



**TEXAS**

The University of Texas at Austin

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**Graduate Student  
Research Affiliations**  
*Office of Research Support and  
Compliance*

***February 2024***

**Office of Internal Audits**  
*UT Austin's Agents of Change*



# Executive Summary

## Graduate Student Research Affiliations

Office of Research Support and Compliance

Project Number: 23.008

### Audit Objective

The objective of this audit was to determine whether oversight processes identify and manage outside affiliations for graduate students and post-doctoral fellows who are key personnel on sponsored projects. Specifically, determine whether the processes:

- Identify conflicts and develop and track management plans for key personnel as needed.
- Monitor signed certifications by key personnel for export-controlled projects.

### Conclusion

Overall, oversight processes are effective in identifying and managing outside affiliations for graduate students and post-doctoral fellows who are key personnel on sponsored projects. However, there are opportunities to enhance controls for monitoring updates to Technology Control Plans and maintaining accurate recordkeeping for export-controlled projects.

### Audit Observations<sup>1</sup>

Recommendation	Risk Level	Estimated Implementation Date
Technology Control Plans	Medium	August 2024
Export-Controlled Project Indicators	Medium	August 2024

### Engagement Team

Ms. Autumn Gray, CIA, Assistant Director  
 Ms. Suzi Nelson, CPA, CIA, CISA, Senior Auditor  
 Ms. Kalie Rhodes, Auditor I

<sup>1</sup> Each observation has been ranked according to The University of Texas System Administration (UT System) Audit Risk Ranking guidelines. Please see the last page of the report for ranking definitions.



## Detailed Audit Results

### Observation #1 Technology Control Plans

The University of Texas at Austin (UT Austin) does not centrally monitor Technology Control Plans<sup>2</sup> (Control Plans) to verify export-controlled<sup>3</sup> project staffing changes are captured and that new team members acknowledge the required security measures and controls<sup>4</sup>. Principal Investigators bear the ultimate responsibility to ensure Control Plans are current and complete. This process increases the risk that controlled information or materials will be shared with prohibited individuals or countries.

UT Austin’s policy<sup>5</sup> requires that “all faculty, staff, students, and University affiliates must be aware of export control implications of their work and must ensure their activities conform to export controls and regulations.” Control Plans provide reasonable assurance that project team members are aware of sponsor requirements and applicable export control regulations. Non-compliance with export control regulations may result in civil and criminal penalties to the University and individual researchers.

**Recommendation:** The Office of Research Security and Compliance (ORSC) should establish monitoring procedures to verify Control Plans are accurate, complete, and updated timely.

**Management’s Corrective Action Plan:** ORSC will monitor active Control Plans and contact Principal Investigators twice annually (within 2-3 weeks of semester initiation) to identify any newly assigned laboratory personnel. All newly assigned lab personnel will be required to sign an updated Control Plan and demonstrate completion of export control training.

**Responsible Person:** Export Control Officer and Senior Research Security Analyst

**Planned Implementation Date:** August 31, 2024

### Observation #2 Export-Controlled Project Indicators

Export-controlled project indicators are frequently inaccurate in UT Research Management Suite (UTRMS)<sup>6</sup>. Principal Investigators consult with the Office of Sponsored Projects and the export control officer during the award proposal stage to establish the initial export-controlled project indicator. However, there is not a process to update the indicators once the sponsor agreement is finalized and the terms and conditions outline export control requirements.

### Notable Practice:

The Office of Research Security and Compliance updated messaging in the UT Research Management Suite Conflict of Interest (COI) Module to prompt COI disclosures for key personnel are completed and submitted accurately prior to activating awards.

<sup>2</sup> Control Plans detail export-controlled information and materials and outline how the information will be secured. Key personnel must acknowledge understanding of the Control Plan.

<sup>3</sup> Export-controlled projects include information, technologies, or materials that are regulated by Federal law for purposes of national security, policy, or trade reasons.

<sup>4</sup> One of six projects tested had a Control Plan that was not updated when new personnel were added.

<sup>5</sup> Handbook of Operating Procedures 7-1410, *Export Controls*

<sup>6</sup> Four of 10 projects reviewed were incorrectly labeled as export-controlled projects.



Accurate data is necessary for management to make informed decisions and track export-controlled projects for compliance with sponsor, state, and federal requirements.

**Recommendation:** The Office of Sponsored Projects (OSP) should develop procedures and identify responsible personnel for updating export-control indicators in UTRMS after sponsor agreements are executed. Updates could be made at execution or through periodic reviews (e.g., quarterly) of export-controlled projects.

