#### Welcome

## Thank you for attending today's webinar. We will be starting in a few minutes.

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## Managing Corruption Risk During the COVID-19 Pandemic

#### **Speakers**



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- In the midst of the pandemic, some companies find their compliance departments with reduced staff and workloads
- For companies that remain largely operational, the challenges tend to involve a steady or increasing workload for staff working remotely amid continuing business disruptions and uncertainty
- The disruption to business as usual brings opportunities for compliance teams to enhance compliance programs and investigative protocols
- This program provides:
  - Practical suggestions on managing a compliance program
  - Considerations for starting new investigations
  - Suggestions for conducting ongoing investigations

### **Risk Assessment**



- A crisis will generally alter a company's risk profile
  - External factors can create new corruption risks
    - Supply chain disruption
    - Vendor turnover
  - Internal factors can also create new risks
    - Organizational changes
  - Government responses to pandemic vary and change
- Proactive identification of risk
  - Conduct risk assessments
  - Understand how the business has changed and will change
  - Establish system to rank risk and prioritize company resources

### **Policies and Procedures**



- Identify procedures and controls that are primary to preventing and detecting bribes vs. complementary/secondary controls
  - Update policies, procedures, and investigation protocols to be consistent with all company policies
- Address areas where business had issues with complying in the past
- Analyze existing financial controls and possible improvements

#### **Third Party Management**



- Identify new types of third parties that will be engaged and conduct due diligence
- Sell directly to government customers, rather than through third parties
  - If that is not possible, then prioritize using known third parties that have been vetted when selling to the government
- Review third party contracts to ensure clear scope of work, payment terms, and anti-bribery provisions

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#### **Training and Communication**



- Training is even more important during a crisis
  - Maintain existing training program
  - Ensure training is risk-based and content is appropriate for audience
  - Update materials to reflect program changes and operational realities
  - If now going online can employees ask questions and are they tested?
- Regular communication is key
  - Inform employees about compliance program updates
  - Alert management about staffing changes, new risks, and any misconduct (including lessons learned)
  - Update key employees on pending and new investigations

# Commitment by Senior and Middle Management

- Senior leadership sets the tone
  - Reinforce company's commitment to compliance
  - Reevaluate KPIs and company's expectation of employees as activity slows or operations change
  - Continue to support compliance and ongoing investigations
- Middle management also plays a role
  - Show shared commitment to compliance
  - Provide updates on business operations and compliance obligations



#### **Confidential Reporting Structure**

- Test whether reporting processes are functioning properly and employee knowledge of reporting mechanisms
- Assess whether current time limits remain reasonable
- Benchmark current ethics reports against historical data



# Continuous Improvement, Periodic Testing, and Review

- Continue monitoring, auditing, and remediating program to the extent possible
- Identify remediation items that are critical and analyze how they can be addressed under current circumstances
- Create action item list for when company resumes more normal operations



## Considerations Before Starting a New Investigation

- CV-19 should not change standard decision-making process on whether investigation is necessary and appropriate
- Examine resources available and allocate appropriately
- Examine and consider geographies and expertise of people able to conduct investigations
- Self-reporting issues/concerns do not change
- The DOJ is still working just from home



#### **Conducting Ongoing Investigations**

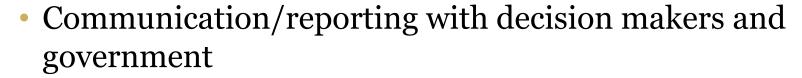
- Changing timelines and managing expectations
  - Documentation of hurdles and difficulties



- Investigative hurdles
  - Witness issues: Access & in-person interviews
  - Communication/reporting with decision makers and government
  - Document preservation and collection

#### **Conducting Ongoing Investigations**

- Witness "issues"
  - Limited access
  - In-person interview substitutes
  - Government interviews

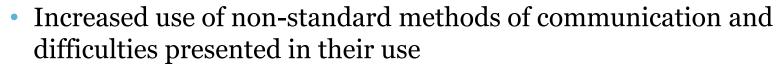


Privilege protections



#### **Conducting Ongoing Investigations**

- Document preservation and collection
  - Remote/"off-site" document use and storage
    - Policy and procedure
    - Document hold considerations



- Increased use of personal devices for "business purposes" and potential impact on investigations
  - E.g., document scanning and related storage



## Q & A

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