As the University of California continues to expand its international presence, the day-to-day management of underlying agreements with international partners is the responsibility of the sponsoring school, college, or department. Knowing where to begin and what to do is sometimes like playing “pin the tail on donkey” while wearing a blindfold. Everyone seems to have advice, but you are not quite sure how to apply it. Observers seem to see obstacles and opportunities that you cannot find in the dark. You may not even be sure what questions to ask. And when the blindfold finally comes off, you are surprised by the outcome, whether good or bad. However, with some strategic and tactical planning, learning from colleagues who have gone before you, knowing what questions to ask, and having a network of trusted advisors, you can significantly increase the probability of success.

If you will be responsible for administrative support of an international collaboration project or program, ask to sit in discussions during the planning and contracting phase. Decisions here will directly impact the effective and efficient administration later. Read the contract and seek counsel if necessary to interpret terms and conditions. Keep a working copy nearby for reference. Consult with the collaborators to obtain an understanding of the intent of the project or program. Talk with colleagues who have supported similar projects or programs.

Each campus has a distinct culture and infrastructure for governing and supporting international activities. Some like UC Los Angeles and UC Davis appear to have a central coordinating office, while others are more decentralized. Generally speaking, your network of trusted advisors should include someone from at least the following campus units: research administration, legal affairs, human resources, the controller’s office (accounting, payroll, taxation, and disbursements), procurement, risk management, intellectual property, trademarks, and international student and scholar support.

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Administering International Collaboration Agreements

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The path for seeking guidance may vary, but many of the questions are the same. Here are a few questions that may jumpstart your efforts.

Legal and Compliance

✦ Is the customary gift exchange with foreign officials allowed under the United States’ or their country’s anti-bribery laws?
✦ Are we conducting business in a country boycotting another that is not sanctioned by the United States government? Is UC being asked to participate in an unsanctioned boycott?
✦ Will we need to ship, transmit electronically, or carry equipment, software, or materials abroad? Will we use technological expertise abroad or disclose controlled technology and data to foreign nationals? How will we remain compliant with export restrictions?
✦ Will items need to be imported to the United States?
✦ Will the collaboration produce copyrightable or patentable works?
✦ How will the university’s name or marks be used by our collaborating partners?
✦ What are the key deliverables and milestones?
✦ Who is authorized to make decisions for each party? What are the limits on that authority? How are disputes resolved? Which set of laws and jurisdictions will apply?
✦ What licenses or approvals are needed to conduct business?

Finance and Accounting

✦ What financial obligations and restrictions are associated with the agreement?
✦ Is there a need for a local bank account in the foreign country? What local currency controls exist?
✦ Will there be a need for large cash transactions, particularly $10,000 or greater?
✦ What are the sources of funding for the project? Are there special reporting needs? Are federal or state funds used as a part of the collaboration? What happens to unused funds at the end of the project?
✦ Are there any United States or local taxation or related reporting requirements?
✦ Will transfer pricing be needed?
✦ What currency will be used to conduct business? How will fluctuations in exchange rates be handled?

Human Resources

✦ Will we hire US citizens to work abroad? How do we assure compliance with non-discrimination laws? Will the employee be stationed overseas for greater than 330 days during 12 consecutive months?
✦ Will the university hire local employees in the host country, or work through a host institution?
✦ How will immigration, visa, and work permit issues be handled?
✦ How will health care or other employment benefits be applied in the host country?

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Risk Management

- Have environment, health, and safety considerations been evaluated and necessary actions taken?
- Will the use of vehicles be required overseas?
- Have all travelers registered with the UCTRIPS Travel Insurance Program?
- Have emergency protocols been established for potential crises?

Procurement

- Will the campus need to secure office or other space in the host country?
- How will fixed assets be acquired and tracked abroad?
- Are cash payments allowable for the procurement of goods or services?
- When the collaboration ends, what happens to the procured goods (e.g., computers and other equipment)?

This is far from an exhaustive list of topics to consider when administering an international collaboration. But hopefully, it will get you thinking and moving in the right direction.

Plan the work, and then work the plan. *Bon Voyage!*

New Class — How to be a Risk Manager

At the University of California we’re always saying “everyone’s a risk manager.” But how do you DO risk management? Using situations you may find familiar, members of Risk Services will share their quick and dirty method for evaluating risk. After completing this one-hour training, you will have the skills to identify and address the risks associated with a variety of campus activities. We’ve scheduled three sessions so far:

Monday, July 9 from 10-11am
Thursday, July 26 from 2-3pm
Tuesday, July 31 from 11am-12pm

All classes will be held in 670 University Hall and are limited to 15 participants.

