

04.1100 Reporting Suspected Wrongdoing

04.1101 Policy. The Board supports and promotes a culture of compliance and accountability that encourages all members of the System community to conduct themselves lawfully, honestly and with integrity. The Board expects the System and Institutions to operate in an ethical, honest and lawful manner. Preventing and detecting criminal conduct is critical to achieving these goals. The Board expects and encourages all members of the System community, including faculty, students, staff, and individuals authorized to act on behalf of the System and Institutions, to make good faith reports of suspected wrongdoing. Retaliation against those making good faith reports of misconduct is prohibited.

04.1102 Reporting Suspected Wrongdoing.

1. General Reporting Requirements.

- a. Employees and individuals authorized to act on behalf of the System and Institutions are required to promptly report suspected wrongdoing of any kind, including but not limited to illegal or fraudulent activity, conflicts of interest, financial misstatements, accounting irregularities, and violations of other laws, Regents Rules, System Regulations or System Administration or Institution policies.
- b. Students and other individuals are strongly encouraged to report suspected wrongdoing of any kind including but not limited to illegal or fraudulent activity, conflicts of interest, financial misstatements, accounting irregularities, and violations of other laws, Regents Rules, System Regulations or System Administration or Institution policies.
- c. The reporting of suspected wrongdoing shall be directed to the appropriate person or office as specified by System Administration or Institution policy. Reports also may be made to the System or Institution compliance officer. Matters not within the compliance

office's jurisdiction will be redirected to the appropriate administrative office.

- d. The requirement to report suspected wrongdoing under this Regents Rule is in addition to and does not replace, change or modify reporting requirements under federal or state laws.

2. Mandatory Reporting for the Protection of Minors.

Individuals are required by law to immediately report to local or state law enforcement authorities or to the Texas Department of Family and Protective Services when there is reason to believe that a child's physical or mental health or welfare has been adversely affected by abuse or neglect. Informing a supervisor or other System Administration or Institution official does not fulfill this legal reporting requirement, however, a person who makes a report also should notify a System Administration or Institution official or compliance officer when the report is made. Failure to report when required by law is a crime and grounds for disciplinary action or revocation of authority to act on behalf of the System or Institution.

3. Addressing Reports of Suspected Wrongdoing.

- a. System or Institution officials who receive a report of suspected wrongdoing shall determine whether an investigation is appropriate and resolve the report in accordance with legal requirements and the requirements of applicable System Administration and Institution policies.
- b. Individuals are expected to be truthful and cooperative in the investigation of suspected wrongdoing. Although cooperation is expected, a person who makes a report is not entitled to be involved in the investigation, or to be advised of the status or disposition of a matter unless required by law.
- c. The Board shall be informed of unlawful conduct that poses risk of significant liability or reputational harm to the System or an Institution or of other matters that are a significant compliance concern in the judgment of a compliance officer, a President, the Vice Chancellor

and General Counsel, the Chief Internal Auditor, or the Chancellor.

- 04.1103 Protection against Unlawful Retaliation
1. No action shall be taken against any individual who, in good faith, reports or causes to be reported suspected wrongdoing or who assists in an authorized investigation of alleged wrongdoing. This prohibition does not extend to disciplinary action for self-reported violations.
 2. Any individual who engages in retaliation may be subject to disciplinary action, including termination of employment or authority to act on behalf of the System or Institution. Reports of retaliation will be reviewed and investigated in the same manner in which other allegations of misconduct are handled.
- 04.1104 False Reports. An individual who is determined to knowingly have made a false accusation or to have given false information during an investigation may be subject to disciplinary action, including termination of employment or authority to act on behalf of the System or Institution.
- 04.1105 System and Institution Policies and Procedures on Reporting Suspected Wrongdoing and Retaliation. The System Administration and each Institution shall adopt policies and procedures that support implementation of the requirements of this Regents Rule.
- 04.1106 Posting Notice of Procedures for Reporting Wrongdoing or Retaliation. The System Administration and each Institution will publish on its website contact information for receiving reports of suspected wrongdoing and retaliation.

Adopted: November 15, 2012
Effective: November 15, 2012
Revised: