

3339-1-04

APPENDIX

COMPLAINT/COMPLIANCE COMMUNICATION PROTOCOL

(A) Finance and audit committee charter (except)

The finance and audit committee (the "committee") is appointed by the chair of the board of trustees, with the primary function of assisting the board of trustees with its oversight responsibilities in the following areas:

- (1) The university's long-term financial plans.
- (2) The university's financial reporting, internal controls and the independent audit.
- (3) The university's budget.
- (4) The university's capital expenditures for facilities and property.
- (5) The university's investment policies and results.
- (6) The university's internal audit activities.
- (7) The university's processes for monitoring compliance with university policies, including ethical conduct requirements and applicable state and federal laws and regulations.
- (8) The university's risk assessment process.

(B) The charter also provides

(1) Oversight of compliance process

The committee shall review annually reports from the general counsel regarding compliance with university policies, including ethical conduct requirements and other applicable state and federal laws and regulations, including any material reports or inquiries from regulatory or governmental agencies. The general counsel shall discuss with the committee any legal, compliance or regulatory matters that may have a material impact on the university's financial statements.

The committee shall review and approve procedures recommended by the general counsel regarding the receipt, retention, and treatment of communications received by the university regarding compliance with the university's policies, including ethical conduct requirements and other applicable laws and regulations, accounting, internal controls or auditing matters. The general counsel shall provide periodic reports to the committee regarding any such communications received by the university and resolution thereof."

(a) Complaints

The university receives complaints in various offices in its four campuses. The complaining party can choose to identify themselves or remain anonymous. Anonymous complaints are typically received via our hotline- ethicspoint, by letter, e-mail, fax, and voice mail. To the extent practicable, we investigate and respond to all complaints. The director of internal audit and consulting services and general counsel have primary responsibility for ethicspoint and are responsible for ensuring that complaints are reviewed, appropriately investigated and responded to.

The purpose of ethicspoint is to provide an anonymous complaint process for those who do not feel sufficiently empowered to come forward with complaints about conduct that is illegal, or is in violation of the ethics rules or some university policy.

Certain complaints cannot be handled through ethicspoint or any other anonymous process. For example, complaints about the quality of instruction or violations of good teaching practice continue to be handled under Section 5.2 of the Miami university policy and information manual (mupim) and appendix I of the student handbook. Persons who file complaints about the quality of instruction with ethicspoint are directed to use those procedures. Complaints alleging harassment and discrimination continue to be referred to the office of equity and equal opportunity.

Not all complaints can be acted upon. The review of complaints which allege employee or student misconduct must produce sufficient evidence to permit the university to pursue disciplinary matters through current policies which afford due process and are designed to protect the rights of faculty, staff, and students.

(b) Bi-weekly verbal reports

Complaints or compliance concerns involving a senior administrator such as those identified in paragraph B(1)(c)(ii) of this rule will be reported to the chair of the board, the chair of the finance and audit committee and academic and student affairs committee as soon as practical, but in any case within fourteen days of receipt of the complaint.

(c) Quarterly communication to chair of finance and audit committee

The general counsel will provide to the chair of the finance and audit committee a written summary of complaints and compliance concerns that come to the attention of the office of the president, the office of general counsel, internal audit and consulting services or ethicspoint and meet the criteria set forth below.

- (i) Materiality threshold -any complaint or compliance concern that is determined to be material. The materiality threshold is forty thousand individually or one hundred fifty thousand in the aggregate.
- (ii) Senior administrator involved- any complaint or compliance concern that involves a "senior administrator." "Senior administrator" includes the president,

the vice- presidents and their direct reports, members of the president's executive cabinet, academic deans and associate academic deans, regional campus dean and their senior administrative staff. This includes:

- (a) Criminal conduct- any complaint alleging conduct which, if true, would constitute a felony. The alleged criminal conduct must also be reported to law enforcement.
- (b) Unethical conduct- any complaint or compliance concern involving conduct which, if true, would constitute a violation of Ohio's ethics laws.
- (iii) Threatened litigation- any complaint that threatens litigation and meets the materiality threshold.
- (iv) Information security breach- any complaint or compliance concern involving an alleged information security breach that compromises the security or confidentiality of personal information that causes, reasonably is believed to have caused, or reasonably is believed will cause a material risk of identity theft or other fraud and triggers the notification requirements of Chapter 1347 of the Revised Code.
- (v) Interference with admission/financial aid- any concerns from the director of admissions and/or, student financial assistance that undue pressure has been exerted by any senior administrator or member of the board to admit or award financial aid to a student who does not meet the qualifications therefore.
- (vi) Intercollegiate athletics- any complaint involving a coach or other intercollegiate athletic staff member alleging a crime, a serious violation of ncaa, mac or nchc rules or other alleged misconduct which, if true, would expose the university to significant reputational or material loss.

(2) Annual report

The general counsel will provide a written annual report to the finance and audit committee. In addition to the information contained in paragraph (B)(1)(c) of this rule, the report should identify significant trends and concerns. This report will be made in conjunction with the annual ethicspoint report.