# Export Controls

# Audit Report # 25-AS0002
## August 25, 2025

The University of Texas at El Paso

**Office of Auditing and Consulting Services**

*"Committed to Service, Independence and Quality"*

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August 25, 2025


Dr. Heather Wilson
President, The University of Texas at El Paso
Administration Building, Suite 500
El Paso, Texas 79968


Dear Dr. Wilson:

The Office of Auditing and Consulting Services has completed a limited-scope audit of *Export Controls.* During the audit, we identified opportunities for improvement and offered the corresponding recommendations in the audit report. The recommendations are intended to assist the department in strengthening controls and help ensure that the University's mission, goals and objectives are achieved.

We appreciate the cooperation and assistance provided by *Research Protections* staff during our audit.


Sincerely,

*Courtney K. Rios*

Courtney Rios, CPA, CIA, CFE
Chief Audit Executive

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# EXECUTIVE SUMMARY

**Background**
Export controls are U.S. federal regulations that restrict the transfer of certain technologies, data, and services to foreign countries or nationals, primarily to protect national security and support foreign policy. Most of the compliance elements relevant to the University fall within Export Administration Regulations (EAR) for dual-use technologies.

**Audit Objectives**
The objective of this audit was to determine whether effective controls are in place to safeguard export-controlled items, monitor deemed exports, ensure oversight of foreign travel, and promote awareness and education.

**Scope**
The scope of the audit included all export-controlled projects active as of Fiscal Year 2025.

**Strengths**
The University's management has demonstrated a strong commitment to establish effective export controls by creating the Office of Research Protections and appointing an Export Control Officer. The office assists Principal Investigators (PIs) with export controls compliance while maintaining a strong customer service focus. In addition, Research Protections created a Handbook of Operating Procedures (HOP) policy, *Compliance with U.S. Export Control Regulations,* and a dedicated website to spread awareness and serve as a centralized location for standard operating procedures, forms and general information. Currently, funding is not released to export-controlled projects until a Technology Control Plan (TCP) is approved.

**Summary of Audit Results**

| Issue | Risk Ranking |
|---|---|
| 1. The Technology Control Plan (TCP) Personnel section is not updated. | Medium |
| 2. Agency approval is not on file for non-US citizens working on an export-controlled project. | High |
| 3. Physical access to export-controlled research is not restricted to project personnel. | High |
| 4. Low training completion rate. | Medium |
| 5. Temporary export of UTEP property was not submitted for review. | Medium |

**Conclusion**

Based on the results of audit procedures performed, we conclude the following regarding governance, risk, and control: Research Protections created a strong foundation for export controls compliance, but there are valuable opportunities to enhance consistency and strengthen oversight.

# BACKGROUND

Export controls are U.S. federal regulations that restrict the transfer of certain technologies, data, and services to foreign countries or nationals, primarily to protect national security and support foreign policy. These controls are governed by:

- International Traffic in Arms Regulations (ITAR)-military-related items,
- Office of Foreign Assets Control (OFAC)- sanctions enforcement, and
- Export Administration Regulations (EAR)- dual-use technologies.

Most of the compliance elements relevant to the University fall within EAR. Qualifying exports include:

- the shipment or transmission of items controlled under the EAR or ITAR out of the United States,
- the written, oral, or visual release of controlled technology, information, or software to a foreign person regardless of their location,
- the actual use of controlled technology on behalf of any foreign entity or person.

At UTEP, export controls are especially relevant due to international research collaborations, foreign students and scholars, and the global sharing of knowledge. While most academic research is exempt under the Fundamental Research Exclusion, activities involving restricted technologies, proprietary data, or sanctioned countries may still require licenses or special handling.

The Research Protections team, a unit within Research and Innovation, leads the University's export compliance program (ECP). The purpose of this program is to create a series of procedures that help the University conduct activities in accordance with EAR. Noncompliance can result in severe penalties, making institutional awareness and compliance essential. Management commitment is the most important factor in establishing an effective ECP. Refer to Appendix A for the Elements of an Effective Export Compliance Program.

The audit was conducted in accordance with the Institute of Internal Auditors' *Global Internal Audit Standards* and *Generally Accepted Government Auditing Standards*.

# AUDIT RESULTS

## A. Safeguarding Export-Controlled Items

Safeguarding export-controlled items is essential to ensure compliance with Export Administration Regulations (EAR). This involves implementing strict access controls, training personnel, and monitoring research activities to prevent unauthorized disclosure or transfer of sensitive technologies and information.

| | |
|---|---|
| **1. The Technology Control Plan (TCP) Personnel section is not updated.** | **Medium Risk** |

Research Administrators work with Principal Investigators (PIs) to determine if a project contains any export control restrictions. As applicable, PIs are required to submit a TCP to Research Protections. This includes plans for storing/housing the items and procedures for guarding against unauthorized access to the restricted items or information.

