

# Hot Topics in Research



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# Today's Goal

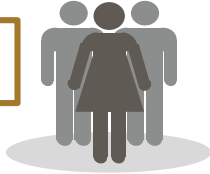
- Share Experiences
- Discuss Lessons Learned
- Share Best Practices
- Review Where we are Today
- Discuss our Efforts to Decrease Risks
- Talk about Next Steps

# Audit Scrutiny & Lessons Learned

**Ken Sandel**  
Senior Director, Sponsored Program Services

# AUDIT MANAGEMENT

Auditors



- Permissible
- Authority

Uniform  
Guidance

Award  
Documents

## Project File

Proposals  
Contract (T&Cs)  
Costs & Charges  
Documentation

- Allowable
- Prior Approval
- Reasonable

- Consistency
- Adequately Documented
- Timely

Internal  
Controls

Program  
Requirements

- Allocable
- Necessary

# NSF ANALYTICS AUDIT – FINAL RESULTS

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## **Audit Scope:**

- For the period April 1, 2012 through March 31, 2015
  - \$238,897,545 of expenditures
  - 493,646 transactions
  - 895 awards

## **Disallowances:**

- \$39,728 disallowed (.000166)
- 13 transactions (.000026)
- 4 awards (.00447)

Results speak for themselves as to the control environment in place at Purdue University related to Contract/Grant administration and the overall ecosystem of internal controls and our processes and procedures already in place.

The audit highlighted a number of things Purdue faculty, staff and research administrators need to remain focused on and diligent in award administration.

# Lessons Learned

- Expenditures in the last ninety (90) days of project highly scrutinized.
  - Capital equipment purchases
  - Computer purchases
  - Travel – other than presenting results of project at meetings
- Transactions posted after project expiration date are red flags
  - Critical to document benefit to project in detail
  - Why transactions posting after project expiration date
  - Clear supporting documentation
- Record retention of supporting backup documentation
  - Pcard receipts
  - Allocability support of charges

# Lessons Learned

- Presentations at conferences, workshops, symposiums
  - Document sponsor and project in power points, handouts, posters
  - Document purpose for project being presented
- Document project activities in quarterly, annual, and final technical reports
  - Travel – both domestic and international
    - Purpose of trip
    - Who met with
    - Meetings, workshops, conferences attended
  - Equipment and computer purchases
    - Why needed
    - Benefits to the Project

# ALLOWABLE COSTS

A cost is allowable if it is:

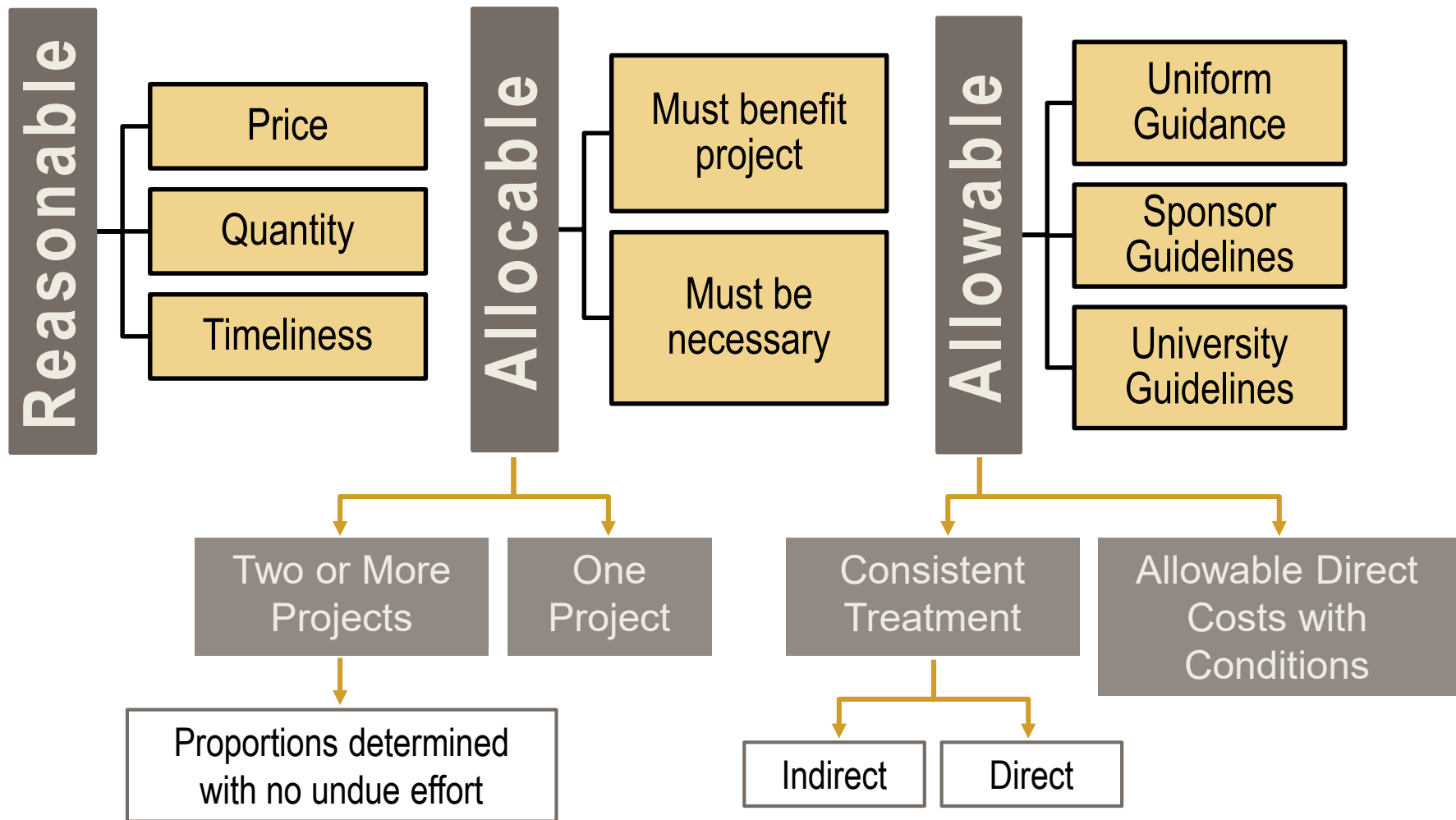
- Allocable
- Reasonable and Necessary
- Treated Consistently
- Conforming to limitations or exclusions set forth in the Uniform Guidance
- Adequately Documented

***Uniform Guidance 200.403***



# DECISION PROCESS

## Determining Chargeability of Costs to a Sponsored Program



# Timeliness - Last 90 Days

## **Equipment purchased in the last 90 days – you must ask..**

Will it have a useful life after the 90 days? If so, the benefit to this project may be limited.

