

# Northwestern

## Standard Operating Procedures: Visual Compliance Enterprise License

12 July 2023

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### Rationale

Individuals participating in international research need to be able to engage with partners abroad. This Standard Operating Procedures (SOP) outlines the university’s process for screening international partnership before individuals or organizations are engaged. As a federal and non-federal contractor, Northwestern accepts responsibility for determining that it is not improperly doing business with debarred, suspended, restricted, or excluded organizations or individuals.

### Implications for Non-Compliance

There are many federal regulations related to working and partnering with individuals abroad and international organizations. Pre-screening these individuals is a critical step to ensure the partnerships adhere to the regulations. In addition, there may be licensing requirements some of these arrangements.

The U.S. Department of State’s International Traffic in Arms Regulations (ITAR), and the U.S. Department of Commerce’s Export Administration Regulations (EAR), govern not only the shipment or transfer of export-controlled items (e.g., technical data, software, materials, and equipment) outside the U.S. but also access to certain controlled items to non-U.S. persons within the U.S. In addition, the U.S. Treasury Department’s Office of Foreign Assets Control (OFAC)

regulations impose sanctions and embargoes on transactions or exchanges with designated countries, entities, and individuals.

### **Export Administration Regulations, Title 15 (EAR)**

The Department of Commerce's Bureau of Industry and Security (BIS) is charged with developing, implementing, and interpreting U.S. export control policy for dual-use commodities, software, and technology. The Commerce Control List (CCL) identifies those items regulated by BIS. The list includes commercial and dual use items not subject to ITAR or other federal regulations. Dual use items are those with both commercial and military/security applications.

**Fundamental Research Exclusion:** Most Northwestern research activities are excluded from export controls because of a general exception for fundamental research. Both provide that no licenses are required to disclose technical information if the information is in the public domain. Information is in the public domain if published and generally accessible to the public or "fundamental research in science and engineering at accredited institutions of higher learning in the U.S. where the resulting information is ordinarily published and shared broadly in the scientific community." The fundamental research exclusion applies to basic and applied research in science if the research is carried out openly and without publication restrictions (EAR 734.8. ITAR 120.34 (8) Northwestern protects the fundamental research exclusion by not accepting any restriction on publication or foreign nationals.

### **International Traffic in Arms Regulations, Title 22 (ITAR)**

The Department of State's responsibility for controlling the permanent and temporary export and temporary import of defense articles and services is governed primarily by 22 U.S.C. 2778 of the Arms Export Control Act. The United States Munitions List (USML) is a list of articles, services, and related technology designated as defense and space-related by the United States federal government.

### **Office of Foreign Assets Control, Title 31 (OFAC)**

Many university activities—even virtual ones—with comprehensively sanctioned countries or individuals in those countries may require U.S. federal authorization (e.g., licenses or exemptions). The Office of Foreign Assets Control (OFAC) of the U.S. Department of the Treasury administers and enforces economic and trade sanctions based on U.S. foreign policy and national security goals. OFAC issues both civil and criminal penalties for non-compliance.

## **Descartes Visual Compliance**

- The Office for Research and the Export Controls and International Compliance team have secured an enterprise license for the university to Descartes Visual Compliance tool.
- This license will allow for an unlimited number of users and searches annually at the university.
- Descartes Visual Compliance Restricted Party Screening automates the process by performing real-time screening through existing business systems and workflows, helping to ensure consistent and reliable screening regardless of the number of daily transactions.
- Users should use the Restricted Party Screening tool to screen all collaborators before beginning any engagement.
- The following should be screened using the Visual Compliance tool:
  - Research collaborations
  - Other collaborations
  - Visiting scholars
  - Teaching courses abroad or online
  - Presenting at conferences
  - Hosting international visitors
  - International shipments

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- Purchasing items from vendors, both domestic and international
- Exchanging personnel, materials, data, technical information, or money

Screening solutions for every step of the international trade, export, and financial compliance journey—from beginning to end.

*Credit: Descartes Visual Compliance*



In addition, Descartes Visual Compliance Export Classification Workflow is used to review the Commerce Control List and US Munition List. The classification tool is used by the export control team to determine the export controls on items (e.g., equipment, hardware, software, substances, and technology).

## Roles and Responsibilities

**Vice President for Research (VPR):** The VPR for the Office for Research has the overall responsibility for the export controls and international compliance program. The ECIC senior director reports to the senior associate vice president who reports to the VPR. The senior director is empowered with delegated signature authority for export control matters.

**Senior Associate Vice President for Research:** The Senior Associate Vice President (SAVPR) for Research directly oversees various compliance programs, including the export control compliance program. The SAVPR works closely with the ECIC Senior Director to ensure Northwestern complies with all applicable export control laws and institutional policy.

**Export Controls and International Compliance (ECIC):** Northwestern's Export Controls & International Compliance (ECIC) exists within the Office for Research and is responsible for implementing policies and procedures in compliance with the regulations governing export controls. With respect to Visual Compliance, ECIC manages the Descartes contract and account contacts. ECIC will engage the vendor to set up additional accounts. ECIC will manage the Visual Compliance User Agreements. ECIC will conduct training on the screening tool, assist departments in interpreting results, and conduct screenings through the [Research Visitor process](#) and international shipments that go through Research Safety or EshipGlobal.

**Office of General Counsel (OGC):** In coordination with, and in support of ECIC, OGC will provide guidance to Northwestern researchers and administrators on the laws, regulations, and university policies related to export controls and international compliance.

**Purchasing & Payment Services:** Purchasing will conduct screening on all new potential vendors, notify ECIC of any potential matches, and ensure we do not enter into an agreement with a denied or barred party without consulting ECIC to determine the implications and whether a license is needed or if the activity is prohibited.