The TCP contains a *Personnel* section where all project staff should be listed. The TCP template instructions indicate that anyone added to the project after inception should also be included on this list so they can be appropriately screened, receive training and be granted access to the controlled item/technology.

Out of seven technology control plans tested, seven were found to have incomplete staff rosters. The *Personnel* section was not updated by the PI which could lead to a lack of screening and training and ultimately to unallowable individuals with access to export-controlled research.

### Recommendation:

*Regular communication between PIs and Research Protections should be established to ensure the Project Personnel list in the TCP is up to date and Research Protections can obtain the correct information about project employees to perform effective monitoring.*

### Management Response:

*The Office of Regulatory Compliance and Regulatory Assusrances agrees that Technology Control Plans (TCPs) need to be maintained and updated as changes in project personnel occur. Current projects controlled under a TCP that undergo an annual renewal will transition to a new and comprehensive TCP template. The new*

*template includes the listing of personnel (Appendix 1). In addition, the TCP template will now include a statement of verification by the Principal Investigator (PI) that any change or proposed changes relating to project personnel, location, or security requirements require notification to the export control office in advance.*

*The Office of Regulatory Compliance and Regulatory Assurances recognized this issue to be a vulnerability and sought and received PeopleSoft access and training (July 2025) to execute queries such as these. The office is currently attempting to identify the specific query and required access to execute ad hoc audits on export control restricted projects. In addition, the Principal Investigator will validate Appendix 1 (Project Personnel) of the TCP on a semester basis. Quarterly communication with project PIs will become part of the TCP process to ensure that export control requirements are met and the Office of Research Compliance and Regulatory Assusrances provides the best possible service to the project PI(s).*

**Responsible Party:**

*Victor M. Manjarrez, Jr., Ed.D., Director – Research Protections and Export Control Officer*

**Implementation Date:**

*November 1, 2025*

| 2. Agency approval is not on file for non-US citizens working on an export-controlled project. | High Risk |
|---|---|

Export-controlled research requires agency approval before non-US citizens can participate in the project. These employment restrictions are specified in the Notice of Award (NOA). Out of seven projects tested, one project, which had foreign nationals on staff, did not have agency approval on file. Although there are controls in the hiring process, these are not operating effectively to ensure agency approval is obtained in all instances where it is necessary.

Employing foreign nationals without agency approval may lead to penalties, loss of funding and unallowable individuals with access to export-controlled research.

**Recommendation:**

*Additional controls should be implemented in the hiring process to identify foreign nationals and obtain agency approval in a timely manner. Research Protections should work with Research Administrators and Human Resources to ensure compliance.*

**Management Response:**

*The Office of Research Compliance and Regulatory Assusrances agrees that this concern is a vulnerability. Technology Control Plans now include a section listing project personnel (Appendix 1). Currently, this section includes a field for Export Control to verify citizenship via Human Resources. Additionally, this section will now include a field that requires the Principal Investigator to verify that the individuals requiring agency approval have been granted approval prior to participating in the project. The office recognized this issue to be a vulnerability and sought and received PeopleSoft access and training (July 2025) to execute queries such as these during the TCP process as well as during an audit. The office is currently attempting to identify the specific query and required access to execute ad hoc audits on export control restricted projects. Quarterly communication with project PIs will become part of the TCP process to ensure that export control requirements are met and the Office of Research Compliance and Regulatory Assusrances provides the best possible service to the project PI(s).*

*A process has been established (July 2024) with Human Resources to verify the citizenship status of personnel participating in export control restricted projects. A process will be established with the Office of Sponsored Projects (Research Administrators) that formalizes any personnel request regarding non-U.S. citizens. This process will include the archiving of such requests.*

**Responsible Party:**

*Victor M. Manjarrez, Jr., Ed.D., Director – Research Protections and Export Control Officer*

**Implementation Date:**

*December 31, 2025*

| 3. Physical access to export-controlled research is not restricted to project personnel. | High Risk |
|---|---|

Access to export-controlled research should be restricted to project personnel to prevent unauthorized disclosure of sensitive research data. The TCP includes a *Location* section where the PI specifies the physical location of each sensitive technology/item relevant to their research.

Auditors obtained facilities access records to determine if the locations specified by the PI were restricted to project personnel only. Facilities' records indicate that personnel

outside of the grant had access to the locations where export-controlled research is conducted for four of the seven projects tested.

