

# Should I Disclose That?

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# Objectives



**MSU'S COMMITMENT  
TO INTERNATIONAL  
COLLABORATION**



**BACKGROUND AND  
CURRENT  
ENVIRONMENT**



**GENERAL  
GUIDELINES AND  
DEFINITIONS**



**AGENCY SPECIFIC  
REQUIREMENTS**



**BEST PRACTICES**



# Background and Current Environment

## MSU's commitment to foreign collaboration

Statement from Dr. Julie Jordan...

*Open and collaborative fundamental research has served as a scientific and economic boon to the U.S. and the world. MSU is dedicated to the development of globally competent students and internationally engaged faculty. The research and education enterprises, however, are put at risk when other governments endeavor to benefit from it without upholding the values of openness, transparency and reciprocal collaboration. To that end, it is critical that our faculty, staff, and students adhere to laws, regulations and disclosure requirements regarding international collaborations.*





## Case Study: Dr. Song Guo Zheng

- May 2020 – Dr. Zheng, Professor of Rheumatology at The Ohio State University, received over \$4M in NIH grant funding while he received overlapping funding from the National Science Foundation of China and was a member of a Chinese government talent recruitment program and was affiliated with at least five research institutions in China.
- The foreign funding and affiliations were not disclosed to NIH or his university.
- He was arrested after being caught trying to flee to China. On his person he was carrying two laptops, three cell phones, multiple USB drives, expired Chinese passports for his family, several silver bars, and deeds for property in China.
- He pleaded guilty and was sentenced to 37 months in prison for research fraud due to making false statements to federal authorities.
- <https://www.justice.gov/opa/pr/university-researcher-sentenced-prison-lying-grant-applications-develop-scientific-expertise>



## Case Study: Dr. Charles Lieber

- June, 2020 – Dr. Lieber, Chair of Harvard University's Chemistry and Chemical Biology Department, was indicted on charges of making false statements to federal authorities regarding his participation in China's Thousand Talents Plan.
- July, 2020 – superseding indictment for failing to file foreign bank and financial statements with IRS.
- Dr. Lieber's research was funded by more than \$15M in grants from the NIH and Dept of Defense, which require the disclosure of all sources of research support, potential financial conflicts of interest and all foreign collaboration.
- It is alleged that in 2011, Dr. Lieber became a "Strategic Scientist" at Wuhan University of Technology in China and later became a participant in China's Thousand Talents Plan where he was awarded \$1.5M to establish a lab and was paid a salary of up to \$50,000 per month and living expenses of \$158,000.
- <https://www.justice.gov/opa/pr/harvard-university-professor-indicted-false-statement-charges>



## Case Study: Dr. Feng Tao

- August, 2020 – Dr. Tao, a chemist at the University of Kansas, was indicted on four counts of fraud for failing to disclose a full-time appointment at a Chinese University and membership in a Chinese government talent recruitment program while receiving federal funds.
- Dr. Tao was accused of wire fraud regarding an email related to travel, submission of a grant application to DOE, email regarding a research project, submission of a university conflict-of-interest form, and more. He was also accused of making false statements on the university conflict-of-interest form, and in an email to DOE.
- <https://www.nytimes.com/2019/11/04/health/china-nih-scientists.html>



## Case Study: Dr. Gang Chen

- January, 2021 – Dr. Chen, Professor of Mechanical Engineering at MIT, was indicted on charges of wire fraud, failing to report a foreign bank account, and making false statements in a tax return
- Dr. Chen’s research was funded by \$19M from the US Dept of Energy, Dept of Defense, and DARPA. DOE requires a biosketch and current and pending support disclosures as part of the grant application process. A 2017 DOE proposal omitted his PRC appointments, activities, awards, and affiliations.
- It is alleged that Dr. Chen was a member of at least two PRC Talent Programs and served in several advisory roles for the PRC and PRC entities.
- <https://www.justice.gov/usao-ma/pr/mit-professor-indicted-charges-relating-grant-fraud>



