
Whitepaper

Higher Education Risk Categories and Definitions

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Introduction

This document is provided by EthicsPoint as a tool for higher education administrators who are examining risk factors within their institution, as well as the best methods for mitigating those risks.

While the categories and specific risks presented may not include all of the issues facing your particular institution, they cover many critical areas and provide an effective framework for your further expansion and customization. These risks were first outlined and defined by fraud auditors; however, the finely tuned descriptions found in this document are the work of professionals in higher education. Each risk category – financial, research, athletics, human resources, risk and safety – is a reflection of its field.

Keep in mind that many types of risk cross campus disciplines. The reason for grouping and giving specific definition to them is to make the reporting process as consistent and effective as possible. From research conducted by EthicsPoint among auditors in higher education, we know there is great concern for receiving and managing frivolous reports. Using these definitions as a basis for the set-up and management of an ethics reporting system allows your organization to better identify and track issues across the institution, assess the potential volatility of each report, and guide management, escalation and resolution activities.

This is a working document. If you have thoughts on expanding or improving on the risk categories and definitions of risks, we would like to hear them and share them with your colleagues. Please call Sharene Rekow at 971-250-0075 or email srekow@ethicspoint.com with your comments.

Summary of Higher Education Risk Categories

Financial	Research	Human Resources	Athletic	Risk & Safety	Medical	Information Technology	Academic Affairs*
<ul style="list-style-type: none"> • Accounting / Auditing Matters • Falsification of Contracts / Reports/ Records • Fraud • Improper Disclosing of Financial Records • Improper Giving / Receiving of Gifts • Improper Supplier / Contractor Activity • Theft / Embezzlement • Waste/Abuse/ Misuse of Institute Resources • Donor Stewardship • Other 	<ul style="list-style-type: none"> • Conflict of Interest • Data Privacy • Environmental and Safety Matters • Employee Misconduct • Nepotism • Inappropriate Communication • Sexual Harassment • Threat / Inappropriate Supervisor Directive • Human / Animal Research • Research Grant Misconduct / Misappropriation of Costs • Scientific Misconduct • Theft / Embezzlement • Waste/Abuse/ Misuse of Institute Resources • Other 	<ul style="list-style-type: none"> • Discrimination / Harassment • EEOC or ADA Matters • Employee Misconduct • Nepotism • Inappropriate Communication • Sexual Harassment • Threat / Inappropriate Supervisor Directive • Time Abuse • Unsafe Working Conditions • Violence / Threat • Conflict of Interest • Employee Benefits Abuses • Worker's Comp or Disability Benefits Abuse • Other 	<ul style="list-style-type: none"> • Fraudulent Activities • Improper Giving / Gifts • Inappropriate Activities • Misuse of Assets / Players / Endorsements • Recruiting Misconduct • Scholarship / Financial Aid Misconduct • Sexual Misconduct • Substance Abuse • Other 	<ul style="list-style-type: none"> • Confidentiality • Data Privacy • Disclosure of Confidential Info • Environmental / Safety Matters • Improper Supplier / Contractor Activity • Improper Use of Intellectual Property • Public Safety • Sabotage / Vandalism • Substance Abuse • Unsafe Working Conditions • Waste/Abuse/ Misuse of Institute Resources • Other 	<ul style="list-style-type: none"> • Healthcare Fraud • Research Misconduct • Sponsored Projects Non-Compliance • Patient Abuse/Physical or Verbal • Patient Care • Patient Rights • HIPAA • Insurance Issues • Accounting and Auditing Matters • Fraud and Theft • Improper Supplier or contractor activity • Other 	<ul style="list-style-type: none"> • Data Privacy/ Integrity • Fraud • Malicious/Inappropriate Use of Technology • Misuse of Resources • Improper Supplier / Contractor Activity • Falsification of Contracts / Reports / Records • Software Piracy/ Intellectual Property Infringement • Theft • Other 	<ul style="list-style-type: none"> • Alcohol/Drug Abuse • Cheating/ Plagiarism • Credentials Misrepresentation • Hazing • Sexual Harassment • Student Safety • Student Travel • Terrorism • Academic Misconduct • Other

* Several Higher Education institutions have applied the EthicsPoint Reporting System for academic issues. To address this, EthicsPoint has created an optional Academic Affairs module that can be deployed for all students.