**Recommendation:**

*A process should be established between PIs and Facilities Management to find rooms/labs that can be used exclusively for export-controlled research and ensure that export-controlled labs are properly restricted.*

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**Management Response:**

*The Office of Research Compliance and Regulatory Assusrances agrees that access to export-controlled research needs to be improved. However, not all export-controlled research requires denial into a facility, but rather in most cases it requires the denial of data observation. This can be accomplished with solid blinds blocking the view of the data being generated or in a secure room within the laboratory. Nearly 80 percent of all export-controlled research projects are housed within the College of Engineering. The opening of the Advanced Manufacturing and Aerospace Center (AMAC) will alleviate most of the issues related to access as there was a well-structured and supported access plan developed and implemented to address access to restricted areas.*

*The Office of Research Compliance and Regulatory Assurances will modify the TCP and Data Management Plan (DMP) template to include a requirement that the PI coordinate with Facilities Management with the assistance of our office to ensure that a suitable laboratory meeting export control requirements are utilized. In addition, the TCP will require the Office of Research Compliance and Regulatory Assurances to perform at least once per year an onsite audit and/or verification with Facilities Management on laboratory access.*

**Responsible Party:**

*Victor M. Manjarrez, Jr., Ed.D., Director – Research Protections and Export Control Officer*
*Project Principal Investigators*
*Facilities Management*

**Implementation Date:**

*January 31, 2026*

## B. Awareness and Education

The University uses the "Collaborative Institutional Training Initiative" (CITI) web-based tool to educate and increase awareness to UTEP's research community regarding export controls. The training modules through CITI include Export Compliance for Researchers, Export Compliance for Research Administration, and Export Compliance for Business Centers & Administrators.

| 4. Low training completion rate. | Medium Risk |
|---|---|

Research Protections prepares training materials to ensure that university employees and students engaged in export-controlled activities receive appropriate briefing, guidance, and oversight. Research Protections also provides ongoing export briefing sessions for faculty, staff, students, and affiliates on an ad-hoc basis.

Principal Investigators, Researchers (including students), Business Managers, and Research Administrators are not completing the assigned Export Control training modules for their respective roles. Only 64% of the users are current on their required training. Low training completion may lead to a lack of awareness of export control regulations as well as inefficiencies in day-to-day operations.

### Recommendation:

*Research Protections should work with PIs and administrators to increase awareness and the completion rate of the required training. Additional measures should be developed to make sure PIs are accountable and complete their training.*

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### Management Response:

*The Office of Research Compliance and Regulatory Assusrances agrees that export control compliance training is an important and significant requirement during the life cycle of an export control restricted project. In response to this finding, we discovered that the Research & Innovation training tool (CITI/Admin training) was suffering from data integrity issues. Individuals on export-controlled projects were not receiving emails to renew their export control compliance training. Additionally, initial training notifications were not sent to individuals on an export-controlled project under a Data Management Plan. Lastly, the tool was capturing individuals on expired (no longer active) grants. These issues have been corrected, and the percentage of compliant personnel on export control restricted projects that are current in their required training has increased to 90%. However, the goal remains 100%.*

*As of August 2025, users of the CITI Export Compliance training modules cannot get 'credit' for taking the required training prior to the expiration date of the training. Project personnel receive an auto-generated notice upon expiration of an existing training certificate. The office in conjunction with Research & Innovation's Research Data Systems unit developed and instituted the use of an auto-generated renewal notice July 11, 2025. Currently, once an individual receives a notice to complete the training, they are given 30 days to complete the training. The time to complete the training will be reduced to 14 days to reduce the risk exposure to the University. This action is currently in the approval process. Non-compliance with training requirements has recently resulted in the suspension of access to project funding. This action was recently implemented (July 1, 2025) and found to be very effective upon notification to the PI and key personnel.*

**Responsible Party:**

*Victor M. Manjarrez, Jr., Ed.D., Director – Research Protections and Export Control Officer*

**Implementation Date:**

*December 31, 2025*

## C. International Travel

International travel to a region falling under the U.S. Department of State's designated "restricted region list" is monitored by the International Oversight Committee (IOC). The IOC is responsible for reviewing and making approval decisions on foreign travel.

| 5. Temporary export of UTEP property was not submitted for review. | Medium Risk |
|---|---|

All international travelers as well as those that intend to take computers, equipment, software, or any other UTEP inventory out of the U.S. should submit the *Certification of Temporary Export of UTEP Property* and *Review of U.S. Export Control Regulations and Authorization to Remove Equipment Off Campus* forms to Research Protections. This is in addition to the requirements of the Information Security Office (ISO) and the Office of Institutional Property Management.