To sign up:

- Go to blu ([http://blu.berkeley.edu](http://blu.berkeley.edu)).
- On the blu home page, click on the link for UC Learning Center at the bottom of the left-hand column.
- On the UC Learning Center home screen, type “how to be a risk manager” in the Search box.
- To complete your registration, click on the class time you want.

Depending on demand, we will schedule additional classes. Keep checking LMS for updates!
The Be Smart About Safety Program — Maybe You Can Get Funding!

Each year the Office of the President-Risk Services provides campuses with funding to prevent losses. The program is called Be Smart About Safety or BSAS. At UC Berkeley, Risk Services administers the BSAS program for general liability, property liability, automobile liability, and employment liability issues. (Environment, Health & Safety administers BSAS for Workers’ Compensation issues.)

Here are a few of the projects Risk Services has approved for funding in the past year:

- Removal of the closed footbridge over the South Fork of Strawberry Creek (between Chavez Student Center and Dwinelle Hall)
- Removal of an obsolete wooden structure on Observatory Hill (near McConi Hall)
- Upgrades to security systems in California and Le Conte Halls
- Installation of networked video cameras to monitor human safety along Grinnell Pathway
- Purchase of tracking software to recover stolen campus laptops

Risk Services will be receiving fresh BSAS funds from the Office of the President in July. If you are aware of a serious general, property, or automobile risk that a relatively small appropriation can fix, you are welcome to apply for a BSAS grant by contacting Risk Manager Andy Goldblatt at omandias@berkeley.edu. Please include the following information:

- Nature of risk
- Proposed solution
- Cost of solution (invoices or estimates greatly appreciated)

Risk Services will evaluate BSAS applications from both a risk and cost perspective. Funding is limited, so not all applications will be granted. In some cases, Risk Services may only be able to fund part of a loss prevention project. Applications are subject to approval not just from Risk Services, but from the Chancellor’s Office and the Office of the President-Risk Services.

Announcements

We’ve Moved!

Both Audit and Advisory Services and the Office of Ethics, Risk and Compliance Services have moved. Please note our new locations as noted in the Contacts section on the last page of this newsletter.
The inaugural year of the Bridging the Gap information sharing series was a success with 182 individuals participating in one or more sessions. Some of the comments received from your colleagues were:

“Really appreciate audit taking time to have this series of presentations”
“THANK YOU SOOOO MUCH! for your time and knowledge sharing”
“This Audit Series has been great!”
“Both extremely entertaining and informative. The 90 minutes absolutely flew by.”

We are pleased to announce that the series will continue in July. Space is limited to 60 participants so please register using the UC Learning Center available in the “Self Service” section of the Blu portal. The next session — “Ask the Auditor” — is scheduled for Monday, July 30, 2012 from 3-4:30pm in 150 University Hall.

The following sessions are also available for registration.

Monday, August 27, 2012 (3-4:30pm): “May I Speak Frankly? The Attorney-Client and Work-Product Privileges” with Christopher Patti

Wednesday, September 26, 2012 (3-4:30pm): “Achieving Success Through Managing Risk: Lessons from the Successful (and Disastrous) 1911 Discovery of the South Pole” with Hans Gude

The entire schedule for FY 2013 will be posted on the Upcoming Events page of our website (http://audit.berkeley.edu/UpcomingEvents.shtml) by the end of July. For additional information please visit our website, email us at audit@berkeley.edu, or call us at 510-642-8292.
FY 2012-2013 Audit Plan

Thank you to the many members of the campus community who participated in the annual risk assessment on which the audit plan was based. At the May meeting the Committee on Audit, Internal Control and Financial Accountability approved the audit plan for fiscal year 2013.

- IT Governance (system)
- IT Architecture
- Travel and Entertainment
- Shared Services
- Support and Affiliated Organizations
- Online Education Programs
- Identity and Access Management
- Extramural Funds Accounting
- Delegation of Authority and Signature Authorization
- Research Enterprise Services
- Timekeeping and Leave Accrual
- BearBuy
- Key Financial Controls
- Privacy
- Chancellor's Office
- Youth on Campus
- Student Financial Aid - Middle Class Access Plan
- Major Construction - California Memorial Stadium

For additional information please visit our website at http://audit.berkeley.edu.