Category: Financial

Violation Type	Description
Accounting and Auditing Matters	The unethical systematic recording and analysis of the business and financial transactions associated with generally accepted accounting practices. (Examples include: misstatement of revenues, misstatement of expenses, misstatement of assets, misapplications of GAAP principles, wrongful transactions)
Falsification of Contracts, Reports or Records	Falsification of records consists of altering, fabricating, falsifying, or forging all or any part of a document, contract or record for the purpose of gaining an advantage, or misrepresenting the value of the document, contract or record. (Examples include: Financial Aid documents, Vendor Contracts)
Fraud	The intentional misrepresentation or concealment of information in order to deceive, mislead, or acquire something of value. A fraud is an intentional deception perpetrated to secure an unfair gain. (Examples include: Violation of Policy, Sabotage)
Improper Disclosure of Financial Records	Careless, unlawful or fraudulent conduct in recording, preparing, reporting, disclosing of either the value or the content of a contract, report, statement, document, record, or electronic file.
Improper Giving or Receiving of Gifts	The giving, receiving or solicitation of items which could be reasonably interpreted as an effort to influence a business relationship or decision; items given, received or solicited for the benefit of an individual or an individual's family or friends; items given, received or solicited during or in connection with contract negotiations; the acceptance of cash, checks, money orders, vouchers, gift certificates, loans, products or services.
Improper Supplier or Contractor Activity	Supplier or contractor activity in violation of institution's policies and procedures; improper supplier or contractor selection based on personal gain, improper negotiation or diversion of contract awards.
Theft / Embezzlement	The act of stealing; specifically: the felonious taking and removing of personal property with intent to deprive the rightful owner of it. To appropriate (as property entrusted to one's care) fraudulently to one's own use (Examples include: bookkeeping errors, misapplication of funds, and mishandling of cash)
Waste, Abuse or Misuse of Institute Resources	Improper or unauthorized use of this institutes resources and technologies for personal gain.
Donor Stewardship	Mishandling of donor funds directed to the institution, including funds that may not have been used in accordance with the donor's intentions and wishes.

Category: Research

Violation Type	Description
Conflict of Interest	A situation in which a person or a family member has a financial interest or non financial interest that may compromise, or provide the incentive to compromise, the behavior in the conduct of the person's duties at the institution, the person's influence on decisions that the institution may make, or the person's influence over his or her associates outside the institution. A conflict of interest may be real, potential or apparent.
Data Privacy	Refers to the technical, contractual, administrative and physical steps taken by the institution to protect against unauthorized access to and disclosure of personally identifiable data of employees and customers and other third parties that we possess.
Environmental and Safety Matters	Failure to meet the requirements of any applicable law, rule or regulation relating to the environment, working conditions or workplace safety, including, without limitation, regulations promulgated by the U.S. Occupational Safety and Health Administration, the U.S. Environmental Protection Agency, and similar agencies in other jurisdictions. (Examples include: Biohazard, biosafety, radiation)
Falsification of Contracts, Reports or Records	Falsification of records consists of altering, fabricating, falsifying or forging all or any part of a document, contract or record for the purpose of gaining an advantage or misrepresenting the value of the document, contract or record.
Fraud	The intentional misrepresentation or concealment of information in order to deceive, mislead, or acquire something of value. A fraud is an intentional deception perpetrated to secure an unfair gain. (Examples include: Embezzlement, Violation of Policy, Theft, Sabotage)
Intellectual Property Infringement, Misappropriation or Disclosure	Any unauthorized or inappropriate use, misappropriation or disclosure of confidential information (in any form) or intellectual property belonging to the institution or any institution's customer, supplier or business partner, including, without limitation, any intellectual property protected under any U.S. or other laws relating to copyrights, patents or trade secrets. Also includes any unauthorized or inappropriate use of any institution computer system.
Human or Animal Research	Inappropriate use of humans or animals involved in research.
Research Grant Misconduct or Misappropriation of Costs	Unallowable or questionable expenditures or cost transfers to government grants, contracts or other agreements. Any expenditures or cost transfers that may be in violation of OMB Circular A-21.
Scientific Misconduct	Fabrication, falsification, plagiarism, or other practices that seriously deviate from those that are commonly accepted within the scientific community for proposing, conducting, or reporting research. Fabrication is making up data or results and recording or reprinting them. Falsification is manipulating research materials, equipment or processes, or changing or omitting data or results, such that the research is not accurately reported in the research record. Plagiarism is the appropriation of another person's ideas, processes, results, or words without giving appropriate credit.
Theft / Embezzlement	The act of stealing; specifically: the felonious taking and removing of personal property with intent to deprive the rightful owner of it. To appropriate (as property entrusted to one's care) fraudulently to one's own use (Examples: bookkeeping errors, misapplication of funds, mishandling of cash)
Waste, Abuse or Misuse of Institute Resources	Improper or unauthorized use of institute's resources and technologies for personal gain.