Issues to consider prior to the purchase decision are:

- Is a no cost extension request an option? If so, include in the plan for use of the unobligated funds the purchase of the equipment which is required to complete the project.
- Is there a competing continuation award by the same sponsor in process?
- If the equipment can be used on other activities after the project expires then pro-rate the purchase cost accordingly.
- It is not recommended to purchase computers at the end of the project as they are general purpose equipment and most likely are not for the sole benefit of one project.
- See Computer Purchase Review on Federal Funds QRS  
<https://www.purdue.edu/business/sps/pdf/Computer%20Purchases%20Quick%20Reference%20Sheet1.pdf>

# Timeliness - Last 90 Days

## Supplies

- Purchasing lab supplies to replenish supplies withdrawn from departmental stock is unallowable. These transactions appear to be using up excess funds at the end of the project.
- Large dollar purchases need to have documentation on how the supplies benefited the project and that they were exclusively used on the project.

## Travel

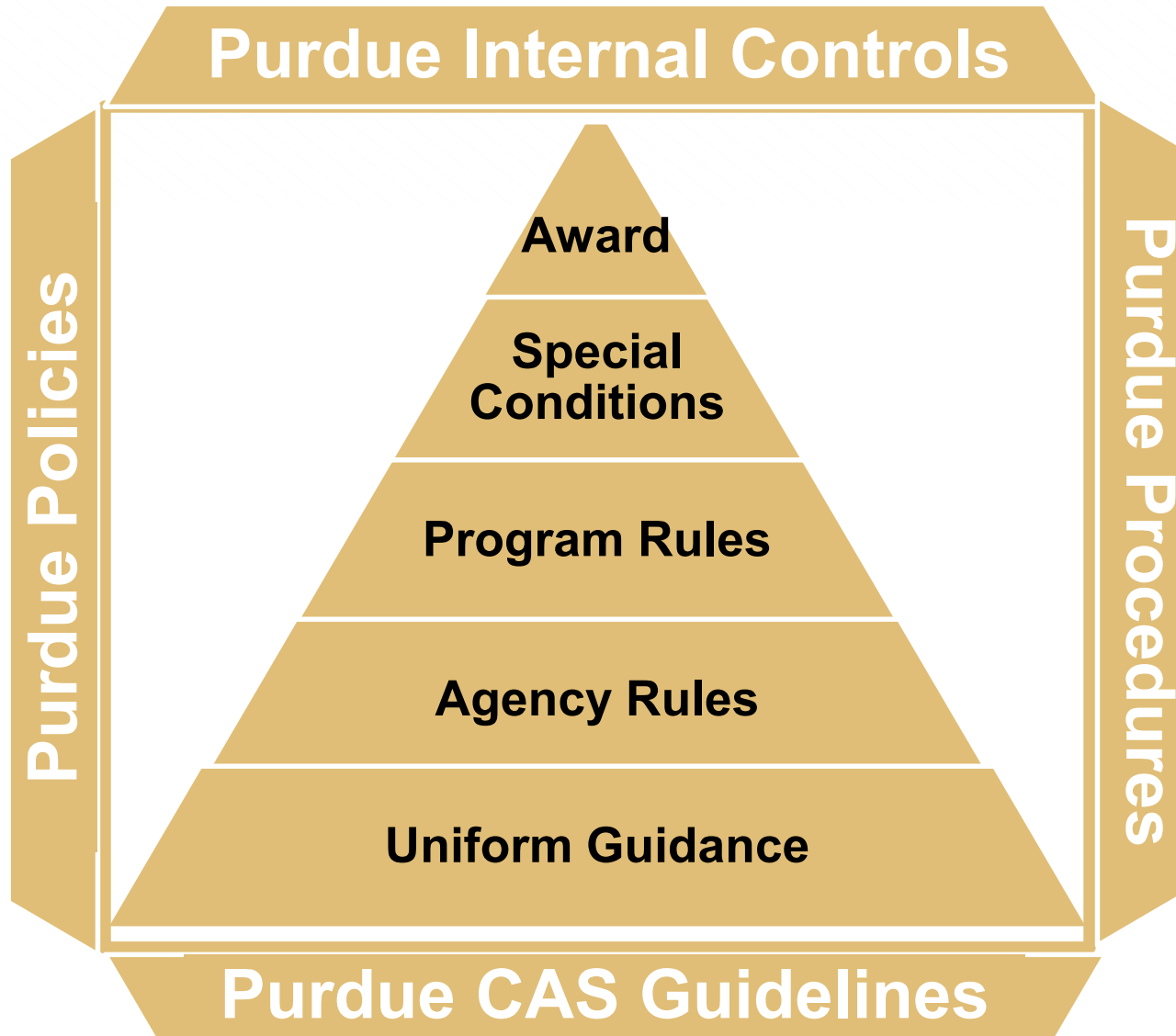
- Is the travel necessary and documented that the trip was required to complete the project?
- Attending a conference to expand the researcher knowledge is not reasonable at this stage of the project.
- Travel incurred on projects where travel was eliminated from the budget or the travel costs exceeded the budgeted amount is usually questioned.