Zheng Criminal Complaint  
 Fraud Concerning Federal Funds  
 False Statements  
 Lieber Indictment  
 False Statements  
 Tao Indictment  
 Wire Fraud and 3 Counts Program Fraud  
 Chen Criminal Complaint  
 Wire Fraud  
 Failing to File Foreign Bank Account  
 Making False Statements

UNITED STATES DISTRICT COURT  
 DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA  
 v.  
 CHARLES LIEBER,  
 Defendant

Criminal No. \_\_\_\_\_  
 Violations:  
Counts One and Two:  
 False Statements  
 (18 U.S.C. § 1001(a)(2))

INDICTMENT  
**COUNT ONE**  
 False Statements  
 (18 U.S.C. § 1001(a)(2))

The Grand Jury charges:  
 On or about \_\_\_\_\_, 2018, in the District of Massachusetts, the defendant, CHARLES LIEBER,

UNITED STATES DISTRICT COURT  
 for the  
 District of Massachusetts

United States of America  
 v.  
 GANG CHEN  
 Defendant(s)

Case No. 21-mj-1011-DLC

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.  
 On or about the date(s) of 3/17/2017, 3/25/2019 & 4/15/2019 in the county of Middlesex in the  
 District of Massachusetts, the defendant(s) violated:  
 Code Section  
 18 U.S.C. § 1343  
 31 U.S.C. §§ 5314 & 5322  
 18 U.S.C. § 1001(a)(2)

Offense Description  
 Wire Fraud  
 Failing to File Report of Foreign Bank and Financial Accounts  
 Making False Statements to the Agency of the United States Government

UNITED STATES DISTRICT COURT  
 for the  
 Southern District of Ohio

United States of America  
 v.  
 SONGGUO ZHENG  
 Defendant(s)

Case No. 2:20-mj-375

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.  
 On or about the date(s) of May 23, 2020 in the county of United States in the  
 Southern District of Ohio, the defendant(s) violated:  
 Code Section

18 U.S.C. § 666 (Fraud or Bribery  
 Concerning Programs Receiving  
 Federal Funds)  
 18 U.S.C. § 1001(a)(1) (Statements  
 and Entries Generally) (a)(1)  
 (Statements and Entries Generally)

Continued on the attached sheet.

Complainant's signature  
 Timothy S. S.