Category: Human Resources

Violation Type	Description
Discrimination or Harassment	Uninvited and unwelcome verbal or physical conduct directed at an employee because of sex, religion, ethnicity or beliefs. (Examples: bias in hiring, assignments, promotions, educational decisions; unfair compensation; inappropriate language; wrongful termination). Retaliation or retribution.
EEOC or ADA Matters	Failure to meet requirements as defined by Equal Employment Opportunity Commission (EEOC) or American Disability Act (ADA). (Examples include: Nepotism, proper disability access)
Employee Misconduct	Involves any employee conduct that is in violation of the institution's code of conduct, ethics policy, faculty handbook or any other printed materials that constitute employee conduct. Time abuse concerns about an employee or manager who are falsifying his/her work hours.
Nepotism	Patronage bestowed by public officers in consideration of a family relationship and not merit.
Offensive or Inappropriate Communication	The use of inflammatory, derogatory, unduly critical or insulting communication to a staff person, faculty, administrator, alumni or student.
Sexual Harassment	The making of unwanted and offensive sexual advances or of sexually offensive remarks or acts, especially by one in a superior or supervisory position or when acquiescence to such behavior is a condition of continued employment, promotion, or satisfactory evaluation.
Threat or Inappropriate Supervisor Directive	Improper use of supervisory authority in response to employee taking action or refusing to take action. <u>Inappropriate management practices</u> .
Time Abuse	Improper and/or excessive use of work time for personal business, interest, advantage, or gain.
Unsafe working conditions	Failure of meeting requirements needed to perform all duties in a secure environment. Potential areas of harm. (Examples include: environmental damage, OSHA, EPA, supervisor directive, poor housekeeping)
Violence or Threat	An expression of the intention to inflict evil, injury, or damage to a person or their property. (Examples include: direct, veiled, conditional, violent)
Conflict of Interest	A situation in which a person or a family member has a financial interest or non financial interest that may compromise, or provide the incentive to compromise, the behavior in the conduct of the person's duties at the institution, the person's influence on decisions that the institution may make, or the person's influence over his or her associates outside the institution. A conflict of interest may be real, potential or apparent.
Employee Benefits Abuses	Improper, misleading or deceptive actions/statements, falsification of records, misrepresentation of actual conditions related to institution benefits plans, including health and supplemental insurance plans, tuition benefits and sick or other paid time-off programs.
Workers Compensation or Disability Benefits Abuses	Observation of physical activity of employees receiving disability or other compensation benefits from the institution in contradiction to the degree of the disability certified by medical personnel.

