


Name of Policy: <u>Foreign Gifts & Contracts Reporting</u> Policy Number: 3364-15-19 Approving Officer: President Responsible Agent: Chief Compliance Officer Scope: All Campuses, Including UT Foundation		 Original effective date: March 3, 2021	
Key words: Foreign, Gift, Contract, Report, Education, Research, Aid, Foundation, Source			
<input checked="" type="checkbox"/>	New policy proposal	<input type="checkbox"/>	Minor/technical revision of existing policy
<input type="checkbox"/>	Major revision of existing policy	<input type="checkbox"/>	Reaffirmation of existing policy

(A) Policy statement

The University receives Title IV federal student aid. Section 117 of the Higher Education Act of 1965 (20 U.S.C. § 1011f) requires higher education institutions that receive Title IV federal student aid to submit disclosure reports to the Secretary of Education about gifts received from any foreign source, contracts with any foreign entity, and any ownership interest in, or control over the higher education institution by a foreign entity of which the aggregate value is \$250,000 or more. Whenever it appears that an institution has failed to comply with the requirements of this section, including any rule or regulation promulgated under this section, a civil action may be brought by the Attorney General.

This policy implements the requirements of Section 117 of the Higher Education Act of 1965, 20 U.S.C. § 1011f, which requires the University to disclose gifts, contracts, and/or restricted and conditional gifts or contracts from or with foreign sources (“Section 117 Transaction”) to the U.S. Department of Education (“Department”). University departments involved in a Section 117 Transaction must report these transactions semi-annually to the University Internal Audit and Compliance Office as described in this policy.

(B) Purpose of policy

To ensure compliance with Section 117 of the Higher Education Act.

(C) Scope

Each department at the University of Toledo is responsible for identifying and reporting gifts received from any foreign source, contracts with any foreign entity, and any ownership interest in, or control over the higher education institution by a foreign entity. The department will ensure that all the required information to complete the Higher Education Act Section 117 report is recorded and submitted to the University Internal Audit and Compliance Office on a semi-annual basis. The Vice President of the applicable department’s division will serve as the

“signing authority” in attesting to the gifts and contracts reported from foreign sources, and all signing authorities accepting contracts and/or gifts are expected to report completely and in a timely manner. The Executive Director of Internal Audit and Chief Compliance Officer will be responsible for the semiannual reporting of these gifts and contracts.

Each department should retain the following information in the event there is a need to produce additional information later: department/individual recipient, Principal Investigator’s name/contact, agreement number, sponsor name, sponsor address, and project title.

Since the aggregate threshold of \$250,000 may be triggered by a combination of gifts or contracts from a single foreign source, and that such gifts or contracts (or information about those transactions) may be administered in a number of departments within the University, the Internal Audit and Compliance Office shall review the semi-annual submissions and report any gifts that exceed the aggregate threshold for all foreign source contracts and gifts received. The relevant offices may include but are not limited to: Research and Sponsored Programs (including any office responsible for receiving sponsored research agreements, industry contracts, and clinical trial contracts); Finance and Administration; Technology Transfer and Licensing; Development/ Institutional Advancement; University of Toledo Foundation; Study Abroad; Financial Aid; Facilities and Construction; and all corresponding offices at the University of Toledo Medical Center. The relevant period for retention is the University’s standard retention schedule.

HEA Section 117 reports are due twice per calendar year: January 31 (covering the previous July 1-December 31 period) and July 31 (covering the previous January 1-June 30 period). A school must report information by January 31 or July 31 (whichever is sooner) after the date of receipt of the gifts, date of the contract, or date of ownership or control. To facilitate Internal Audit and Compliance’s aggregation and preparing to file the federal report, departments must submit all disclosures by January 15 (for the previous July 1-December 31 period) and July 15 (for the previous January 1-June 30 period).

(D) Definitions

Contract: any agreement for the acquisition by purchase, lease, or barter of property or services by the Foreign Source, for the direct benefit or use of either of the parties.

Foreign Source

- A foreign government, including an agency of a foreign government.
- A legal entity, governmental or otherwise, created solely under the laws of a foreign state or states.
- An individual who is not a citizen or a national of the United States or a trust territory or protectorate thereof.
- An agent, including a subsidiary or affiliate of a foreign legal entity, acting on behalf of a Foreign Source.

Gift: any gift of money or property.

Institution: any institution, public or private, or, if a multi-campus institution, any single campus of such institution, in any State, that—

- is legally authorized within such State to provide a program of education beyond secondary school.
- provides a program for which the institution awards a bachelor’s degree (or provides not less than a 2-year program which is acceptable for full credit toward such a degree) or more advanced degrees.
- is accredited by a nationally recognized accrediting agency or association and to which institution Federal financial assistance is extended (directly or indirectly through another entity or person), or which institution receives support from the extension of Federal financial assistance to any of the institution’s subunits.

Restricted or conditional gift or contract: any endowment, gift, grant, contract, award, present, or property of any kind which includes provisions regarding—

- the employment, assignment, or termination of faculty.
- the establishment of departments, centers, research or lecture programs, or new faculty positions.
- the selection or admission of students.
- the award of grants, loans, scholarships, fellowships, or other financial aid restricted to students of a specified country, religion, sex, ethnic origin, or political opinion.

(E) References

- (1) The Department also addresses the reporting requirement in its “[Federal Student Aid Handbook](#),” Volume 2, Chapter 6.
- (2) Foreign Gifts and Foreign Contracts Reporting [procedures](#) are located on the Internal Audit and Compliance webpage.
- (3) Section 117 of the HEA ([20 U.S.C. § 1011f](#)) – [Requirements for reporting](#)
- (4) For questions regarding this guidance, contact Executive Director of Internal Audit and Chief Compliance Officer David Cutri at David.Cutri@utoledo.edu.

<p>Approved by:</p> <p><u>/s/</u> Gregory C. Postel, M.D. President</p> <p><u>March 3, 2021</u> Date</p> <p><i>Review/Revision Completed by:</i></p> <p><i>Chief Compliance Officer, SLT</i></p>	<p>Policies Superseded by This Policy:</p> <ul style="list-style-type: none"> • <i>n/a</i> <p>Initial effective date: March 3, 2021</p> <p>Review/Revision Date: n/a</p> <p>Next review date: March 4, 2024</p>
---	--