Matthew McCarty, Jr.  
 Complainant's signature

## Why the concern?



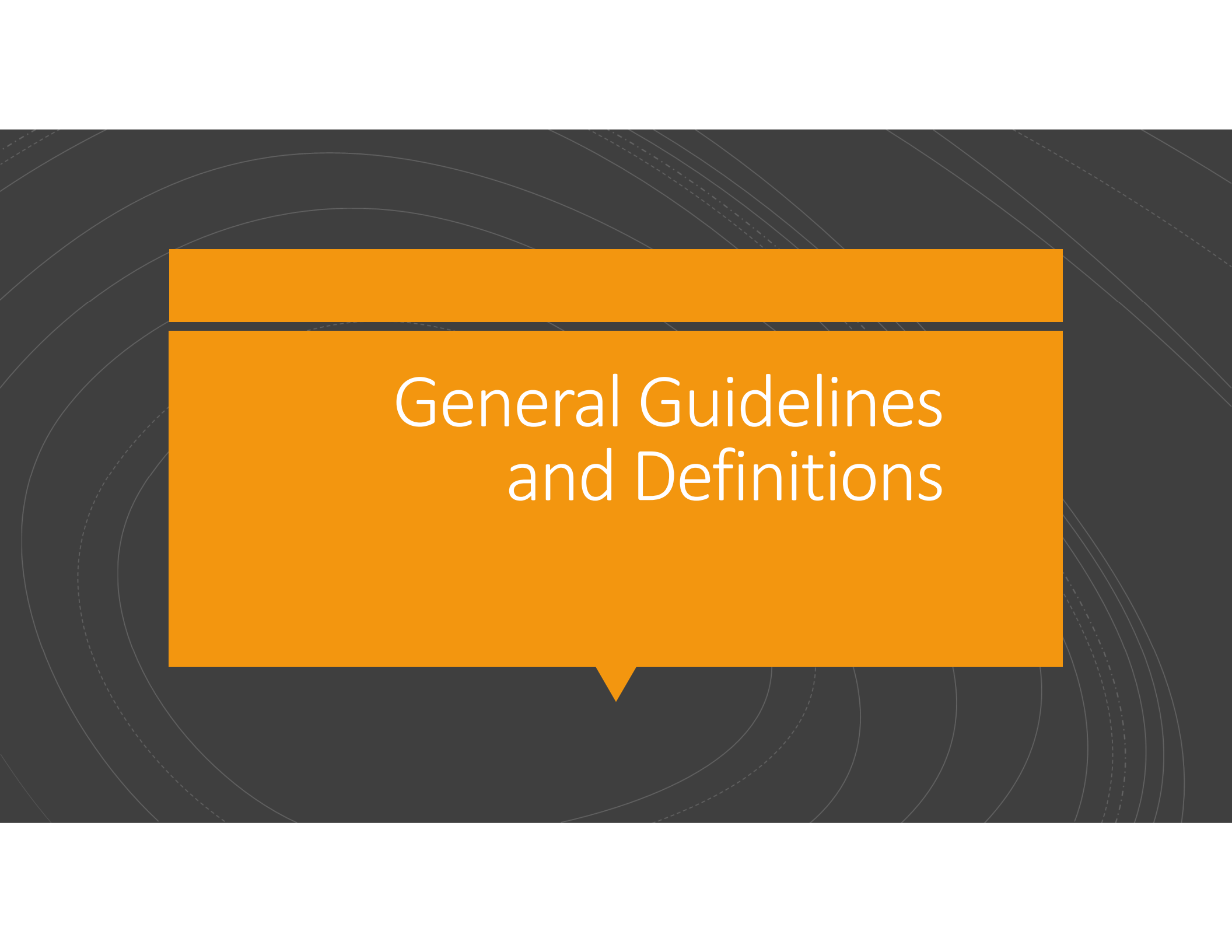
Undisclosed sources of foreign research support cause funding agencies to make ill-informed funding decisions. Some cases have led to duplicative projects and conflicts of commitment.



