**UNIVERSITY OF CALIFORNIA, DAVIS**
**AUDIT AND MANAGEMENT ADVISORY SERVICES**

**UC Davis**
**Foreign Research**
**Audit & Management Advisory Services Project #19-08**

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**Foreign Research**
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**MANAGEMENT SUMMARY**

**Background**

The University of California recognizes the importance of international research. Presidential Policy on International Activities,[1] *supports the academic mission by encouraging and supporting international collaboration, education, exploration, research, and service; provides an administrative framework for international activities so that they can be established expeditiously and operate effectively;*

UC Davis is committed to serving the needs of a global society through learning, teaching, research and public service. [2] Academic research is becoming ever more international, developing a unique culture of collaboration among researchers all over the world. UC Davis' researchers are tapping into a variety of internal and external initiatives, networks, and funding opportunities to further this global mission. Identifying the diverse risks associated with foreign research and strengthening our infrastructure to manage them will serve as a strong foundation for the global elements in UC Davis' 10-year strategic plan, "To Boldly Go."

Many UC Davis units support researchers, graduate and undergraduate students, and staff when conducting activity in foreign countries. Office of Research, Global Affairs, Risk Management, Finance & Business, and Campus Counsel to name a few, help UC Davis mitigate risks and comply with law. Yet a recent financial review conducted by a sponsoring federal agency identified residual risks associated with international research, including noncompliance with federal regulations and difficulties in conducting business in certain high-risk countries.

As part of the fiscal year 2019 audit plan, Audit and Management Advisory Services performed a high-level review of the concerns UC Davis faces when conducting research in a foreign location[3] or with a foreign entity. To accomplish our review we interviewed 27 people in leadership positions at UC Davis, who participate in foreign research or who have a role in the governance of it. The concerns conveyed to us included the need for clearer comprehensive guidance for researchers and administrators; increased coordination and transparency between specialized units; and the need for increased outreach, monitoring and enforcement by specialized units. Continuing to develop and strengthen our infrastructure to manage these concerns should be a priority as our campus becomes ever more internationalized.

The scope of this review did not allow us to complete a full, independent assessment of all the risks identified and described in this report. Instead we focused our attention on common themes among the subjective concerns expressed to us, and attempted to validate them through an understanding of the design of controls and processes. Where we perceive opportunities to strengthen these controls and processes, we present them below.

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[1] Presidential Policy on International Activities  https://policy.ucop.edu/doc/2300651/InternationalActivities
[2] Principles of Community
[3] Foreign research encompasses that which takes place in a foreign location as well as research that takes place with a foreign entity regardless of location.  This review was primarily focused on research in a foreign location.

## Current State

It is important to note that UC Davis has an infrastructure in place to address compliance and mitigate risks and requirements associated with conducting research in a foreign location. Office of Research and Global Affairs are at the forefront of these efforts.

**Office of Research** (OR) serves as the primary campus office for matters related to research. OR provides services and resources to faculty, students and staff that conduct or support research, innovation, discoveries, and other creative endeavors. It facilitates and enhances partnerships and collaborations between faculty, government, foundations, industry and global research enterprises. Per OR records, active research projects include 200 funded by foreign sponsors and 106 utilizing foreign subcontractors.[4]  Additionally, the United States Agency for International Development (USAID) is sponsoring 11 active UC Davis international projects with awards valued at $252.7 million. Subunits within OR provide expertise, guidance, and support to researchers on these projects.

Sponsored Programs has responsibility for negotiating and accepting awards and subawards on behalf of the UC Regents and ensures that necessary terms and conditions are in place.

Research Compliance and Integrity provides administrative support and oversight in a variety of compliance areas. This unit is the primary provider of export control guidance and license processing for the campus with the Export Control Oversight Committee (ECOC)[5] providing high-level oversight on export compliance. Subsequent to our fieldwork, a new UC Davis Export Controls policy[6] was issued outlining the basic policy and responsibilities for University compliance, and identifying the Director of Research Compliance and Integrity as the Export Control Officer.

**Global Affairs** (GA) plays an important role at UC Davis in fostering global partnerships to facilitate a wide variety of intellectual interactions and exchanges. They make transformative opportunities a reality by supporting the thousands of students and faculty studying and researching internationally—and by facilitating collaborations that tackle the world's most pressing problems. GA provides guidance and a variety of resources to UC Davis and visiting scholars conducting internationally focused research.

GA publishes guidelines for Agreements of Cooperation with international partners, and has been delegated authority to execute binding and non-binding international affiliation agreements. Per GA, there are currently more than 150 active general and many more specific international working agreements that are housed in schools and colleges, while binding agreements for research are housed in OR.

GA also provides critical travel security resources, requirements and tips designed to help travelers and the university with logistical planning, risk assessment, and threat mitigation.

## Opportunities

The following concerns were expressed with regularity during our interviews and provide an opportunity to improve and increase awareness of existing services and resources.

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[4] Per Cayuse records as of December 2018
[5] The ECOC is chaired by the Director of RCI and comprised of members across campus.
[6] PPM 430-10 Export Controls.

