



## Foreign Influence/HEA Section 117 Compliance Reporting

### Overview

Section 117 of the Higher Education Act requires institutions to report that any gift or contract payment (or combination of payments) received from a foreign source exceeding \$250,000, in whole or in part, within a calendar year, must be disclosed to the Secretary of Education at the United States Department of Education (ED) on January 31 or July 31, whichever is sooner.

### Definitions

**Foreign Source** – for the purposes of this policy means (1) a foreign government or agency of a foreign government; (2) a legal entity created solely under the laws of a foreign state or states; (3) an individual who is not a citizen or national of the United States; or (4) an agent acting on behalf of a foreign entity.

**Contract** – any legally enforceable agreement for the purchase, lease, or barter by a foreign source, for the benefit of the institution or the foreign source.

**Gift** – any transfer of money or property to a receiving party with without consideration to the transferring party.

### Process

All transactions where the University of Wisconsin-La Crosse (UWL) or an intermediary organization, such as the UWL Foundation (UWLF) or the UWL Alumni Association, is receiving funds from a foreign source are required to be disclosed to Business Services. Business Services then aggregates these transactions and makes a determination of whether they are required to be reported to ED or not.

### Reporting Requirements

UWL departments are expected to make reasonable efforts to determine if an entity they are engaged in a transaction with is a foreign source. Business Services offers two questionnaires on its web site that can be provided by departments to an entity to aid in determining whether the entity is a foreign source or not. Completed questionnaires should be retained by departments for their own records but any positive determinations of a foreign source transaction should be communicated to Business Services via email to [businessservices@uwlax.edu](mailto:businessservices@uwlax.edu) using the appropriate form.

The Office of Research & Sponsored Programs (ORSP) will report any foreign source transactions occurring on funds 133 and 144 to Business Services and the UWLF will report any occurring on fund 233. Therefore, only transactions occurring on funds other than 133, 144, and 233 or in-kind transactions need to be reported to Business Services by departments outside of ORSP and the UWLF. A form with fields for the required information is provided on the Business Services web site and should be used for making these disclosures. The Cashiers Office within Business Services reports any relevant foreign tuition payments to the Controller each reporting period.



Section 117 reporting of foreign transactions to ED is required twice per calendar year, on January 31 and July 31. As such, foreign transactions need to be reported to Business Services according to the following timeline:

1. Transactions from foreign sources between January–June: by July 20
2. Transactions from foreign sources between July–December: by January 20

Business Services will communicate this policy to relevant departments twice per calendar year, at the beginning of each six-month reporting window (January 1 and July 1) and make any required disclosures of applicable payments to ED by the ED reporting deadlines.

Purchases made by UWL from a foreign source generally do not need to be reported. However, in unusual cases where a substantial discount is being provided to UWL, the transaction should be reported to Business Services for further evaluation of possible Section 117 reporting requirements.

Roles and Responsibilities

<b>Unit</b>	<b>Responsibilities</b>
Office of Research & Sponsored Programs	Reports contract and grant payments received on funds 133 and 144 to Business Services.
Intermediary Organizations (UWL Foundation, UWL Alumni Association, etc.)	Report gifts received on fund 233 from a foreign source to Business Services.
Campus Departments	Report contract obligations or payments received on funds other than 133, 144, and 233 or in-kind to Business Services.
Business Services	Compiles foreign transactions reported from campus and makes determinations for Section 117 reporting to ED.

Policy Contact

For any questions related to this policy or transactions involving foreign sources, please contact Business Services at [businessservices@uwlax.edu](mailto:businessservices@uwlax.edu).

Policy Reference

Further information about Section 117 of the HEA can be found at the ED web site here:

<https://www2.ed.gov/policy/highered/leg/foreign-gifts.html>

Policy Owner

Responsibility for the enforcement of this policy rests with the Controller of Business Services.

Last updated: March 31, 2021.