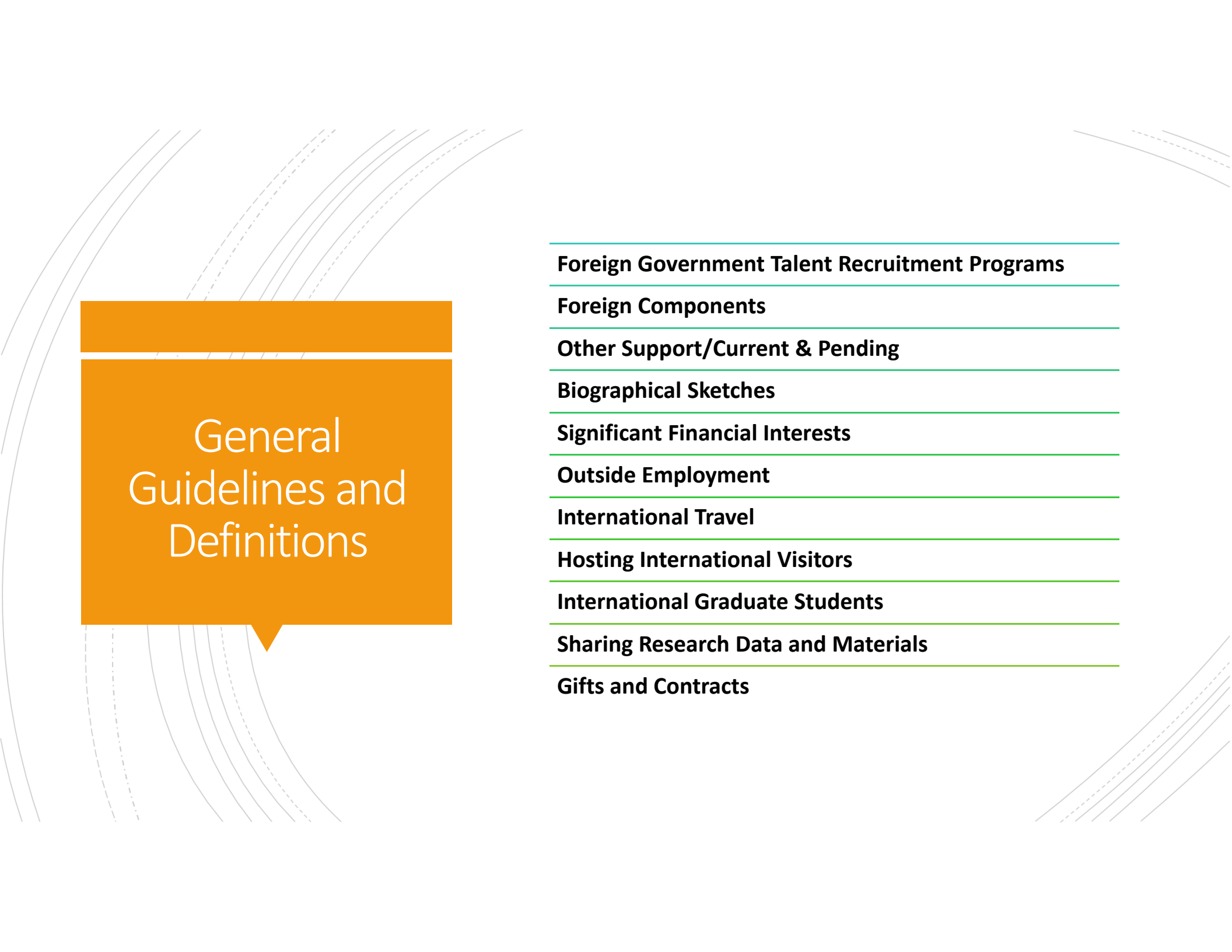
Undisclosed financial conflicts of interest like equity in foreign companies have led to awards that were inadequately managed for prevention of bias.



“The types of behaviors that we are seeing are not subtle or minor violations,” Mike Lauer says. “What we are seeing is really quite egregious.”



# General Guidelines and Definitions



# General Guidelines and Definitions

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**Foreign Government Talent Recruitment Programs**

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**Foreign Components**

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**Other Support/Current & Pending**

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**Biographical Sketches**

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**Significant Financial Interests**

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**Outside Employment**

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**International Travel**

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**Hosting International Visitors**

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**International Graduate Students**

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**Sharing Research Data and Materials**

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**Gifts and Contracts**



## Foreign Government Talent Recruitment Programs

- China's Thousand Talents Plan is the most prominent and was established by Beijing in 2008 to recruit the world's leading figures in research and innovation and provide their expertise back to China.
- Recruits generally sign contracts that obligate them to produce scientific outputs, publish the results of their work in the name of the sponsor, allow the sponsor to assert IP rights over their outputs, and recruit other researchers into the program in exchange for lucrative compensation packages, prestigious titles, and custom-built laboratories.
- Membership is not illegal but it is prohibited by some funding agencies and it must be disclosed.
- China is trying to rebrand the TTP.

