
SECTION 117: REPORTING FOREIGN GIFTS AND CONTRACTS

SCOPE: Louisiana State University and Agricultural and Mechanical College (LSU)

EFFECTIVE: May 1, 2021

PURPOSE: The purpose of this FASOP is to establish the requirements of LSU to comply with Section 117 of the Higher Education Act of 1965 (20 U.S.C. § 1011f).

Whenever any institution is owned or controlled by a foreign source or receives a Gift from or enters into a Contract with a foreign source, the value of which is \$250,000 or more, considered alone or in combination with all other Gifts from or Contracts with that foreign source within a calendar year, the institution shall file a disclosure report with the Secretary of Education (through the Department of Education) on January 31 or July 31, whichever is sooner.

Additionally, when an institution receives a restricted or conditional Gift or Contract from a foreign source, the institution must also disclose the conditions or restrictions associated with the Gift or Contract.

DEFINITIONS:

- A. **Contract** refers to 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.
- B. **Foreign Source** refers to any one of the following:
 - i. a foreign government, including an agency of a foreign government;
 - ii. a legal entity, governmental or otherwise, created solely under the laws of a foreign state or states;
 - iii. an individual who is not a citizen or a national of the United States or a trust territory or protectorate thereof;
 - iv. an agent, including a subsidiary or affiliate of a foreign legal entity, acting on behalf of a foreign source;
- C. **Gift** herein refers to any Gift of money or property.
- D. **Institution** refers to any institution, public or private, of, if a multi-campus institution, any single campus of such institution, in any State that-
 - i. is legally authorized with such State to provide a program of education beyond secondary school;
 - ii. 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; and

- iii. 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.

E. Reporting Date herein refers to January 31 and July 31.

F. Restricted or Conditional Gift or Contract refers to any endowment, gift, grant, contract, award, present, or property of any kind which includes provisions regarding:

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

G. Semi-annual Reporting Periods herein refers to two reporting periods: January 1 - June 30 and July 1 - December 31.

H. Units refers to individual departments and affiliates (i.e. Tiger Athletic Foundation).

*The definitions of "Contract," "Foreign Source," and "Gift" articulated in this FASOP apply only for the purposes of this FASOP and compliance with **Section 117**; they do not define how these terms are generally used or understood at LSU.*

COMPLIANCE COMMITTEE:

A. Committee Purpose: The Compliance Committee is a workgroup responsible for the oversight of, and compliance with, this policy and processes. It oversees the reporting by units, review, and preparation of information relating to Foreign Sourced Gifts and Contracts pursuant to Section 117, and it ensures the timely filing of the semiannual reports. The Committee is also responsible for timely reminders to units prior to the due date. After all information is compiled and reviewed, a representative from Accounting Services - Bursar Operations is responsible for the filing through the FSA website semi-annually.

B. Committee Members: The Compliance Committee is composed of Representatives from, but not limited to, the following departments within LSU and its affiliates:

- i. Accounting Services
- ii. Affiliate Entities
- iii. Financial Aid
- iv. Information Technology Services
- v. Academic Affairs
- vi. Office of Research and Economic Development

PROCEDURES:

A. Reporting Requirements: To comply with Section 117, all units receiving Gifts or entering into Contracts must properly track and record Gifts pursuant to the policy. A Gift must be recorded when the Gift is received. A Contract must be reported when the Contract is executed, or at the time payments are received.

Immediately after the end of a reporting period, Accounting Services - Bursar Operations will distribute a survey to business officers across campus to obtain an inventory of units that have reportable payments. Once a unit has been identified, a request will be sent to provide the information listed in Section C below for each payment. This information is due to Accounting Services - Bursar Operations 10-business days prior to the semi-annual reporting date.

While all LSU individuals, units, and affiliates involved in receiving Gifts or entering into Contracts share in this responsibility, the units represented on the Compliance Committee are specifically responsible for gathering and producing data to be used in the University's semi-annual reporting cycle.

B. Reporting by Units: The following information is required when a reportable item is identified:

- i. Source Name, Address, Country
- ii. Source Type (i.e. Government, Legal Entity, Individual, Agent)
- iii. Transaction Type (i.e. Gift or Contract)
- iv. Dollar Value
- v. Date Received
- vi. Reporting Period (i.e. July 1-December 31)
- vii. Start and End Date(s) (for Contracts only)
- viii. Information related to any Restrictions or Conditions
- ix. Intermediaries or Domestic Parties
- x. Reporting Department with Department Contact Name and E-Mail
- xi. Comments (if needed)

Additionally, units are responsible for maintaining supporting documentation related to the Gift or Contract in the event of an internal or external review. Documents are to be maintained in accordance with the University's *record retention policy*.

C. Review and Threshold: Information submitted by each unit is reviewed for accuracy and completeness by Bursar Operations who will aggregate the information by source. If the total aggregate of payments from a Foreign Source for a calendar year meets or exceeds the \$250,000, it is reported on January 31 or July 31, whichever is sooner.

D. Semi-Annual Reporting: A representative from Accounting Services - Bursar Operations is responsible for the reporting to the Department of Education's FSA Foreign Gift and Contract Disclosure Website.

When submitting, the representative must acknowledge that the information is subject to 18 U.S.C. §1001. It provides that whoever knowingly and willfully falsifies, conceals, or covers up by any trick,

scheme, or device a material fact; makes any materially false, fictitious, or fraudulent statement or representation; or makes or uses any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry, may be subject to fines and imprisonment.