# Hierarchy of Regulations

## Sponsor/Agency



# What frames this guidance?



# What Attracts an Auditors Attention?

1. Timeliness
  - Within project period
  - Before last 90 days
2. Allowability/Allocability
  - Is the item necessary?
  - Is the expenditure reasonable?
  - Does it benefit the project?
3. Correcting Documents
  - Is the correction timely?
  - Is the correction a Cost Transfer for convenience and based on availability of funds?
  - Is the correction allocating the cost to multiple projects?

This is why we Pre-Audit Correcting Documents...

# UNDERSTANDING WHY WE PRE-AUDIT

- Pre-auditors assure that corrections and/or changes to sponsored program accounts are appropriate.
- Pre-auditors assure compliance with:
  - ✓ university rules, regulations and policies
  - ✓ federal cost allocation guidelines
  - ✓ sponsor guidelines
- Adjusting and correcting entries are targets for federal audits and potential cost disallowances.

# WHAT IS PRE-AUDITED?

## **Corrections Impacting Funds:**

- Federal Appropriations
- Sponsored Program Funds
- And related cost sharing on the above listed funds

## **On These Documents:**

- FV 50 – Journal Vouchers (JVs)
- Payroll JVs
- Revised PARs
- Post PARs



# WHAT PARS ARE PRE-AUDITED?

Requirements	PAR	Revised PAR	Post PAR	Late PAR
Pre-Audit	No	Yes	Yes	No
Explanation	No	Yes	Yes	Yes
Reason Late	No	No	Yes	Yes

**PAR** - A change to salary distribution during the current reporting period (Fall, Spring, or Summer)

**Revised PAR** - Revised PARs are a **change** to the way effort was **originally distributed** and certified on the initial PAR

**Post PAR** - Original PARs processed **after** the PAR period changing the salary distribution

**Late PAR** - Original PARs processed **after** the PAR period that does not change the salary distribution

# PRE-AUDITOR ROLE – LEVEL 3 APPROVER

## Manage the Risk and Reputation of the University

- Assure compliance with the document preparation guidelines
- Assure sufficient explanation
- Verify appropriate certifications have been obtained
- Assure change is allowable, allocable, reasonable and timely
  - For federal appropriations, the Pre-auditor should assure that the document does not change the activity from a prior federal fiscal year (Oct. 1 - Sept. 30) unless approved by Business Manager/Ag Funds Accountant
- Assure that movement is needed and is not done solely for convenience or funds availability
- Communicate revisions or corrections to the preparer and initiate appropriate corrective actions
- Provide feedback about why changes are needed
- Forward document to proper office (see routing of documents)
- If decision could be questionable, add explanation of rationale

**Sometimes the Pre-Auditor will say, “NO”**

# AUDIT CONSEQUENCES

## Disallowances:

- Cost of disallowed charges must be covered from other fund sources
  - The financial burden of audit disallowance will reside with the academic unit responsible for the cost allocation decision.
- Fines, Penalties, and Interest
- Loss of funding
- Discredit to public image
- Loss of institutional delegations
- Increased audit scrutiny



# Role of Preparer/ Processor

# Signature Delegation

## BUSINESS PROCESS RE-ENGINEERING

Changes:

- No fiscal approval for transactions < \$1,000
- Streamline the processing of transactions > \$1,000

Reason:

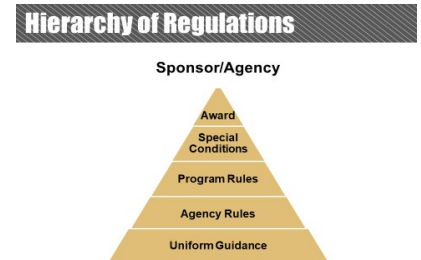
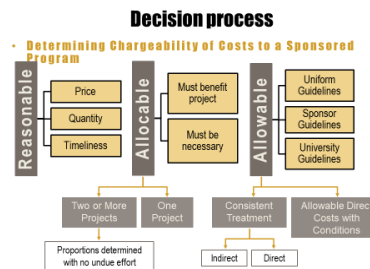
- Business case - an estimated 10 FTE were involved in the signature process for 470,000 transactions <\$1,000
- Assumed other reviews would be maintained

Let's discuss roles and best practices...

# Role of the Preparer/Processor

## ROLE OF THE DOCUMENT PREPARER (INITIATORS, SERVICE CENTERS, DEPT. STAFF)

- Preparer/Processor role has been created/changed
- Role requires an understanding of the decision process:
  - Reasonableness
  - Allocability
  - Allowability



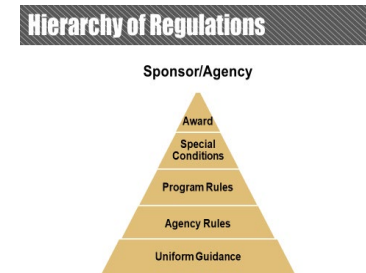
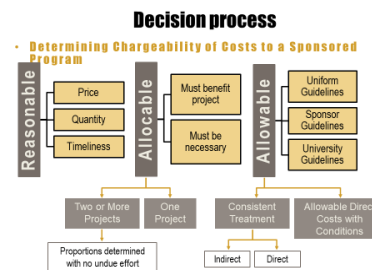
- Preparer/processor must secure evidence that a person with first hand understanding certifies the allocability of the good or service being procured.
- This documentation must be retained for 3 years after the expiration of the project.

# Role of the Account Managers

## ENHANCED ROLE OF THE ACCOUNT MANAGER (BUSINESS MANAGER/ASST., RESEARCH SPECIALIST)

- Account Managers have increased responsibility to perform post-audits.
- Role requires an understanding of the decision process:

- Reasonableness
- Allocability
- Allowability



- Run the Questionable Transaction Report (QTR) and take the appropriate action
- Ensure documentation is added to the grant file related to allocability, unique circumstances and prior approval

# QTR (key post audit tool)




## ACCOUNT MANAGEMENT

### What is it?

A report of questionable transactions that have posted to sponsored program accounts on fund 46010000 and associated cost share funds. Questionable transactions were determined to be questionable by reviewing the following:

- 2 CFR 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards) <https://www.gpo.gov/fdsys/granule/CFR-2014-title2-vol1/CFR-2014-title2-vol1-part200/content-detail.html>
- Purdue's Cost Accounting Standards (CAS) Classification of Cost Items <https://www.purdue.edu/business/mas/costing/casGuidlines/index.php> (Classification of Cost Items updated on 2.23.2018)

The questionable commitment items are coded into three categories:

-  1. Costs that may be allowable with stipulations or under certain conditions
-  2. Costs that require Sponsor prior written approval or were approved in the budget
-  3. Costs that are unallowable on sponsored funds

There are situations where the guidance in the sponsor award document places further restrictions on the allowability of costs. In those situations, the sponsor guidelines are more restrictive than 2 CFR 200 or CAS guidelines, and must be followed.