Category: Athletics

Violation Type	Description
Fraudulent Activities	Activities to influence the outcome of sports activities; organized gambling.
Improper Giving or Gifts	Giving, receiving or solicitation of items which could be reasonably interpreted as an effort to influence a recruiting decision; items given, received or solicited for the benefit of an individual or an individual's family or friends; items given, received or solicited during or in connection with signing negotiations; the acceptance of cash, checks, money orders, vouchers, gift certificates, loans, vehicles or transportation.
Inappropriate Activities	Interaction of consultants with student athletes off or on the field.
Misuse of Assets, Players or Endorsements	Use of college sports equipment, uniforms or any other items owned by the institution for personal activities. Improper talent scout activity; arranging meetings between current or former players with talent scouts; taking money for arranging introductions with scouts.
Recruiting Misconduct	Phone calls or unauthorized visits outside the recruiting period; undue duress or influence from alumni, trustee or unauthorized personnel; recruiting players outside amateur status.
Scholarship / Financial Aid Misconduct	Falsifying entrance or placement exams; utilizing an assumed name; improper inducement of benefits or financial aid. Unusual treatment for one player and not for others in loans, transportation or housing benefits; arranging for fraudulent academic credit or falsification of transcripts.
Sexual Misconduct	The making of unwanted and offensive sexual advances or of sexually offensive remarks or acts, by associates or superiors.
Substance Abuse	Substance abuse is defined as the misuse of both legal and illegal drugs. including alcohol. (Examples: narcotics, marijuana, stimulants or steroids)

Category: Risk and Safety Matters

Violation Type	Description
Confidentiality	Confidentiality refers to the protection of the institute's and our customer's non-public information and use of such information only for legitimate business purposes.
Data Privacy	Refers to the technical, contractual, administrative and physical steps taken by the institute to protect against unauthorized access to and disclosure of personally identifiable data of employees and customers and other third parties that we possess.
Disclosure of Confidential Information	Unlawful and unauthorized disclosure or use of sensitive information, not to be used other than for specifically identified purposes, to unauthorized individuals or for personal gain or advantage.
Environmental and Safety Matters	Failure to meet the requirements of any applicable law, rule or regulation relating to the environment, working conditions or workplace safety, including, without limitation, regulations promulgated by the U.S. Occupational Safety and Health Administration, the U.S. Environmental Protection Agency, and similar agencies in other jurisdictions.
Improper Supplier or Contractor Activity	Supplier or contractor activity in violation of institute's policies and procedures; improper supplier or contractor selection based on personal gain, improper negotiation or diversion of contract awards.
Improper Use of Intellectual Property, Copyright Violations or Software Piracy	Unauthorized and unlawful disclosure of confidential information including inventions, research and technical data, formulas, discoveries, designs, improvements, ideas, manufacturing directives, computer programs, trademarks, patents, copyrights, unpublished financial or pricing information and all related documentation. Any misuse of the institution's information technology.
Public Safety	Do not use this site to report events presenting an immediate threat to life or property. Reports submitted through this service may not receive an immediate response. If you require emergency assistance, please contact your local authorities immediately.
Sabotage or Vandalism	Destruction of institute's property (as tools or materials) or the hindering of manufacturing by discontented workers. (Examples include: Equipment destruction, stealing, work slowdown, computer virus)
Unsafe working conditions	Failure of meeting requirements needed to perform all duties in a secure environment. Potential areas of harm. (Examples include: environmental damage, OSHA, EPA, supervisor directive, poor housekeeping)
Waste, Abuse or Misuse of Institute Resources	Improper or unauthorized use of this institutes resources and technologies for personal gain. The misuse/abuse of institute support services, equipment, or assets.