**Sponsored Research:** Sponsored Research will conduct screening on all new potential partners, notify ECIC of any potential matches, and ensure we do not enter into an agreement with a denied or barred party without consulting ECIC to determine the implications and whether a license is needed or if the activity is prohibited.

**University Units:** Each unit shall designate a primary point of contact to serve as the ECIC's liaison on export and import control related matters. The liaison will be responsible for coordinating users of the Visual Compliance platform and organizing training meetings with ECIC. They will also be responsible for notifying ECIC of any employee with an account departure from the University.

## Units

### Roles and responsibilities:

- A department should screen:
  - Vendors (suppliers, independent contractors, reimbursements and refunds and modification requests)
  - Employees (payroll on sponsored program chartstring)
  - Faculty, staff, students, and visitors
  - Sponsors and subcontractors
- If you receive a screening match, you should contact the Office for Export Controls and International Compliance.

### Participating Departments:

- Procurement and Payment Services
- Sponsored Research

### Identified Departments for Accounts:

- Alumni Relations and Development
- Conflict of Interest
- International Relations
- Office of International Students and Scholars

When the enterprise account is rolled out, currently participating departments will be alerted to the change including any expanded access. Identified departments will receive communication that they now have access to the updated tool. All users will be required to sign a Visual Compliance User Agreement to continue using their licenses.

## User Accounts

Will be inactivated until a Visual Compliance User Agreement is signed and returned. This will be coordinated by ECIC in partnership with Descartes Visual Compliance. User Agreements will be housed on the ECIC SharePoint and signed via DocuSign.

## Communications

### Participating Departments:

- Procurement and Payment Services
- Sponsored Research

**Identified Departments for Accounts:**

- Alumni Relations and Development
- Conflict of Interest
- International Relations
- Office of International Students and Scholars

**Email to currently participating departments from the Senior Director for Export Controls and International Compliance**

TO: Procurement and Payment Services and Sponsored Research

FROM: Amy Weber, Senior Director, Export Controls and International Compliance

DATE: July XX, 2023

SUBJECT LINE: Updates to the Descartes Visual Compliance Screening Tool

Dear XXX,

As you all know, the federal government continues to have ongoing concerns about improper foreign interference, and federal agencies continue to increase their review requirements. International collaborations are critical to creating breakthrough advances, and Northwestern highly values global partnerships. However, to vet our partners, both domestic and international, we use the third-party tool Visual Compliance. We are writing to share that we have secured an updated version of the tool with enhanced features.

As a trusted partner who already uses the screening tool, we look forward to your continued partnership. We would like to offer training on the updated screening tool. While the functionality remains, the look and feel are somewhat different. Additionally, to remain compliant with university policy governing the use of this important tool, we ask all users to sign a Visual Compliance User Agreement. This will be sent to you via DocuSign.

We have set up a mandatory, virtual refresher training on the updated Visual Compliance tool on Monday, July 31 from 1-2p CST. Please let us know who you would like invited to the training. If you are unable to make this training, please let us know at your earliest convenience. In the meantime, please reach out with any questions.

Thank you,  
Amy Weber  
Senior Director  
Export Controls and International Compliance

## Email to identified departments from Senior Director for Export Controls and International Compliance

TO: Alumni Relations and Development, Conflict of Interest, International Relations, Office of International Students and Scholars

FROM: Amy Weber, Senior Director, Export Controls and International Compliance

DATE: July XX, 2023

SUBJECT LINE: An Introduction to the Descartes Visual Compliance Screening Tool

Dear XXX,

As you all know, the federal government continues to have ongoing concerns about improper foreign interference, and federal agencies continue to increase their review requirements. International collaborations are critical to creating breakthrough advances, and Northwestern highly values global partnerships. However, to vet our domestic and international partners, we use the third-party tool Visual Compliance.

We have secured an enterprise license to Visual Compliance with updated features and would like to offer your department a Visual Compliance account. As a trusted partner who regularly requests screenings from our team, we'd like to provide you with direct access to the tool. We would provide training and ongoing support to your team. The tool is simple and easy to use – like a basic Google search. We will continue to provide support in interpreting the results. But you will be able to get more timely results by having direct access to the tool.

Please let us know if you are interested in getting a Visual Compliance screening account(s) and who you would like to conduct the screenings. We have set up a mandatory, virtual new users training on the Visual Compliance tool on Monday, July 31 from 2:15-3:15p CST. If new users are unable to make this training, please let us know at your earliest convenience. In the meantime, please reach out with any questions

Thank you,  
Amy Weber  
Senior Director  
Export Controls and International Compliance

## Website Updates

Information will be housed under Training and Resources on the ECIC website.

Additional information can be found on the Account Management: Visual Compliance Enterprise License workflow document.

### **Website Content:**

The Office for Research and the Export Controls and International Compliance team have secured an enterprise license for the university to Descartes Visual Compliance tool. Descartes Visual Compliance Restricted Party Screening

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automates the process by performing real-time screening through existing business systems and workflows, helping to ensure consistent and reliable screening regardless of the number of daily transactions.

Users should utilize the features of the tool to screen all collaborators before beginning any engagement. The following should be screened using the Visual Compliance tool:

- International research collaborations
- Teaching courses abroad or online
- Presenting at conferences
- Hosting international visitors
- Exchanging personnel, materials, data, technical information, or money

To request an account, please email [exportcontrols@northwestern.edu](mailto:exportcontrols@northwestern.edu) and we will get the process started.

A user manual can be found here [LINK].