# QTR

## ACCOUNT MANAGEMENT

### QTR for Business Management

[https://www.purdue.edu/business/sps/pdf/QTR\\_BusMgmt.pdf](https://www.purdue.edu/business/sps/pdf/QTR_BusMgmt.pdf)

### How to run the report

Refer to *Running the QTR*

[https://www.purdue.edu/business/sps/pdf/Questionable\\_Transactions.pdf](https://www.purdue.edu/business/sps/pdf/Questionable_Transactions.pdf)

# QTR

## ACCOUNT MANAGEMENT

### QTL Activity – For the period July 1, 2018 – June 30, 2019

GL and Description	Color Code	Expenses under \$1k for GL	Total Expenses	% of Total Expenses	# Transactions under \$1k for GL	# Transactions for GL	% of Transactions under \$1k for GL
524025 - Publicity, Advertising and Graphics		74,768.97	212,192.94	35%	598	649	92%
524035 - Subscriptions		37,645.45	152,620.54	25%	500	535	93%
524125 - Office Supplies		84,297.28	108,367.46	78%	1,396	1,404	99%
530005 - Telephone and Cellular Rental		39,360.35	64,771.86	61%	312	328	95%
530015 - Data Transmission Charges		16,928.26	32,025.01	53%	228	231	99%
530055 - Purdue Info Connection		0.00	0.00	-	0	0	-
530105 - Technology Allowance		128,326.49	137,786.49	93%	1,237	1,241	100%
530900 - Postage		15,848.96	50,840.94	31%	449	458	98%
508080 - Moving Allowance		4,766.82	44,409.90	11%	7	15	47%
530110 - ITaP Common Good Tel/Data Svcs		0.00	0.00	-	0	0	-
532005 - Building Rental		28,026.75	919,394.32	3%	117	231	51%
532010 - Land Rental		0.00	11,650.00	0%	0	2	0%
532015 - Space Rental		48,574.61	505,280.76	10%	223	334	67%
532040 - Rent - Other Non Capital Equipment		11,920.61	30,912.52	39%	66	74	89%
532055 - Rent - Other Capital Equipment		13,568.27	29,654.91	46%	62	66	94%
533270 - Public Relation Services		47.00	47.00	100%	1	1	-
533645 - Memberships - Individual		34,974.72	49,318.27	71%	306	317	97%
<i>Subtotal</i>		539,054.54	2,349,272.92	23%	5,502	5,886	93%

The questionable commitment items are coded into three categories:

1. Costs that may be allowable with stipulations or under certain conditions

# QTR

## ACCOUNT MANAGEMENT

### QTL Activity – For the period July 1, 2018 – June 30, 2019

GL and Description	Color Code	Expenses under \$1k for GL	Total Expenses	% of Total Expenses	# Transactions under \$1k for GL	Total # Transactions for GL	% of Transactions under \$1k for GL
531010 - Awards - Non-Scholarship		13,346.54	61,582.63	22%	114	131	87%
533380 - Conference Arrangements		21,083.91	413,324.61	5%	160	221	72%
533610 - Entertainment		0.00	0.00	-	0	0	-
533615 - SPS - Business Meals		120,274.29	203,468.32	59%	747	785	95%
546305 - Conference Meals		4,998.74	39,598.05	13%	31	36	86%
558020 - Undergraduate Scholarship		36,045.55	535,431.45	7%	61	202	30%
558030 - Awards and Prizes - Student		52,504.95	70,704.95	74%	95	99	96%
558060 - Graduate Scholarships		3,077.08	69,784.92	4%	17	41	41%
<i>Subtotal</i>		251,331.06	1,393,894.93	18%	1,225	1,515	81%
522030 - Paint and Painting Supplies		2,264.84	2,264.84	100%	45	45	100%
534005 - Repairs to Building		828.57	10,478.17	8%	3	5	60%
534045 - Building Alterations		-8.56	33,512.44	0%	3	5	60%
546325 - Decorations		178.78	1,780.28	10%	27	28	96%
<i>Subtotal</i>		3,263.63	48,035.73	7%	78	83	94%
<b>Grand Totals</b>		793,649.23	3,791,203.58	21%	6,805	7,484	91%

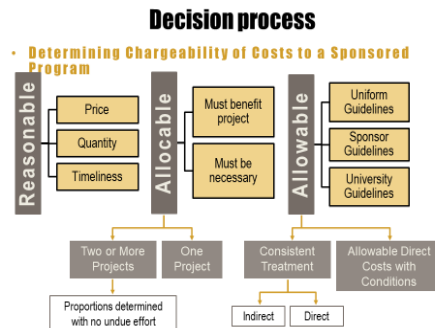
The questionable commitment items are coded into three categories:

- 2. Costs that require Sponsor prior written approval or were approved in the budget
- 3. Costs that are unallowable on sponsored funds

# Key step in the Transaction

## SELECTING A GL

1. Choose the GL that best matches the item being procured:  
<https://www.purdue.edu/business/account/General%20Ledger/index.html>  
(General Ledger List and Descriptions)
2. Review the GL against the QTR Commitment Item listing:  
[https://www.purdue.edu/business/sps/pdf/QTR\\_Commitment\\_Item\\_Listing.pdf](https://www.purdue.edu/business/sps/pdf/QTR_Commitment_Item_Listing.pdf)
3. If on the QTR Commitment Item Listing refer to the decision process and hierarchy of regulations:



## Hierarchy of Regulations



4. Document the allocability, unique circumstances, and/or prior approval

**Just changing the GL is not acceptable.**

# Internal Controls New Tool

## Resources



# Financial (+) Internal Controls

- Key Internal Controls (Federal Appropriations, Student Aid, Sponsored Programs)
  - Inventory of Guidelines, Policies, Procedures, QRCs, Etc.

