on the metrics are available.

Campus Health & Safety (Included in Goal #5.1, #5.3 and #5.5 of TAMUG Risk Matrix) – Create processes and resource utilization to maintain health, safety and sound infrastructure of campus.

Objective 1: Campus emergency preparedness

Metric: Conduct yearly desktop drill and adopt findings. Purchase first responder and incident command center equipment. Train Waterfront Staff and Resident Life staff to be Galveston County Office of Emergency Management (GCOEM) Civilian Emergency Response Team (CERT) certified.

Objective 2: Identify preparedness plan to address acts of intolerance or other disruption to campus activities.
**Metric:** Provide monitoring of campus process and evaluate effectiveness to meet challenges of student, employee, and visitor safety from acts of violence and/or intolerance. Utilize annual Clery Report process to monitor.

**Objective 3:** Study and/or establish a 24 hour dispatch office in the Campus Police Department to enhance and centralize communication on campus for a more efficient emergency response and a safer campus.

**Metric:** Provide necessary funding and staffing on a 24 hour basis, allowing around-the-clock monitoring of campus phones, access to security cameras and communication with Police officers, University officials and outside callers. More accurate and complete call statistics and customer satisfaction surveys will be used to monitor.

**Objective 4:** Establish training objectives beyond TCLEOSE continued education requirements, specifically designed for university law enforcement.

**Metric:** Provide necessary funding and time needed to remain current and operational. Review training files and Texas Commission on Law Enforcement Officer Standards and Education (TCLEOSE) licensing goals to monitor police force. Police chief should be monitored independently.

**Objective 5:** Encourage appropriate disposal of hazardous materials by providing funding for the departments to cover the cost of hazardous waste disposal. Requiring departments and individual labs to pay for disposal from their budgets could provide incentive for improper disposal (i.e. down the sink).

**Metric:** Establish centralized funding of approximately $10,000 annually to cover normal hazardous materials disposal costs.

**Objective 6:** In compliance with the TAMU System requirements, an Environmental Management System (EMS) helps an organization address its regulatory demands in a systematic and cost-effective manner. This proactive approach can help reduce the risk of non-compliance and improve health and safety practices for employees and the public.

**Metric:** A management system should be implemented to document environmental policy and objectives, records, training, etc. The TAMU System office has purchased EMS software developed by Intelex Technologies Inc. which is currently available for use.

**Texas Maritime Academy (Included in Goal #5.2 of TAMUG’s Risk Matrix) — Coast Guard and MARAD compliance.**

**Objective 1:** Exceed the compliance requirements of the U. S. Coast Guard for standards, training, compliance and watch training.

**Metric:** Annual and biannual audit with the U.S. Coast Guard (USCG) and Maritime Administration Department (MARAD). Last compliance audit with MARAD resulted in
an excellent rating and we were considered the best of the maritime academies for documentation.

Waterfront Operations (Included in Goal #5.2 of TAMUG’s Risk Matrix) – Compliance with policies and procedures.

Objective 1: Compliance with USCG regulations regarding 46CFR subchapter T small vessel regulations.

Metric: Pass and complete annual USCG inspection on topside equipment, safety gear and crew training. Pass and complete bi-annual out of water dry dock and hull exam including topside exam.

Objective 2: Compliance with the TAMUG Waterfront Operations Safety Management and Operations Plan

Metric: Quarterly review with the Waterfront Operations Board of advisors and regular audits of operator certification paperwork. Conduct annual procedure implementation reviews in accordance with section 20.02 of plan.

Diving Program (Included in Goal #5.2 of TAMUG’s Risk Matrix) – Compliance with policies and procedures.

Objective 1: Compliance with American Academy of Underwater Science (AAUS) and industry regulations regarding (Ref. 29 CFR Part 1910) OSHA Scientific Diving Exemption.

Metric: Pass and complete annual Dive Safety Officer (DSO) inspection on all relevant equipment, safety gear and diver training. Pass and complete annual DSO procedures review to ensure compliance.

Objective 2: Compliance with TAMUG Diving Safety Manual

Metric: Annually review with the Diving Control Board the regular audits of personnel certification paperwork. Conduct annual procedure implantation reviews in accordance with TAMUG Diving Safety Manual.