# Foreign Components/ International Activities



**Any significant segment of the research that is performed outside of the U.S whether or not grant funds are expended**



**Should be disclosed in new proposals, progress reports, and final technical reports**



**The following activities would constitute a foreign component:**

Research involving humans or animals

Extensive travel for data collection, surveying, sampling

Collaborations with investigators anticipated to result in co-authorship

Use of facilities or instrumentation

Receipt of financial support resources from a foreign entity



**Obtain prior approval when adding a Foreign Component to an existing award**

## Other Support/ Current and Pending



**Includes all ongoing and proposed research activities in direct support of an individual's research endeavors**



**Any item or service given with an expectation of a certain time commitment**



**Regardless of whether or not they have monetary value and regardless of whether they are based at the home institution**



**May be provided directly to the individual (e.g., foreign talent program)**



**Other examples include:**

Financial support for lab personnel

Provision of high value materials that are not freely available

In-kind contributions such as lab space, equipment, supplies, employees, students

Summer support for 9-month faculty

## Biographical Sketches

Biosketches should include:

All positions and affiliations – including international affiliations

Could be full-time, part-time, or voluntary (adjunct, visiting, or honorary)

Could include paid or unpaid appointments, positions, or honors

Could include teaching courses or student advisory activities





## Significant Financial Interests

Per the Financial Conflict of Interest policy via the Financial Disclosure Form, all Significant Financial Interests (SFI) of the employee, spouse, and dependent children must be disclosed

Includes any SFI that appears to be related to your institutional responsibilities

# Financial Disclosure Form

Significant Financial Interests

Foreign Gov't Talent Recruitment Program

Other Support

ORC Financial COI Disclosure Form Doc. Nbr: 468075  
Status: DRAFT/FILED  
Initiator: BH 185  
Created: 09:51 AM 06/14/2020

Document Overview +

Personal Information -

Name	Amy Frowd
NSU ID	928 855 076
NSUID	90185
Department	L-Enterprise Education Systems

For **ORC 02** anyone involved in the design, conduct, or reporting of a covered research project must complete this form prior to proposal submission and at least annually or within 30 days of acquiring a new Significant Financial Interest.

Please ensure that your Financial Conflict of Interest training is current prior to completion of this form.

A "Significant Financial Interest" means a financial interest consisting of one or more of the following that is related to your Institutional Responsibility (professional expertise):

- \$2,500 or more in salary, consulting fees, advisory board fees, remuneration, honoraria, gifts, or "kickback" compensation from an outside entity in the past 12 months.
- \$5,000 or more in equity or ownership interest (including stock options) in a publicly-traded company.
- Any equity or ownership interest in a private company (e.g., start-up company).
- An appointment to serve in a fiduciary role (director, officer, partner, trustee, or any position of management) for an outside company whether or not remuneration is received.
- Receipt of patent/copyright licensing fees or royalties from an outside entity.
- Any travel that is sponsored or reimbursed by an outside entity.
- Any compensation whose value could be affected by the outcome of research conducted at NSU.

Entities -

I have no Significant Financial Interests to disclose.

If you have Significant Financial Interests to disclose add each Entity:

\* Entity (does not include federal, state, or local US governments or domestic institutions of higher education)

I receive salary, consulting fees, advisory board fees, honoraria, gifts, "in kind", or other remuneration in the following amount:

I have equity or ownership interest in this entity that is publicly-traded:

I have equity or ownership interest in this entity that is privately-traded:

I serve in a fiduciary role:

I receive patent or copyright licensing fees or royalties:

I was reimbursed or sponsored in travel by this entity in the following amount (include travel, meals, lodging, etc.):

I received other compensation that could be affected by the outcome of research in the following amount:

Foreign Government Talent Recruitment Program -

A "Foreign Government Talent Recruitment Program" is a program sponsored by some foreign governments or affiliates with distinguishing features that generally include compensation and recruitment.

I participate in a Foreign Government Talent Recruitment Program:

If yes, name of program:

Other Support -

\*Other Support\* includes all outside resources (from foreign and domestic entities) directly supporting your research endeavors, regardless of whether or not they have monetary value. This includes (but is not limited to):

- full academic, professional, or institutional appointments whether or not remuneration is received, and whether full-time, part-time, or voluntary (including adjunct, visiting, or honorary).
- Research resources such as personnel, lab space, scientific materials, or high value materials that are not freely available (e.g., biological, chemical, model systems, technology, etc.).