[https://www.purdue.edu/business/sps/pdf/Internal\\_Controls\\_Document\\_Internal.pdf](https://www.purdue.edu/business/sps/pdf/Internal_Controls_Document_Internal.pdf)

For auditors:

[https://www.purdue.edu/business/sps/pdf/Internal\\_Controls\\_Document\\_External.pdf](https://www.purdue.edu/business/sps/pdf/Internal_Controls_Document_External.pdf)

# Key Internal Controls

- Key Internal Controls (Federal Appropriations, Student Aid, Sponsored Programs)
  - Inventory of Guidelines, Policies, Procedures, QRCs, Etc.

## Purdue University's Key Internal Controls

9/19/2019

Major Category	Internal Control/Process/Procedure	Location (web)	Responsible Unit
Governance	Bylaws of the Trustees of Purdue University	<a href="https://www.purdue.edu/bot/about/bylaws.html">https://www.purdue.edu/bot/about/bylaws.html</a>	Internal Audit Board of Trustees
Governance	Officers of the Board of Trustees	<a href="https://www.purdue.edu/bot/trustees/index.html">https://www.purdue.edu/bot/trustees/index.html</a>	Internal Audit Board of Trustees
Governance	Structure of Internal Audit Office	<a href="https://www.purdue.edu/ia/contact/index.php">https://www.purdue.edu/ia/contact/index.php</a>	Internal Audit
Governance	Internal Audit Office	<a href="https://www.purdue.edu/ia/">https://www.purdue.edu/ia/</a>	Internal Audit
Governance	Policies located at Policy Office Website	<a href="https://www.purdue.edu/policies/">https://www.purdue.edu/policies/</a>	Internal Audit University Policy Office
Governance	President's Delegation of Authority	<a href="https://www.purdue.edu/policies/governance/vb5.html">https://www.purdue.edu/policies/governance/vb5.html</a>	Internal Audit VPEC
Management	SPS Organization	<a href="https://www.purdue.edu/business/sps/index.html">https://www.purdue.edu/business/sps/index.html</a>	SPS
Management	SPS Administration	<a href="https://www.purdue.edu/business/sps/pdf/SPS%20Admin%20Org%20Chart.pdf">https://www.purdue.edu/business/sps/pdf/SPS%20Admin%20Org%20Chart.pdf</a>	SPS
Management	SPS Pre-Award	<a href="https://www.purdue.edu/business/sps/preaward/index.html">https://www.purdue.edu/business/sps/preaward/index.html</a>	SPS
Management	SPS Post Award	<a href="https://www.purdue.edu/business/sps/postaward/index.html">https://www.purdue.edu/business/sps/postaward/index.html</a>	SPS
Management	Comptroller - General Information	<a href="https://www.purdue.edu/business/comptroller/">https://www.purdue.edu/business/comptroller/</a>	Comptroller
Management	Comptroller Organization Structure	<a href="https://www.purdue.edu/business/comptroller/pdf/Comptroller_Org.pdf">https://www.purdue.edu/business/comptroller/pdf/Comptroller_Org.pdf</a>	Comptroller
Management	GM AIMS	<a href="https://www.purdue.edu/business/sps/data/GM_AIMS.html">https://www.purdue.edu/business/sps/data/GM_AIMS.html</a>	SPS
Control Activities - Policies and Procedures	SPS Training	<a href="https://www.purdue.edu/business/sps/Training/index.html">https://www.purdue.edu/business/sps/Training/index.html</a>	SPS
Control Activities - Policies and Procedures	SPS Handbook	<a href="https://www.purdue.edu/business/sps/pdf/Purdue_SPS_Handbook.pdf">https://www.purdue.edu/business/sps/pdf/Purdue_SPS_Handbook.pdf</a>	SPS
Control Activities - Policies and Procedures	Faculty and Staff Handbook	<a href="https://www.purdue.edu/faculty_staff_handbook/">https://www.purdue.edu/faculty_staff_handbook/</a>	HR
Control Activities - Policies and Procedures	Employee Orientation	<a href="https://www.purdue.edu/hr/careers/resources/employeeorientation.html">https://www.purdue.edu/hr/careers/resources/employeeorientation.html</a>	HR
Control Activities - Policies and Procedures	Business at Purdue	<a href="https://spa.itap.purdue.edu/business/businessatpurdue/Pages/default.aspx">https://spa.itap.purdue.edu/business/businessatpurdue/Pages/default.aspx</a>	HR

Short version (external facing view) shown above



# Next Steps





# Next Steps

- Review best practices with leadership and determine expectations/risk tolerance
- Provide training opportunities for Preparers/Processors and Account Managers
- Improve our tools and resources
- Distribute the QTR on a semi-annual basis centrally
- Expand the awareness of the best practices with the Faculty/PIs

# Foreign Influence



**Mary Millsaps,  
Director, Research Information Assurance  
Executive Vice President for Research and  
Partnerships**

# Evolution of the Threat

Jul 2009

Professor Reece Roth convicted of exporting Technical Data to China and sentenced to 48 months in jail

Feb 2018

FBI Director Presents to Congressional Hearing on Universities and there threat we face from China

Dec 2018

ACD Working Group for Foreign Influences on Research Integrity

Jul 2019

Dept of Ed issues letters to Cornell, Georgetown, Texas A&M & Rutgers concerning Section 117 reporting\*

Mar 2008

L3 Engineer Chi Mak was convicted of conspiring with China to export sensitive defense technology

Aug 2018

NIH Director's letter on Foreign Influence in the Peer Review Process

Mar 2019

NIH issues letters to dozens of universities concerning researchers with suspected unreported foreign ties

\*Section 117 reporting concerns foreign gifts and contracts

# China's approach



[FBI report on Risk that China presents to Academia](#)

