



Highlights of [GAO-07-70](#), a report to the Chairman, Committee on the Judiciary, House of Representatives

## Why GAO Did This Study

Foreign students and scholars have made substantial contributions to U.S. research efforts and technology development. However, according to a federal government intelligence assessment, foreign access to sensitive U.S. technology has imposed a significant but unquantifiable cost to the United States.

Given this risk, GAO was asked to (1) describe the nature of the research at universities and identify steps they take to comply with export controls and (2) assess efforts by the Departments of Commerce and State—the key export control agencies—to determine the risk of export violations in university research. GAO reviewed Commerce and State export control programs and met with officials from 13 universities, selected based on their foreign student populations, applications for export licenses, and federal grants and contracts.

## What GAO Recommends

GAO recommends that Commerce and State use available information to assess potential vulnerabilities and based on this assessment improve outreach, guidance, and interagency coordination. The agencies generally concurred, but State disagreed with our recommendation on assessing vulnerabilities. Broader assessments would increase State's knowledge of risks and help improve its guidance to universities.

[www.gao.gov/cgi-bin/getrpt?GAO-07-70](http://www.gao.gov/cgi-bin/getrpt?GAO-07-70).

To view the full product, including the scope and methodology, click on the link above. For more information, contact John Hutton at (202) 512-7773 or [huttonj@gao.gov](mailto:huttonj@gao.gov).

# EXPORT CONTROLS

## Agencies Should Assess Vulnerabilities and Improve Guidance for Protecting Export-Controlled Information at Universities

### What GAO Found

The U.S. export control system requires export licensing for defense items and items that have both commercial and military applications, except where exclusions apply, such as those applicable to universities in some circumstances. The U.S. export control agencies place the onus on universities to understand and comply with the regulations. According to university officials we interviewed, their institutions focus almost exclusively on fundamental research—defined as basic and applied research in science and engineering, the results of which ordinarily are published and shared broadly within the scientific community. Such research is generally not subject to export controls. Universities we visited conduct research in such areas as nanotechnologies, computer security, and chemical engineering. To ensure their research remains in the public domain, university officials said they negotiate contract language to remove publication or other dissemination restrictions for research they consider to be fundamental. If export controls apply, university officials stated they sometimes involve only those students eligible to conduct the research under a license exclusion, to avoid the lengthy license application process. In other cases, they refer such work to off-campus associated facilities that can better regulate and control foreign national access to the research. Universities we visited indicated that government-provided training and guidance on export control regulations is limited in informing their efforts to manage and protect export-controlled information in the university environment.

State and Commerce officials expressed concerns that universities may not correctly interpret and apply export regulations, given the large number of foreign students participating in research at universities and the relative lack of license applications from universities. Although federal internal control standards contain guidelines for agencies to conduct risk assessments, State and Commerce have not conducted an overall assessment of available trend data on technology development research and foreign participation in such research at U.S. universities to identify potential vulnerabilities. For example, U.S. government agencies collect data on foreign student nationality, school enrollment, and types of research conducted at universities for federal agencies, which could supplement information that State and Commerce receive from visa application processes and other sources. Although State and Commerce provide guidance through training seminars, agency Web sites, and telephone help desks to assist exporters in understanding and complying with regulations, officials stated that their focus is on processing export license applications—primarily from industry. Recently, Commerce established an advisory committee composed of industry and university representatives who are expected to discuss issues such as the nature of university research and its relation to export controls.