

De-Mystifying the Office of Inspector General General w/r/t Research Security



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Intro to the Office of Inspector General

- Overview and Role of IGs
 - Structure
 - Audits, Investigations, Inspections, Assessments, Evaluations
 - Independence
 - PAS vs DFE
 - Dual Reporting Obligations
 - Objectives
 - Protect integrity of process and federal funds & Identify and help the agency mitigate risks
 - Impacts
 - 2020 potential savings of \$53 billion/\$17 ROI for each dollar invested in OIGs



How do investigations start?

- Hotline/Intake/Proactive Reviews
 - HOW:
 - Phone, Email, Walk-ins, USPS, FedEx
 - WHO
 - General Public, Program Staff, PIs, Students, Employees, Media, Congress, Whistleblowers
 - WHAT (happens next)
 - Assessed for investigative merit
 - Predicate/Systemic Issue (ex: Using a residence as a business address)
 - Can't do everything – Logical Defensible Conclusion

Different types of investigations?

- Investigator's role vs. DOJ/Prosecutor's role
- **Criminal**
 - Beyond a Reasonable Doubt
- **Civil**
 - Preponderance of the evidence
- **Administrative**
 - More likely than not

NSF OIG Journey into Research Security

- Timeline
 - Late 2017-FBI approached us after following one of our cases
 - Jan 2018-Briefed Agency Officials, OIGs, formed working group
 - Feb 2018-Found our lane-Grant Fraud (Not CI)
 - Apr 2018-Based on information received we were able to predicate a number of initial investigations
 - Collaboration vs. Theft/False Statements



Autopsy of a Talent Plan Contract

- Party A vs. Party B
- Recruitment
- Patents & Publications
- Intellectual Property
- Punishment
- Benefits



Contractual Obligations (1 of 5)

1. DUTIES & RESPONSIBILITIES (Patent, Publication, and Recruitment obligations)

(2) Party B's Job Responsibilities:

1. Responsible for the discipline direction, core technology research and development and the development of research rules for the research institute's in vitro synthetic biology.

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2. Responsible for team construction and application and implementation of major scientific research projects for the organization's in vitro synthetic biology area;

3. Responsible for patent applications and technology industry transformations for the research institute's in vitro synthetic biology results, and achieve transformation and transfer of 2-3 science and technology achievements in 3-4 years.

4. Responsible for cultivation of young talents in related disciplines and technical fields.



Contractual Obligations (2 of 5)

2. Other Resources including Lab Space and Supplemental Research Funding

11. Other Matters Agreed by Both Parties

(1) Regarding startup funding: 2 million yuan in the initial stage will be in place upon the signing of the project tasking document. However, if the relevant funding from the institute has not been received, Party A may pay aforetime. The funding to support the scientific research may continue within three to four years of Party B's full time status, depending on the need of the project. In principle minimum total funding is 20 million yuan.

(2) Regarding laboratory and office space: 300 square meters in the initial stage; more lab and office space may be added depending on the demand of the project.

(3) Regarding scientific research assistants: allocate the staffing of three current projects for building the team of Party B. Party B may decide to hire nine scientific researchers according to Party A's procedures.

Contractual Obligations (3 of 5)

3. JOB REQUIREMENTS (Non-Disclosure clause, subject to penalties and Protection of Intellectual Property obtained under the Period of Performance)

III. Job Discipline and Technology Confidentiality Requirements

(1) Party A has the right to establish and improve the appraisal system according to the job description in order to establish clear authority, clearly defined duties, strict evaluation standards and strict rules for rewards and punishments.

(2) Party B must strictly abide with the laws and regulations of the state and local governments, abide by the rules and regulations of Party A and work disciplines, and obey the Party A's leaders and managers.

(3) If Party B violates the rules and regulations and the work disciplines, Party A has the rights to proceed with criticism and education and will handle it accordingly.

(4) Party B cannot disclose or transfer Party A's technical achievements or technical information

(5) Upon termination or cancellation of employment contract, all laboratory notes, work reports and data must be returned to Party A. Without Party A's permission, Party B cannot use

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Party A's technical achievements and materials and shall not infringe Party A's technical economic rights and interests; otherwise Party A will pursue legal responsibilities against Party B.

Contractual Obligations (4 of 5)

4. PROHIBITED TERMINATION CLAUSE Part 1

(6) Party B cannot unilaterally terminate the employment contract should one of the following situations occur:

1. During employment with national major scientific research project;
2. Has access to key technology and information of major scientific achievements and in the confidentiality time period;

Contractual Obligations (5 of 5)

5. TERMINATION CLAUSE Part 2 (Penalties & Punishment)

10. Liabilities of the Employment Contract Violations

1. Financial compensation should be provided to the other Party if any loss is inflicted on the other Party when either Party violates this contract.

2. If Party A provides Party B compensation package for imported talent, should Party B request to terminate the contract during the valid period, Party B is liable of breaching the contract according to talent referral regulations.

3. Party B should repay the training cost to Party A when Party A pays for Party B's training, and Party B requests to terminate this contract before expiration of this contract. The standard pay-back is no higher than the amount that is decreased by 20% for every service year after the training.

4. Party B is liable for the legal responsibility when Party B violates this contract to use or to allow other party to use Party A's intellectual property or trade secrets.

5. Party B shall be liable for compensating Party A for the actual loss if Party B infringes this contract and inflicts losses on Party A. If Party B infringes this contract and causes interruption to Party A for fulfilling contract, Party B shall continue to fulfill the contract and compensate, at the same time, the financial losses to Party A during the interruption time period.

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6. Other violation to the terms that are agreed by both Parties.

None.

Journey Continued...

- Blind Case Study related to the Talent Contract as context to tie all of the concepts we spoke to earlier...
- How did the case start?
- What happened next?
- Criminal, Civil, both or neither?
- Then what happened?
- What else did we learn?
- Final Disposition?

Where are we going...

- Collaborate and Share Best Practices with Program Personnel, Policy Makers, and other Law Enforcement
- Hosted a Suspension and Debarment Workshop for Feds (Nov 2020)
- Agent level working group to share resources and best practices (Est. 2018)
- Collaborate and Coordinate
 - FBI-National Counterintelligence Task Force
 - DOJ National Security Division
 - Outreach to Institutions

QUESTIONS

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