# Purdue Leaders' Statement

## Recent federal concerns of "foreign influence" on research at U.S. universities.

To: Faculty, Staff and Graduate Students

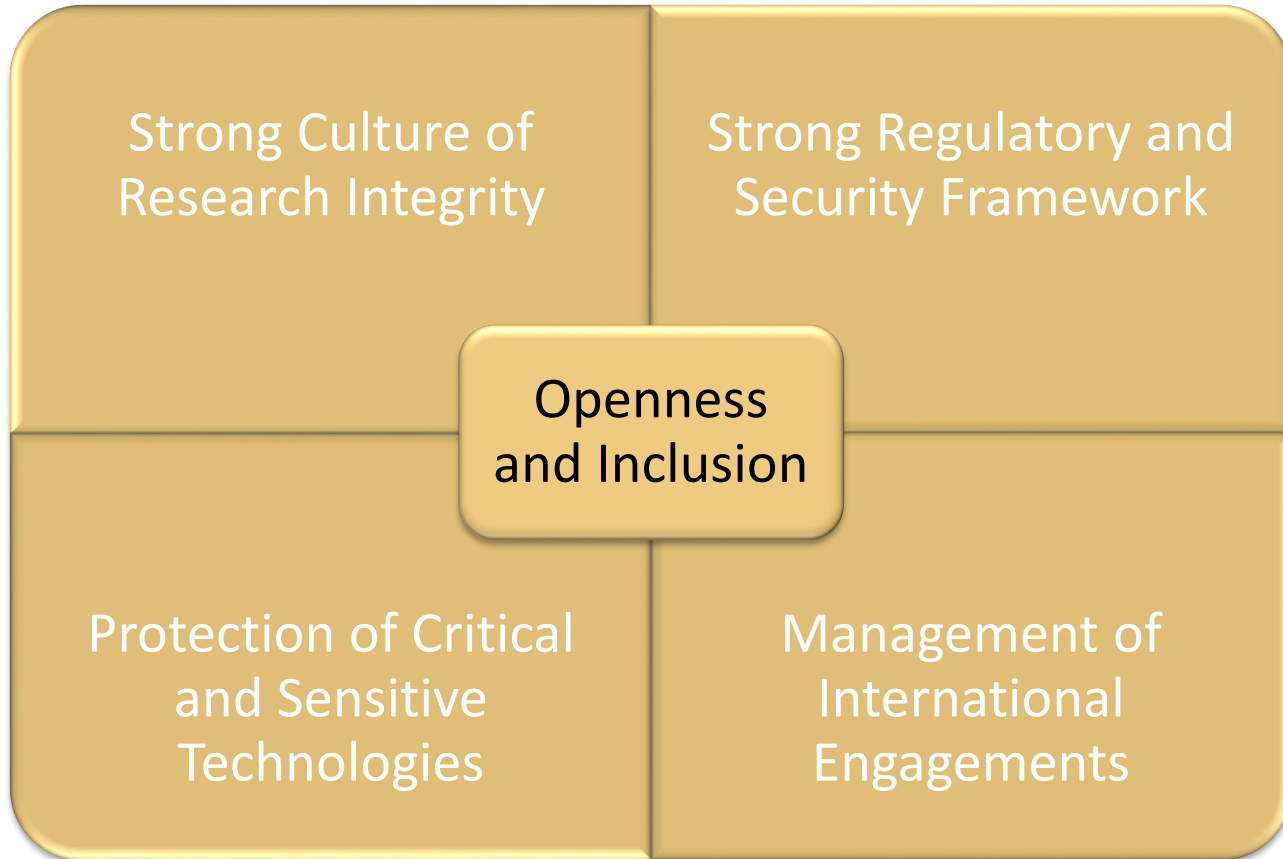
From: Suresh Garimella, Executive Vice President for Research and Partnerships  
Jay Akridge, Provost and Executive Vice President for Academic Affairs  
and Diversity

Date: November 8, 2018

“Purdue University values international collaboration with researchers from around the world and welcomes students and scholars to campus from all parts of the globe. These international collaborations and educational opportunities are essential to successful fulfilment of our mission to move the world forward.”

[https://www.purdue.edu/business/sps/pdf/Foreign\\_Influence\\_Memo\\_8Nov2018.pdf](https://www.purdue.edu/business/sps/pdf/Foreign_Influence_Memo_8Nov2018.pdf)

# Guiding Principles



# What you need to know?



# Research Proposal & Award Reporting & Disclosure

## Principles

- ✓ Strong Culture of Research Integrity
- ✓ Management of International Engagements/ Strategic benefit vs. potential risk
- ✓ Strong Regulatory and Security Framework
- Protection of Critical and Sensitive Technology
- Openness and Inclusion

## Current and Pending Support:

1. Any activity conducted within the scope of an Investigator's Purdue appointment that provides funding or requires a quantifiable commitment of time must be reported.
  1. Purdue effort
  2. Reportable Outside activities
2. All collaborations and affiliations that provide funding or require a commitment of time must be reported, whether foreign or domestic.

**Identify foreign components** on federally sponsored research proposals, progress reports, and final technical reports. (NIH)



# Reportable Outside Activity

## Principles

- ✓ Strong Culture of Research Integrity
- ✓ Management of International Engagements/ Strategic benefit vs. potential risk
- Strong Regulatory and Security Framework
- Protection of Critical and Sensitive Technology
- Openness and Inclusion

In accordance with Purdue University's policy on [Conflicts of Commitment and Reportable Outside Activities \(III.B.1\)](#), no employee may engage in a Reportable Outside Activity until:

1. The employee has submitted the Reportable Outside Activity on a [Reportable Outside Activity Form](#) and
2. The Unit Head or OA Officer has given written approval for the employee's participation in the Reportable Outside Activity described in the form.

# Reportable Outside Activity

## Who needs to submit the ROA Form?

- All exempt faculty and staff, whether part time or full time, are required to submit a form before they engage in any Reportable Outside Activity
- Outside employment and other activities of nonexempt, or clerical and service staff members, that take place during off hours or during leave time will, in most cases, not divert attention from University duties and will not present a Conflict of Commitment.

