Corrective Actions Taken by the University of Tennessee

Immediate Actions
Preventive Actions
Discovery of the Possible Violation

• The meeting with Dr. Roth

• Contacting the Department of State

• Contacting the sub-contract sponsor

• Request of the prime contract from the Air Force

• The AFMC 5352-227-9000 – Export Controlled Data Restriction
Discovery of the Violation

- Consultation with Legal Counsel and Vice Chancellor for Research.
- Advise Dr. Roth and AGT that the Chinese national must be taken off the project immediately.
- Require AGT to remove their export controlled equipment from UT’s Plasma Lab.
Corrective Actions

• University self-disclosure to FBI
• University self-disclosure to Department of State
• The Export Control Office, General Counsel and Office of Research cooperate fully with the investigation and ensuing trial
How Did This Happen?

Slipping through the cracks…
How Did This Happen?

- This violation occurred before the University was able to implement an export control compliance program. At that time there were no safeguards in place to catch high risk proposals or contracts with export control language.

- The University administration, like many others, was just becoming aware of the need to monitor export control as a major compliance issue.
How Did This Happen?

- In the Roth case, Sponsored Programs staff did not request a copy of the prime contract from the Air Force. They never saw the restrictive clauses, AFMC 5352.227-9000 Export Controlled Technical Data and DFAR 252.204-7000 Disclosure of Information.
- Because the contract administrator was not familiar with export control and I was not there to review the contract and ask for the prime, the task order was signed and work began.
By the time Dr. Roth met with me in 2006, the violation was over a year old and significant information had been shared with the foreign graduate student.

- This violation changed the face of export control compliance at the University of Tennessee...
Export Control Management System

In order to prevent future violations, the following systems are in place on campus:

- **Education, education, education**
  - Faculty Awareness
  - Sponsored Programs Awareness
  - Financial system flags
  - Travel Office
  - International Department
  - Foreign Travel Briefings
Concentration on Sponsored Programs

- Front-line to process research proposals and contracts

- Export Control checklist, routing sheet, countries of concern

- Practical Export Control training tailored to their everyday duties

- Sponsored Programs sends all DoD proposals to me for review.

- High risk proposals flagged and stamped to stay on the radar screen if awarded.
Export Control Management System

- **Travel Advisories/Request**
  - Twice a month
  - Travel Requests to sensitive or prohibited countries forwarded to me immediately.
  - Contact PI to offer travel briefing and other information about country of destination.

- **Financial System and Sponsored Accounting**
  - Flag on “R” accounts that are export controlled. Department cannot hire foreign nationals on these flagged accounts.
Export Control Management System

- Centralization of Export Control compliance
- Teamwork with our local FBI
- High risk proposal and Technology Control Plan database and tracking system
- Export compliance & screening service
- Dedicated export control website
Export Control Management System

- One-on-one meetings with PI’s, Deans and Department Heads about the security of specific projects.
- Establish contacts in the university to quickly take care of security needs for export controlled projects.
- Keep my own knowledge of export control current by making use of educational opportunities, export control associations and other news sources.
Lessons Learned

Faculty and the University
The Faculty Learned...

- They are responsible for compliance on their projects.
- Export control awareness will not hold up their research project. I prioritize their research and respond immediately to the export compliance issue they face.
- They should ask questions before hiring foreign nationals.
- The federal agencies are very serious about export control laws and you can go to jail for a violation.
The University Learned…

- Due diligence by the Export Control office was key in avoiding institutional fines or sanctions.
- Self-reporting was a mitigating factor for the University.
- Keep an open door policy to federal agencies who investigate violations.
- Continue the good working relationship with the local FBI assigned to campus.
If You Have an Export Control Violation

What to Expect from the Federal Agencies
FBI, ICE, Department of State, Department of Commerce.

Alert General Counsel that the federal agencies have asked for an interview.

Begin a detailed timeline early in the investigation – you will be asked to reconstruct everything that led up to the discovery of the violation to your corrective actions.

Document everything and keep ALL your records. You might have to sit in court and explain them.
The Federal Agents

- The officials from the agencies were very helpful, considerate and protective of the University.
- We gave them what they needed to investigate fully, they in turn protected the University from fines and sanctions.
- Any agent was free to call me at home or my cell if they needed information or to meet with me (and they did).
A group from the federal agencies will audit your program by examining your:

- Web site
- Export Management System
- Policy and Commitment Statement
- Records Management
- Faculty Awareness Training
- Methods of reviewing proposals and contracts
- ITAR Compliance Manual
In Closing…

- If you find a violation, self-disclose as soon as possible.
- Don’t make them think you are hiding anything. Give them the information they need or they will subpoena information from your files, computers, etc.
- Keep the communication lines open. I would often come across information and pass it along to my FBI contact before I was asked.
In Closing…

ITAR violations can happen to any college or university dealing with Department of Defense or NASA-sponsored research—or any research involving defense articles and defense services.
Keys to an Effective Compliance Program

1. Know Your Funding Source Restrictions
2. R&D Contract Review and Oversight
3. Monitor and Audit Student Assignments
4. Keep Control over Equipment and Data
5. Attention to Risks of Foreign Travel
6. Meaningful and Effective Export Control Program and Export Control Officer
7. Emphasize Training and Education to Prevent Violations and Problems
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Together We Hold the Public’s Trust to Safeguard National Security

Questions?

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