

Export Control Standard Operating Procedures – Restricted Party Screening

Purpose

In line with U.S. Government regulations, UC Merced conducts Restricted Party Screening (RPS) of all international stakeholders to avoid transactions with Restricted Parties.

Applicability

RPS will be conducted on all international individuals and entities that do business with UC Merced. RPS must be completed prior to the commencement of the relevant activities.

Background

United States (U.S.) federal agencies maintain lists of restricted parties that include both foreign and domestic individuals as well as organizations, including universities and other research institutions. The reasons why the U.S. Government will designate a party as restricted vary, but generally, they serve to protect the national security, foreign policy, and economic goals of the United States. Without proper authorization such as an export license, the Government prohibits U.S. individuals and organizations from collaborating with or providing materials, services, and financial support to these restricted parties. Various agencies within the U.S. Government maintain lists of restricted parties that are updated daily.

Screening Tools

Visual Compliance Within the University of California (UC) System, software called Visual Compliance is used to perform RPS to ensure that the University is not interacting with restricted, denied, or debarred parties in violation of United States law. Visual Compliance performs “Dynamic Screening” which continually rescreens all previous screenings against updated lists.

Procedures

1. Responsibilities
 - a. Export Control Liaisons
 - i. Complete training via the UC Learning Center (UCLC)
 1. Export Controls (complete every two years)
 2. Restricted Party Screening (complete annually)
 - ii. Prior to commencing any activity with foreign vendors, foreign sponsors, foreign donors, international shipments (including hand carry), iH1-B and J1 Visa holders, foreign collaborators, and any other relevant entity or individual, Export Control Liaisons will take the following action:
 1. Conduct RPS
 2. Escalate positive “hits” to the Export Control Office (ECO) at exportcontrols@ucmerced.edu
 3. Pause commencing activity until ECO provides determination.
 - b. Export Control Office provides expertise and oversight of the RPS
 - i. Provide training, guidance, and oversight to campus community
 - ii. Conduct RPS for all transactions not screened by Export Control Liaisons
 - iii. Evaluate matches or alerts and make determination based on legal requirements, risk, and consultation with leadership and stakeholders

2. Accessing Screening Tools

- a. All UC employees can register for an account with Visual Compliance to perform RPS.
- b. To register, visit <https://www.visualcompliance.com/usr> and complete the steps listed.
 - i. Fill in the form, and make sure to use your @ucmerced.edu email address.
 - ii. From there, Visual Compliance will send you an email containing a registration link.
 - iii. Once registered, log into Visual Compliance and navigate to the Restricted Party Screening tool. Login page url: <https://www.visualcompliance.com/logon.cfm>

3. Performing RPS prior to commencement of activity

- a. Access Visual Compliance account. If not already registered with a Visual Compliance account, the designated RP Screener should follow the instructions in Section 2 to create a registered account.
- b. Sign in to Visual Compliance at <https://www.visualcompliance.com/logon.cfm> and navigate to the Restricted Party Screening Tool.
- c. A critical step for utilizing the Dynamic Screening feature of RPS is to include transaction-specific information in the Comment field. Dynamic Screening allows the University to follow up on parties who were initially cleared but may subsequently be designated as restricted months or years later.
 - i. In the comment field, make sure to include key details of why this search is being performed, so that future department designees who may receive an alert about a match years later will be able to understand why this screening was initially conducted, and determine whether any follow-up is needed to resolve the match.
 - ii. Details specific to the transaction are helpful, such as: PROJECT ID if it exists, Project PI, the REASON for this screening, such as a Visiting Scholar, an International Shipment, or a payment to a foreign entity.
- d. Select “Fuzzy Level” and set it at “2”
- e. Enter both the first and last name of the individual you are screening for the broadest search results. Including additional information such as the name of their organization and their country may be useful for a follow-up step to further the search results however use of too many fields may result in false negatives.
- f. Click on the SCREEN button.
 - i. At the bottom of the page, all the different lists/databases of restricted parties that were searched for this screening should be viewable.
- g. If your screening produces NO RECORDS RETURNED or words of similar effect, indicating zero matches, please proceed with your transaction (See Instructions below for record retention requirements).
 - i. If your transaction involves an international shipment or another type of transfer of items or information outside of the US, please contact the ECO at exportcontrols@ucmerced.edu for a review.
- h. If your screening produces a match or alert, pause the transaction and notify the ECO at exportcontrols@ucmerced.edu.

- i. The ECO will evaluate the match or alert to determine if the screened information matches the RPS and applicability of results
 - ii. The ECO will make a determination and notify the Export Control Liaison
 - 1. Possible determinations
 - a. Approve: Move forward with the transaction involving the match without further action
 - b. Disapprove: Do not move forward with the transaction involving the match and notify the appropriate parties
 - c. Approve with Conditions: Move forward with all or part of the proposed transaction involving the match with provisos to address legal requirements or risk
4. Recordkeeping
- a. For record retention purposes the ECO will maintain records of RPS results and related information.
 - i. Downloaded PDFs of RPS results and related information will be saved in a shared Box folder
 - b. Export Control Liaisons will maintain records of RPS results and communications with the Export Control Office in alignment with their departmental practices.
5. Monitoring
- a. The ECO will monitor RPS on a monthly basis to ensure screenings are being conducted according to this Standard Operating Procedure and that matches are escalated properly for review and determination prior to commencement of any activity/transaction.
 - i. Risk based sampling will be performed in the monthly monitoring