## What types of activities need to be reported?

A Reportable Outside Activity is defined as any work, advice or service for an entity other than Purdue University that may potentially result in a Conflict of Commitment.

The following are some examples:

- Participating in any business enterprise as owner, partner, officer, supervisor, manager or in any capacity with management responsibilities.
- Acting as a consultant (as defined in the policy).
- Assuming responsibility for any course at, or representing oneself as a faculty member at, any other school or university.
- Conducting external research that would not ordinarily be conducted as a part of the employee's duties with the University.
- Serving on an advisory council or scientific advisory board of a company or organization other than a state or federal agency.

# Conflicts of Commitment

## Principles

- ✓ Strong Culture of Research Integrity
- ✓ Management of International Engagements/ Strategic benefit vs. potential risk
- Strong Regulatory and Security Framework
- Protection of Critical and Sensitive Technology
- Openness and Inclusion

Purdue University's policy on [Conflicts of Commitment and Reportable Outside Activities \(III.B.1\)](#) policy also provides assurance to Employees, the University community, federal and state agencies, and the public that potential Conflicts of Commitment are examined and conducted in a manner consistent with institutional and public values.

## What is a Conflict of Commitment?

A Conflict of Commitment is defined as a situation in which:

- An employee's Reportable Outside Activities would likely interfere with the employee's ability to fulfill his or her commitment to the University; or
- An employee's responsibilities, financial interest or opportunity for personal benefit in connection with a Reportable Outside Activity would likely interfere with the employee's professional judgment in exercising any University duty or responsibility.

Finally, this policy promotes compliance with Indiana Code 35-44.1-1-3, which prohibits ghost employment with governmental entities.

# Publications

## Principles

- ✓ Strong Culture of Research Integrity
- ❑ Management of International Engagements/ Strategic benefit vs. potential risk
- ✓ Strong Regulatory and Security Framework
- ✓ Protection of Critical and Sensitive Technology
- ❑ Openness and Inclusion

Publication and presentation of research results are of fundamental importance to universities, faculty members, and their research programs. Subject to the confidentiality obligations and delays for patent protection, Purdue in most cases intends to permit publication of research results in recognized scientific journals and conference proceedings and presentation at conferences and other technical meetings. Two definitions are key:

- Fundamental Research: When Purdue researchers conduct research that is free from any publication approval or dissemination control or participation restrictions, the work and results of that work are outside the scope of the export control regulations. When Purdue accepts publication or dissemination restrictions in a project agreement, the work and the results are subject to the export control regulations and the project is considered Controlled.
- Controlled Research: When Purdue accepts a contract with a publication or dissemination restriction or when a sponsor or third party provides proprietary technical information, the information is subject to the export control regulations and the Export Control/Information Assurance team will work with the project team to ensure appropriate controls are in plan. (Often a Technology Control Plan is necessary)

Any publication that subsequently arises or results from the collaborative research (foreign or domestic) must be reported to the NIH in progress reports and proper credit and citations given.

# Restricted Party Screening

## Principles

- ✓ Strong Culture of Research Integrity
- ✓ Management of International Engagements/ Strategic benefit vs. potential risk
- ✓ Strong Regulatory and Security Framework
- ✓ Protection of Critical and Sensitive Technology
- Openness and Inclusion

- The U.S. government restricts certain exports, reexports and transfers of items to certain persons, entities and destinations. These restrictions are maintained by several federal agencies, including but not limited to the State, Treasury and Commerce Departments, on various lists.
- If a proposed sponsor, subcontractor or international visitor is believed to be on one of these lists, the Export Control/ Information Assurance Team must review the situation to determine if a license is required or if the activity can be approved.
- The University reserves the right to restrict additional parties based on emerging US Government legislative or administrative guidance, or when it is otherwise in the University's best interest.

# Gifts and Donations

## Principles

- ✓ Strong Culture of Research Integrity
- ✓ Management of International Engagements/ Strategic benefit vs. potential risk
- Strong Regulatory and Security Framework
- Protection of Critical and Sensitive Technology
- Openness and Inclusion

Charitable donations help ensure that Purdue University maintains its reputation for excellence in higher education and allow the University to fund programs, scholarships, fellowships, professorships, research and Facilities.

## Two Policies:

### 1. Charitable Donations to the University (II.B.2)

<https://www.purdue.edu/policies/business-finance/iib2.html#related>

### 2. Classification, Administration, and Reporting of Nongovernmental Support (II.B.6)

<https://www.purdue.edu/policies/business-finance/iib6.html>

## Two Principles:

### Principle 1

A charitable Gift will not be accepted on behalf of the University if such acceptance would not be in the best interest of the donor and the University.

### Principle 2

A charitable Gift will be accepted on behalf of the University when there is a reasonable expectation that acceptance of the Gift will support the University in its missions of learning, discovery and engagement.

# International Travel

## Principles

- ✓ Strong Culture of Research Integrity
- ✓ Management of International Engagements/ Strategic benefit vs. potential risk
- Strong Regulatory and Security Framework
- ✓ Protection of Critical and Sensitive Technology
- Openness and Inclusion

When you travel internationally, there are both export control and security related issues you should consider before you leave.

- Anything you take out of the U.S. is an [export](#), including data on laptops and cell phones, and is subject to US export control regulations
- Items subject to the [EAR](#), depending on where they fall on the [Commerce Control List \(CCL\)](#), may require a license or an applicable License exception. See [guidance document on EAR temporary license exceptions](#) for more information
- You must have a license to take [defense](#) or [technical data](#) subject to the [ITAR](#) out of the United States
- Without an ITAR license, providing technical data about defense articles at international conferences is an export control violation
- Accessing controlled technical data or technology remotely from a foreign country can also be an export control violation. If you expect to need to do this while abroad, contact the Export Control/Information Assurance team to create an action plan.