I have other support:

If yes, describe other support:

Character(s) Remaining:

Certification

I certify that:

- The above information is true to the best of my knowledge.
- I understand that this form does not grant approval for outside employment activities. See Policy 1488 GR.4.15
- I will submit an updated financial disclosure form within 30 days of any changes to my financial interests.

Notes and Attachments -

\* Note Text:

Attach File:

ADD:

Next Recipient -

Approve:

Route Log -

Title	ORC Financial COI Disclosure Form	Doc. Id	468075
Type		Created	09:51 AM 06/14/2020
Initiator	<a href="#">BRYANNE</a>	Last Modified	09:51 AM 06/14/2020
Route Status	IN PROGRESS	Last Approved	
Route(s)	Auto Routing	Revised	

**What type of Outside Employment?**

Consulting
   
  Business
   
  Expert Witness

**Employee Details**

\* Employer Name

\* Street Address Line 1

Street Address Line 2

Street Address Line 3

\* City

\* State

\* Country

\* Zip/Postal Code

\* Location of Principal Activity

\* Will the work be carried out under any business or trade name? (i.e. LLC, PA, Co.,d/b/a, Corp., Partnership)  Yes  No

\* Nature of Work

# Outside Employment

60.415

# International Travel



IF INTERNATIONAL TRAVEL IS PAID FOR OR REIMBURSED BY AN OUTSIDE ENTITY, THIS CONSTITUTES A SIGNIFICANT FINANCIAL INTEREST AND MUST BE DISCLOSED



IF INTERNATIONAL TRAVEL IS FOR THE PURPOSE OF DATA COLLECTION, SURVEYING, SAMPLING, OR SIMILAR ACTIVITIES ON A FEDERALLY-FUNDED PROJECT, THIS COULD CONSTITUTE A FOREIGN COMPONENT

# Hosting International Visitors



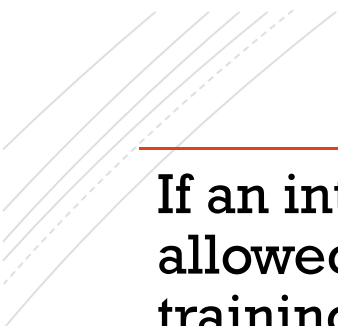
If hosting international visitors, an **Official Visitor Agreement** may be required



A **Restricted Party Screening and Export Control Assessment** must be conducted



If the visitor is funded by an outside entity and is working on **federally-funded research**, this may constitute **Other Support**



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**If an international graduate student is allowed to pursue their academic training while located outside of the U.S. and the student needs to conduct research as part of their training, this could constitute a Foreign Component**

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**Transmitting controlled information to a foreign graduate student is considered a deemed export so the country of origin and research project must be considered**



International  
Graduate  
Students

# Sharing Research Data and Materials

Sharing Research Data and Materials could be considered a Foreign Component

Prior to sharing items with a foreign collaborator, it is important to consider:

- **Ownership and use conditions**
- **Appropriate agreement**
  - Material Transfer Agreement, Data Use Agreement, Confidential Disclosure Agreement, Non-disclosure Agreement, etc
- **Outgoing items are considered exports and may need a license**
  - Biological or chemical samples, lasers, munitions, etc
- **Incoming items are considered imports and may need a license**
  - ITAR-controlled items always require a license
- **Biological specimens, certain fish and wildlife and products made from them, some fruits, vegetables, plants, seeds, and soil, items from embargoed countries may need a permit or license**

## Gifts and Contracts

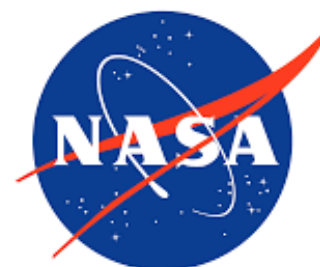
- Section 117 of the Higher Education Act requires reporting of contracts with and gifts from a foreign source that, alone or combined, are valued at \$250,000 or more in a calendar year
  - If there is a time commitment, it is not a gift!