Objective 3: Dive Safety Campus emergency preparedness

Metric: Conduct yearly walkthrough drills and make corrections. Upgrade first responder equipment and training. Training two dive program staff as Emergency Medical Technician/Diving Medical Technician (EMT/DMT) for national certification.

Objective 4: Be in compliance with current industry standards concerning life support equipment maintenance.
Metric: Train all appropriate staff members in maintenance procedures authorized by Office of Emergency Management (OEM).

Campus Infrastructure (Included in Goal #5.4 of TAMUG's Risk Matrix) – Risks related to buildings, utilities and maintenance.

Objective 1: Identification of risks to building and infrastructure located in the Galveston coastal environment to include deteriorating facilities, magnitude of deferred maintenance and utility or operations interruptions

Metric: Number of interruptions of service due to risk. The number of safety incidents related to this specific risk and mean down time.

Data Privacy and Security (Included in Goal #5.7 of TAMUG's Risk Matrix) – Risks associated with the privacy and security of personal, financial and/or health information for students, faculty and administrative staff is challenging in an environment of open access and autonomous operations.

Objective 1: Data privacy and security efforts meet regulatory requirements and increased awareness and education occurs on internal policies and procedures.

Metric: Control mechanisms are in place for the protection of students, faculty, and administrative staff from privacy/security breaches and appropriate mitigation activities instituted, such as policies and procedures, educating staff, reporting breaches and enforcing administrative actions as appropriate. Utilize Information Security Assessment, Awareness and Compliance System (IS AAC) reporting system or monitor. Use required TAMU security training and TrainTrac reporting to ensure all personnel are properly educated.

Culture of Ethics and Compliance (Included in Goal #6.1 of TAMUG's Risk Matrix) – incorporating the University’s Statement of Ethical Values and Standards of Ethical Conduct is universally accepted as the “right thing to do” and needs to be reinforced during the chaotic economic times that are facing the University.

Objective 1: Appropriate level of location leadership is actively engaged and demonstrates commitment to System-wide and campus/laboratory / Texas A&M University at Galveston ethics and compliance activities.

Metric: TAMUG'S personnel at each location will demonstrate awareness of ethics and compliance program without fear of retaliation or retribution through communication and reporting of potential compliance issues. Location communication supports culture of ethics and compliance as evidenced by participation in mandated compliance and other activities. Utilize required ethics training to educate personnel and TrainTrac reporting to monitor compliance.

Sea Life Facility and Wetlands Facility (Included in Goal #6.1 of TAMUG's Risk Matrix) – Discharge and Institutional Animal Care and Use Committee (IACUC) Compliance.
Objective 1: Be in compliance with sea water discharge regulations and procedures.

Metric: Sea Life Facility has a permit (TXG130054) to discharge seawater into the environment. This permit is renewed yearly from the National Pollutant Discharge Elimination System (NPDES). The Sea Life Facility (SLF) is analyzed every six months to be in compliance with the appropriate regulations. The permit is posted in the Sea Life Facility (SLF) with a copy on every tank along with emergency contacts.

Objective 2: Be in compliance with IACUC regulations.

Metric: Twice yearly inspections by TAMU IACUC Inspection Team (Institutional Animal Care and Use Committee)

Objective 3: Be in compliance with Safety Regulations

Metric: Annual inspection by TAMUG Safety Officer – Dave Watson

Objective 4: Emergency preparedness

Metric: Reviewed by Facilities Services, Campus Police, Department Chair, IACUC. Plan is posted in protective covers in multiple key locations in SLF

The above risks will be outlined in more detail with specific Ethics and Compliance Plan and campus/location objectives and quantifiable performance metrics. Status reports on the agreed upon metrics will be provided on a periodic basis to the President’s Compliance Officer and Executive Team as well as to the Audit Committee and the Board of Regent’s Compliance and Audit Committee.

Summary

This next fiscal year will continue to be a challenge for the Ethics and Compliance Office as resources will be stretched thin from both an A&M System and campus/location perspective. Unfortunately, in this type of environment, the activities of auditing and monitoring to assure that control and/or system mechanisms are in place are decreased due to priority needs elsewhere for available resources. The ability to focus on core values and targeted risk focus areas will be a primary objective and one that will need leadership support to assist in achieving positive outcomes.

Robert Smith III  
President and CEO Texas A&M University Galveston  

3-19-2013  
Date

Janet Smalley  
System Ethics and Compliance Officer  

Date