**Management’s Corrective Action Plan: Management’s Corrective Action Plan:** OSP will implement an updated Agreements Module – Technology Control Plan Standard Operating Procedure. Upon determination that a project requires a Control Plan, an agreement record will be created, reviewed, and routed to the ORSC via the UTRMS, Agreements, and Ancillary Review activity. Upon finalization, the OSP staff will ensure that all associated UTRMS agreement(s) and subsequent grant award records indicate export control restrictions. If a determination is made that a project does not require export control restrictions, OSP will ensure that all associated UTRMS agreements and grant award records indicate that the project is not subject to export control restrictions.

**Responsible Person:** Associate Director of Contracts and Senior Contracts Manager

**Planned Implementation Date:** August 31, 2024

## Conclusion

Overall, oversight processes identify and manage outside affiliations for graduate students and post-doctoral fellows who are key personnel on sponsored projects. However, there are opportunities to enhance controls for monitoring updates to Control Plans and maintaining accurate recordkeeping for export-controlled projects.

**Table: Controls Assessment**

Audit Objective	Controls Assessment
Determine whether oversight processes identify conflicts and develop management plans for key personnel, as well as tracking those management plans as needed.	Effective
Determine whether processes monitor signed certifications by key personnel for export-controlled projects.	Partially Effective with Medium Risk Opportunity

## Background

University policies and procedures require that outside affiliations and conflicts of interest or commitment be identified and managed for key personnel on sponsored research projects. Based



on analysis of sponsored awards, less than 2 percent of key sponsored award personnel requiring conflict of interest disclosures are graduate students or post-doctoral fellows.

## Scope, Objectives, and Methodology

This audit was conducted in conformance with The Institute of Internal Auditors’ *International Standards for the Professional Practice of Internal Auditing*. Additionally, we conducted the audit in accordance with Generally Accepted Government Auditing Standards and meet the independence requirements for internal auditors. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions on our audit objectives.

The scope of this review includes active sponsored projects during fiscal year 2023.

Specific audit objectives and the methodology to achieve the objectives are outlined in the table below.

**Table: Objectives and Methodology**

Audit Objective	Methodology
Determine whether oversight processes identify conflicts and develop management plans for key personnel, as well as tracking those management plans as needed.	<ul style="list-style-type: none"> <li>• Reviewed policies and procedures.</li> <li>• Interviewed Principal Investigators.</li> <li>• Interviewed Office of Sponsored Projects; Office of Research Support and Compliance; and Office of Licensing and Collaborative Research personnel.</li> <li>• Tested a judgmental sample of sponsored projects with graduate students or post-doctoral fellows identified as key personnel.</li> <li>• Reviewed conflict of financial interest and commitment disclosures on a sample of sponsored awards.</li> </ul>
Determine whether processes monitor signed certifications by key personnel for export-controlled projects.	<ul style="list-style-type: none"> <li>• Tested a judgmental sample of export-controlled sponsored projects for accurate classification in UTRMS.</li> <li>• Reviewed Control Plans for compliance with policies.</li> </ul>



## Criteria

- UT Austin Handbook of Operating Procedures  
5-2011, *Conflict of Interest, Conflict of Commitment and Outside Activities*  
7-1210, *Promoting Objectivity in Research by Managing, Reducing or Eliminating Financial Conflicts of Interest*  
7-1410, *Export Controls*
- UT Austin Science and Security Compliance Plan
- UT Austin Principal Investigator Book

## Observation Risk Ranking

Audit observations are ranked according to the following definitions, consistent with UT System Audit Office guidance.

Risk Level	Definition
Priority	If not addressed immediately, has a high probability to directly impact achievement of a strategic or important operational objective of The University of Texas at Austin (UT Austin) or the UT System as a whole.
High	Considered to have a medium to high probability of adverse effects to UT Austin either as a whole or to a significant college/school/unit level.
Medium	Considered to have a low to medium probability of adverse effects to UT Austin either as a whole or to a college/school/unit level.
Low	Considered to have minimal probability of adverse effects to UT Austin either as a whole or to a college/school/unit level.

In accordance with directives from UT System Board of Regents, Internal Audits will perform follow-up procedures to confirm that audit recommendations have been implemented.

## Report Submission

We appreciate the courtesies and cooperation extended throughout the audit.

Respectfully Submitted,

Sandy Jansen, CIA, CCSA, CRMA  
Chief Audit Executive



## Distribution

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