The background features several concentric, curved lines in shades of gray, some solid and some dashed, creating a sense of depth and movement. A large, solid orange callout box is centered on the page, containing the text.

# Agency Specific Requirements

Agency Specific Requirements





NIH

## Other Support

- Used to prevent scientific, budgetary, or commitment overlap
- NIH interprets “financial resources” broadly
  - Not just salary support from another project but also other forms of support such as carrying out research under an appointment with another institution and that institution provides support in the form of non-monetary resources

## Biographical Sketch

- List all positions and appointments that are relevant to an application whether or not remuneration is received
- Disclose affiliations or appointments that are likely to be cited in NIH-funded publications

The NIH logo is a large orange speech bubble shape with the letters "NIH" in white, centered within it. The background of the slide features decorative curved lines in shades of gray and orange.

NIH

## Foreign Components

- SF424 application asks if the project involves activities outside the U.S. or partnership with International Collaborators
- Any work that will be done in a foreign country should be included in the performance sites section of the application

## Just-In-Time (JIT)

- All pending support at the time of application submission and prior to award must be reported using JIT procedures
- Any substantive changes to previously submitted JIT information must be assessed for budgetary or scientific overlap

The NIH logo is displayed in white text on a solid orange background. The background consists of two stacked rectangular shapes: a smaller one on top and a larger one below it, with a small triangular point at the bottom center of the larger shape. The entire logo is set against a white background with faint, decorative curved lines in shades of gray.

NIH

## Research Performance Progress Report (RPPR)

- Any changes to foreign involvement or new foreign involvement should be reported using the RPPR
- If Other Support is obtained after the initial award period the details must be disclosed in the annual RPPR
- Include visitors who dedicate at least one month of effort to the project in the budget year, whether or not the effort is compensated
- Address any substantive changes by submitting a prior approval request

NIH  
January 25, 2022

## Supporting Documentation

- For Other Support submissions that include foreign activities and resources, recipients are required to submit copies of contracts, grants or any other agreement specific to senior/key personnel foreign appointments and/or employment with a foreign institution as supporting documentation. If they are not in English, recipients must provide translated copies. This supporting documentation must be provided as part of the Other Support PDF following the Other Support Format page.

NSF



## **Biographical Sketch**

Appointments include any titled academic, professional, or institutional position whether or not remuneration is received, and whether full-time, part-time, or voluntary (including adjunct, visiting, or honorary)



## **Current and Pending Support**

Information must be provided for all current and pending support irrespective of whether such support is provided through the proposing organization or directly to the individual

All projects and activities that require a time commitment must be reported (no minimum has been established), even if the support received is only in-kind, even if it falls outside of an individual's appointment

# NSF

## Facilities, Equipment, and Other Resources

- If in-kind contributions are intended for use on the project being proposed to NSF, the information must be included as part of the Facilities, Equipment, and Other Resources and need not be disclosed in Current and Pending Support

## International Activities

- The NSF proposal application cover sheet asks if there are any international activities and what country/countries are involved.



Department of  
Defense (DOD)  
March 20, 2019

- All DoD Notices of Funding Opportunities pertaining to research and research-related educational activities shall require proposers to submit the below information for all key personnel:
  - A list of all current projects as well as any future support applied for regardless of source
  - Titles and objectives of the other projects
  - Percentage of year devoted to the other projects
  - Total amount of support
  - Name and address of agencies supporting other projects
  - Period of performance of other projects

Department of  
Energy (DOE)  
June 7, 2019/Sept 4,  
2020

- Order 486.1A, Department of Energy Foreign Government Talent Recruitment Programs prohibits DOE federal and contractor employees from participating in certain foreign government talent recruitment programs

National  
Aeronautics and  
Space Agency  
(NASA)  
April 2011

- NASA is prohibited from providing funding to participate, collaborate, or coordinate bilaterally in any way with China or any Chinese-owned company – including Chinese universities and research institutes. This is not a prohibition on the participation of Chinese nationals. The university must certify compliance with this restriction for each proposal and award.

# Best Practices