# IP Disclosure

## Principles

- ✓ Strong Culture of Research Integrity
- Management of International Engagements/ Strategic benefit vs. potential risk
- ✓ Strong Regulatory and Security Framework
- ✓ Protection of Critical and Sensitive Technology
- Openness and Inclusion

Intellectual Property that arises in any part in the course of employment or enrollment at the University, or in the course of a work-for-hire relationship or visiting scholar relationship with the University, is Purdue Intellectual Property

### Creators of Intellectual Property are responsible to

1. Familiarize themselves with the definitions and requirements of this policy.
2. Disclose Purdue Intellectual Property in accordance with this policy's supporting procedures.
3. Comply with instructions regarding custody and protection of Purdue Intellectual Property.
4. Execute a general assignment of title for Purdue Intellectual Property in accordance with this policy's supporting procedures.

### Policy:

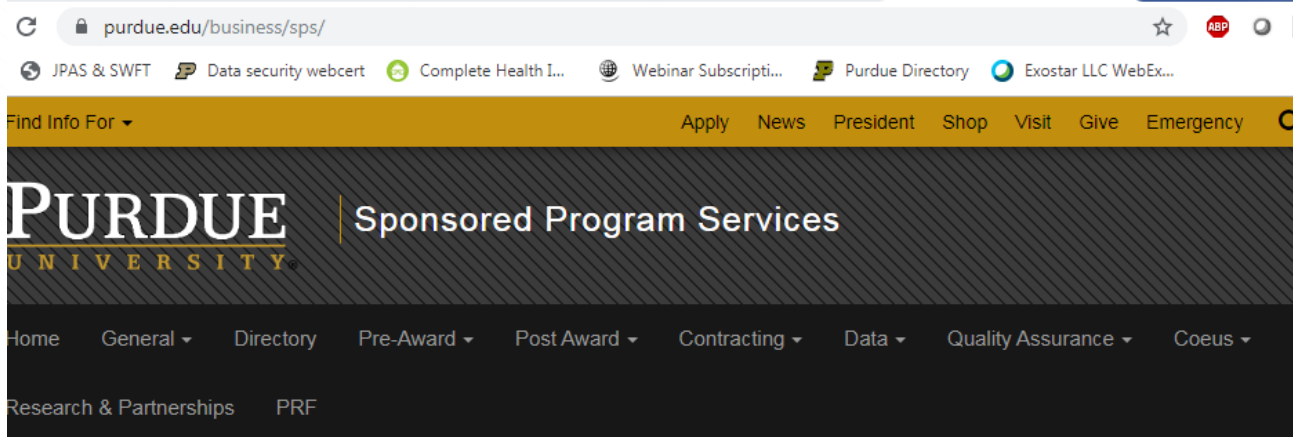
<https://www.purdue.edu/policies/academic-research-affairs/ia1.html>

### Procedures:

<https://www.purdue.edu/research/regulatory-affairs/ip-procedures.php>



# Web Resources - SPS



Resources	Feedback
<b>Pre-Award</b> <ul style="list-style-type: none"><li>Proposal Worksheet</li><li>Proposal Preparation</li><li>Pre-Award FAQ's</li><li>Institutional Information</li></ul>	<b>Post Award</b> <ul style="list-style-type: none"><li>SPS Handbook/Guidelines</li><li>Faculty Resources</li><li>Business &amp; Regional Office</li><li>SAP Budget Templates</li></ul>
<b>Contracting</b> <ul style="list-style-type: none"><li>Contracting Office</li><li>Request Service</li></ul>	<b>Data</b> <ul style="list-style-type: none"><li>Awards/Expenditures/Trends</li><li>Data Requests</li><li>Data Digest</li><li>College/Dept Inquiry</li></ul>

Disclosure and Reporting Requirements

Flexible IP Contracting Models

## Sponsored Program Services

SPS is a collaboration between the Treasurer/Chief Financial Officer and Executive Vice President for Research and Partnerships. Responsibilities include: Proposals, Award Management, Contract Negotiation, Research Administration, Quality Assurance, Regulatory Compliance, Agricultural and International Programs, Data and Support Services.

### Headlines

<https://www.purdue.edu/business/sps/>

# Web Resources – Export Controls

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Find Info For + Apply News President Shop Visit Give Emergency Q

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## Export Controls and Research Information Assurance

Email Address

- DOD SAFE Outage**  
DOD replaces AMRDEC SAFE with DOD SAFE. See [guidance document](#) for further information.  
Last updated: August 22, 2019
- Cuba Travel Update**  
The State Department has added several new entities to the Cuba Restricted List. If you are planning travel to Cuba, please review the [Guidance Document on Cuban Travel](#) and be sure to review the updated List (link in the Guidance Document).  
Last updated: April 24, 2019
- EXRC Access**  
For Purdue personnel who require access to the Export Controlled Research Cluster (EXRC), please see the [guidance document](#) for the access request process.  
Last updated: February 4, 2019

The Export Control and Information Assurance team within the Office of Research and Partnerships is here to assist Purdue faculty, staff and students in complying with federal export regulations and protecting our sponsors and partners' proprietary information.

- Accepting publication restrictions in research
- FAQs
- International shipping
- Traveling internationally and attending conferences
- Hosting international visitors
- International research collaborations
- Working with international staff and
- Using external proprietary

Click a box to see how Export Control/ Information Assurance might impact you

Export Controls and Research Information Assurance

Policy

FAQs

Definitions

Training

Publication and/or Dissemination Restrictions

International Travel

International Research Collaborations

Working with Controlled Software

Using Proprietary and/or Confidential Information

Conducting Research Outside US

Working with International Staff and Students

Hosting International Visitors

International Shipping

Guidance Documents

W

Google

# Key Takeaways

- Increase your awareness of the regulations and guidelines behind Purdue's Internal Controls.
- Increase your understanding of the decision process and tools available to assist you in determining reasonableness, allowability and allocability of sponsored program expenditures.
- Grow your awareness of the risks and consequences in the event of an audit, investigation, expenditure disallowance or other findings.
- Expand your awareness and understanding of the role we all play in ensuring that Purdue personnel and resources are not misappropriated.
- Empower you to act in the event you see something

# Questions?