Research Protections reviews the information provided by the traveler in the form and determines if the equipment listed on the form is subject to EAR/ITAR. Nine out of nine international trips/travelers tested did not submit the *Certification of Temporary Export of UTEP Property and Review of U.S. Control Regulations* form which is required by the

Export Control Manual. Approval from the International Oversight Committee (IOC) was received in all trips tested. Lack of form submission and review may lead to unintended export of information.

**Recommendation:**

*Research Protections should work with PIs and administrators to increase awareness of the risks of taking encrypted UTEP laptops/equipment abroad without prior authorization and prevent incidents.*

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**Management Response:**

*The Office of Research Compliance and Regulatory Assusrances agrees that Temporary export of UTEP property is a vulnerability, and the office has been taking steps to reduce the vulnerability. The solution is a three-prong approach consisting of awareness (external/internal to the office), policy solution, and verification. The office has developed (April 2024) a "one pager" on international travel that has and will continue to be distributed. The website now includes robust information on international travel requirements plus "do's" and "don'ts."*

*The Director for Research Protections, in the Spring 2025, Chaired a working group consisting of staff from Business Affairs (Disbursement Services and Travel Division), Division of Student Affairs (Office of International Programs and Study Abroad and Student Travel and Prevention Program), and Research Protections. The aim of the working group was to identify opportunities in the three distinct international travel processes to enhance awareness of the export control requirements for international travelers. One institutional vulnerability identified was the lack of awareness across the UTEP community of the intersection of export control and international travel. As a result, the working group developed an international travel notification that will be auto generated and sent to the traveler once international travel is approved. The notice informs the international traveler to complete the export control form(s) and/or contact the export control office for more information. The auto-generated notification will be effective October 1, 2025.*

*The Office of Research Compliance and Regulatory Assusrances has worked with both Business Affairs and the Division of Student Affairs to include export control language in the three (3) relevant UTEP Handbook of Operating Procedures (HOP) policies. In addition, the Travel Office now includes export control in step 1 of the process to plan an international trip. These are all efforts to update relevant policies and increase external awareness to travelers.*

*The Director for Research Protections is now a University President appointed voting member of the International Oversight Committee (IOC). This role allows the Office of*

*Research Compliance and Regulatory Assusrances to have greater visibility to a significant portion of international travel to help verify compliance with export control requirements.*

*Lastly, the Office of Regulatory Compliance and Regulatory Assusrances now receives (effective July 1, 2025) a semi-monthly international travel report from Anthony Travel to cross reference approved international travel and those who have completed the required export control forms.*

*The Office of Research Compliance and Regulatory Assusrances will develop additional UTEP community outreach approaches to bring awareness to the issue (newsletters, virtual 'office hours', etc.).*

**Responsible Party:**

*Victor M. Manjarrez, Jr., Ed.D., Director – Research Protections and Export Control Officer*

**Implementation Date:**

*October 1, 2025 – International Travel Auto Generated Notification*
*December 31, 2025 - HOP Policy Section VII: Financial Services, Ch. 6 Travel Policy*
*March 1,2026 - HOP Policy Section II: Student Affairs, Ch. 11 Student Travel Policy for University Organized or Sponsored Projects*
*March 1, 2026 - HOP Policy Section II: Student Affairs, Ch. 12 Student Travel Policy for Registered Student Organizations*

# RANKING CRITERIA

| | |
|---|---|
| **Priority** | An issue identified by an internal audit that, if not addressed timely, could directly impact achievement of a strategic or important operational objective of a UT institution or the UT System as a whole. |
| **High** | A finding identified by internal audit considered to have a medium to high probability of adverse effects to the UT institution either as a whole or to a significant college/school/unit level. |
| **Medium** | A finding identified by internal audit considered to have a low to medium probability of adverse effects to the UT institution either as a whole or to a college/school/unit level. |
| **Low** | A finding identified by internal audit considered to have minimal probability of adverse effects to the UT institution either as a whole or to a college/school/unit level. |

# APPENDIX A: THE ELEMENTS OF AN EFFECTIVE EXPORT COMPLIANCE PROGRAM

The following are the eight elements of an effective export compliance program as stated in the *Export Compliance Guidelines* published by the U.S. Department of Commerce- Bureau of Industry and Security.

1. Management commitment
2. Risk assessment
3. Export authorization
4. Recordkeeping
5. Training
6. Audits
7. Handling export violations and taking corrective actions
8. Build and maintain your export compliance manual

# REPORT DISTRIBUTION:

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