1. **Coordinated guidance for research conducted in a foreign location.**

   A single service provider in support of international involvement does not exist. Rather, ownership of corollary processes is distributed across many units as noted above, without the benefit of a forum for coordination or a clear comprehensive guide through all the issues and procedures for researchers to consider when planning and conducting foreign activities. This creates uncertainty both for researchers whose challenge is to interact responsibly with diverse cultures, economies, and legal obligations, and for administrators whose challenge is to present a unified UC Davis on the global stage. Interviewees repeated to us these specific concerns related to lack of clarity about whom to consult, and at what point during the project lifecycle:

   - Researchers may not know which units possess relevant contract expertise, and who has been delegated signature authority for various binding and nonbinding agreements;
   - Self-help resources are not often available. The Office of Research along with Accounting and Financial Services publishes a "Guide to Research Compliance." This is intended to facilitate compliance with Uniform Guidance and other administrative requirements, but does not address issues with foreign involvement;[7]
   - Some forms of international activity could be jeopardized if researchers do not understand or observe domestic legal requirements;
   - Likewise, researchers might not have access to expert advice on the logistics of conducting business or complying with law in a foreign location;
   - Intellectual property or data that are collected or transported in a foreign location might not be secure;
   - Monitoring of subrecipient expenditures may not be sufficient to allow satisfactory response to inquiries from sponsors.

   We observed information and guidance available on several campus units' websites, however it was not evident that these units took a coordinated approach to presenting it. Without a clear path for researchers and staff to follow, and managed synchronization between units, the risk that researchers overlook important risk mitigation procedures increases.

   **<u>Recommendation</u>**

   To strengthen and facilitate coordination, collaboration, and guidance for UC Davis foreign research activity, a Foreign Research Technical Workgroup should be established. This group should have broad representation from campus stakeholders, including resource units and those planning and conducting foreign research. The workgroup should complete the following actions:

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[7] We found several examples of guides and resources via the internet such as Harvard's comprehensive planning document, International Project Planning Considerations, see https://vpr.harvard.edu/international-research-project-planning-guide

- Map out the administrative processes and considerations related to conducting research in foreign locations and/or with international partners;
- Ensure that clear lines of communication and handoffs exist between specialized units;
- Develop a comprehensive resource for faculty and administrators to guide and support them clearly through the various considerations required, including the concerns noted in this report, when planning and conducting research in foreign locations and/or with international partners.

**Management Corrective Actions**

The Office of Research will:

1) Establish the role of a Foreign Research Responsible Executive, who will remain informed of UC Davis' international activities, coordinate efforts among service providers, and provide leadership and guidance to address risks, concerns, and emerging issues, including those identified in this report. This role will be filled by an existing UC Davis employee who is an expert in foreign research and will be appointed by the Chancellor by March 1, 2020.

2) At the direction of the Foreign Research Responsible Executive, establish a Foreign Research Technical Workgroup by June 1, 2020.The workgroup will have representation from the Office of Research, Global Affairs, Development and Alumni Relations, Risk and Safety Services, the Locally Designated Official, the Academic Senate, and other units as necessary.

   The Foreign Research Technical Workgroup will establish a charter by August 1, 2020, that includes the following actions:

   a. Develop an inventory of all the units and considerations involved when conducting research in foreign locations and/or with international partners.
   b. Identify where there is a gap between specialized units or process handoffs, and implement a plan to ensure consistent channels of communication and collaboration among the many units providing support to international research activities.
   c. Develop a comprehensive decision tree for faculty and administrators to use when planning and conducting foreign research. This guide will define the various risks and concerns to consider, and clearly identify what units and personnel should be contacted at various stages in the process.

2. **Need for increased outreach, monitoring, and enforcement by specialized units.**

   a. **Researchers traveling abroad expressed concerns about personal safety.**

Members of the research community expressed a general concern for personal safety when traveling to higher risk countries. We identified existing resources and requirements designed to help travelers and the university with logistical planning, risk assessment, and threat mitigation. Global Affairs is committed to providing critical travel security resources and tips for UC Davis travelers to mitigate the impact of unexpected incidents. Global Affairs' Travel Security Manager oversees these efforts.

Per UC Davis International Travel policy[8] all international travel must be registered. Global Affairs identified 13,055 registered international travelers over the most recent 12-month period (June 2018 – May 2019). However, there is no mechanism to identify unregistered international travelers.

To ensure all international travelers are registered and have accessible resources when abroad, there is opportunity to strengthen communication and outreach during both the planning phases of international travel and while travelers are abroad.[9]

## b.  Researchers may operate outside of compliance with export controls.

Interviewees did not express confidence that all members of the research community are compliant with export control requirements. The primary concern is that they are not contacting RCI because they are either unaware of the requirements or the requirements seem too complicated and are ignored. Non-compliance with export controls can result in serious criminal and civil sanctions against both the University and individuals who violate them.

RCI's training and outreach model is to make faculty aware of the various activities that might trigger export control obligations. The process relies on researchers contacting RCI.

To increase compliance and ensure all activities that might trigger export control concerns are properly vetted with RCI, some proactive measures and monitoring should be established. This could take the form of a methodology for specific campus units (such as Global Affairs, OR-Sponsored Programs, Accounting and Financial Services, Supply Chain Management, etc.) to notify RCI of triggering activities.

### Recommendations

a.  Global Affairs should implement a monitoring program to identify travelers not registered, and proactively contact them.

b.  Office of Research, RCI should strengthen its Export Control Compliance Program by including a monitoring component. Additionally, it should

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[8] UC Davis Policy and Procedure Manual 300-32 International Travel:  all international travel on university business must be registered and travel to high-risk destinations is subject to review by the Travel Advisory Committee.

[9] Subsequent to our interviews, Supply Chain Management has added a function to the AggieTravel system that is expected to direct more travelers to the registration site. Data does not yet exist on the outcomes of this initiative.

establish a process with specialized units to notify RCI of activities potentially triggering the need for export controls, and proactively contact researchers.

**<u>Management Corrective Actions</u>**

a.  By April 1, 2020, Global Affairs will implement a monitoring program that includes working with Supply Chain Management to obtain data identifying travelers not registered and proactively contact them.

b.  By January 1, 2020, Office of Research, RCI will design a process for monitoring export controls that includes identifying events that trigger the need for RCI's involvement.