Category: Medical

Violation Type	Description
Healthcare Fraud	Deliberate submittal of false claims to private health insurance and/or tax-funded health insurance programs such as Medicare or Medicaid.
Research Misconduct	Serious deviation from accepted practices such as fabrication, falsification, or plagiarism, in proposing, carrying out research or in reporting the results of research; or material failure to comply with federal requirements for protection of researchers, human subjects, or the public or for insuring the welfare of laboratory animals.
Sponsored Projects Non-Compliance	Unallowable or questionable expenditures or cost transfers to government grants, contracts or other agreements. Any expenditure or cost transfers that may be in violation of OMB Circular A-21.
Patient Abuse/Physical or Verbal	Intentionally causing harm to a patient or neglecting a patient who needs medical attention or assistance. Any language directed at a patient by an employee which would be offensive or language used to berate, belittle, or otherwise cause the patient to feel intimidated or threatened.
Patient Care	Failure of those responsible for patient care to properly attend to the every day needs of a patient.
Patient Rights	Failures of those responsible for patient care to allow a patient (s) to follow/complete his/her daily routine, i.e. bathing, watching television, smoking etc. Inadequate informed consent for treatment.
HIPAA	Violation of protected health information privacy or security rules. Violation of the transaction and code sets rules.
Insurance Issues	Exclusion of insurance for preexisting conditions, discrimination or non treatment based on health status, non-renew ability of insurance based on health conditions.
Accounting and Auditing Matters	The unethical systematic recording and analysis of the business and financial transactions associated with generally accepted accounting practices. (Examples include: misstatements of revenues, misstatements of expenses, misstatements of assets, misapplications of GAAP principles, wrongfull transactions)
Fraud and Theft	The act of stealing; specifically: the felonious taking and removing of personal property with intent to deprive the rightful owner of it.
Improper Supplier or contractor activity	Supplier or contractor activity in violation of corporate policies and procedures; improper supplier or contractor selection based on personal gain, improper negotiation or diversion of contract awards.

Category: Information Technology

Violation Type	Description
Data Privacy/Integrity	Refers to the technical, contractual, administrative and physical steps taken by the institution to protect against unauthorized access to and disclosure of personally identifiable data of students, faculty and other third parties that we possess.
Fraud	The intentional misrepresentation or concealment of information in order to deceive, mislead or acquire something of value. A fraud is an intentional deception perpetrated to secure an unfair gain (examples include: Violation of Policy, Sabotage).
Malicious/Inappropriate Use of Technology	Use of institution's Information Technology that violates the 'Use of Information Technology Resources Policy'.
Misuse of Resources	Improper or unauthorized use of Institution resources for personal gain.
Improper Supplier / Contractor Activity	Supplier or contractor activity in violation of corporate policies and procedures; improper supplier or contractor selection based on personal gain, improper negotiation or diversion of contract awards.
Falsification of Contracts / Reports / Records	Falsification of records consists of altering, fabricating, falsifying, or forging all or any part of a document, contract or record for the purpose of gaining an advantage, or misrepresenting the value of the document, contract or record.
Software Piracy/ Intellectual Property Infringement	Unauthorized use of corporately owned copyrights or software; also includes the use of unauthorized software on corporately owned systems.
Theft	The act of Stealing; specifically: the felonious taking and removing of personal property with intent to deprive the rightful owner of it.

Category: Academic Affairs*

Violation Type	Description
Alcohol/Drug Abuse	The misuse of both legal and illegal drugs including alcohol. (Examples include: cocaine, narcotics, marijuana, stimulants)
Cheating/ Plagiarism	Authorized or unauthorized student usage of answers, papers, works, or projects owned or created by another student, professional or individual.
Credentials Mis-representation	Theft or forgery of titles, diplomas, transcripts, grades or other official documents represented by an individual as his or her own.
Hazing	The demeaning of a student through physical or mental means for the purpose of initiations in, or acceptance into a group.
Sexual Harassment	The making of unwanted and offensive sexual advances or of sexually offensive remarks or acts, especially by one in a superior or supervisory position or when acquiescence to such behavior is a condition of continued employment, promotion, or satisfactory evaluation.
Student Safety	An unsafe situation caused by the campus or students that would produce a secure environment. (Examples include, environmental damage, poor housekeeping, handling and disposing of hazardous materials.)
Student Travel	Inadequate preparation for school sponsored travel excursions resulting in the potential for injury, death, illness or hazard. Can also include misappropriation of student resources.
Terrorism	The threat, either domestic or international, to persons or property with the intent of causing damage or physical harm.
Academic Misconduct	Any form of unethical behavior that violates the integrity of the academic process, such as bestowing or seeking academic favors or advancements on the basis of friendship or gifts, concealing conflicts of interest, or deliberate failure to meet professional obligations.

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