

21.05.02 Federal Reporting of Foreign Gifts, Donations, Grants, Endowments and Contracts

Approved August 19, 2003

Revised May 6, 2011

Revised September 10, 2014

Next Scheduled Review: September 10, 2019



Regulation Statement

Academic members of The Texas A&M University System (system) have certain federal disclosure requirements when they accept gifts from foreign sources.

Reason for Regulation

The failure of academic members to properly comply with the federal disclosure requirements for gifts from foreign sources can result in sanctions and financial risk to the institution.

Procedures and Responsibilities

1. If an academic member receives a gift, donation, grant or endowment (GDGE) 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 GDGEs from, or contracts with, that foreign source within a calendar year, the academic member must file a disclosure report with the United States Secretary of Education on January 31 or July 31, whichever is sooner.
 - 1.1 The report for a GDGE received from, or a contract entered into with, a foreign source other than a foreign government must include the aggregate dollar amount of the GDGE or contract attributable to a particular country. The country to which a GDGE or contract is attributable is the country of citizenship or, if unknown, the principal residence for a foreign source who is a natural person, and the country of incorporation or, if unknown, the principal place of business for a foreign source which is a legal entity.
 - 1.2 The report for a GDGE received from, or a contract entered into with, a foreign government must include the aggregate amount of all GDGEs and/or contracts received from that foreign government.
2. Notwithstanding the provisions of Section 1, if an academic member receives a restricted or conditional GDGE or contract from a foreign source, the academic member must provide a report to the United States Secretary of Education.

- 2.1 The report of a restricted or conditional GDGE or contract received from a foreign source other than a foreign government must disclose:
- (a) the amount, the date and a description of conditions or restrictions;
 - (b) the country of citizenship or, if unknown, the principal residence for a foreign source who is a natural person; and
 - (c) the country of incorporation or, if unknown, the principal place of business for a foreign source which is a legal entity.
- 2.2 The report of a restricted or conditional GDGE or contract received from a foreign government must include the amount, the date, a description of conditions or restrictions and the name of the foreign government.

3. Relation to Other Reporting Requirements

The U.S. Department of Education will accept a copy of a report required by any other department, agency or bureau of the Executive Branch in lieu of a report required by Sections 1 and 2 if the report contains requirements substantially similar to those in Title 20, United States Code, Section 1011f.

4. Failure to Comply with Federal Reporting Requirements

If an academic member fails to file a required disclosure statement with the United States Secretary of Education, the United States Attorney General may bring suit to compel compliance. The academic member may be liable for the payment of full costs to obtain compliance.

Related Statutes, Policies, or Requirements

[20 U.S.C. § 1011f, *Disclosures of Foreign Gifts*](#)

[System Policy 21.05, *Gifts, Donations, Grants and Endowments*](#)

[System Regulation 21.05.01, *Gifts, Donations, Grants and Endowments*](#)

Prior to the May 2011 version, this regulation was numbered as:
System Regulation 25.07.02, *Reporting of Foreign Contracts, Gifts, Donations, Grants and Endowments*

Definitions

Academic member – any system member that:

- (a) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, or persons meeting the requirements of 20 U.S.C. § 1091(d);

- (b) is legally authorized to provide education beyond secondary education;
- (c) provides an educational program for which the institution awards a bachelor's degree or provides not less than a 2-year program that is acceptable for full credit toward such a degree, or awards a degree that is acceptable for admission to a graduate or professional degree program; and
- (d) is accredited by a nationally recognized accrediting agency.

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) a foreign government, including an agency of a foreign government; (b) a legal entity, governmental or otherwise, created solely under the laws of a foreign state or states; (c) an individual who is not a citizen or a national of the United States or a trust territory or protectorate thereof; or (d) an agent, including a subsidiary or affiliate of a foreign legal entity, acting on behalf of a foreign source.

GDGE – any gift, donation, grant or endowment of money or property that is described in System Policy 21.05.

Restricted or conditional GDGE – any gift, donation, grant, endowment, contract, award, present or property of any kind which includes provisions regarding (a) the employment, assignment or termination of faculty; (b) the establishment of departments, centers, research or lecture programs, or new faculty positions; (c) the selection or admission of students; or (d) 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.

Member Rule Requirements

A rule is not required to supplement this regulation.

Contact Office

System Office of Budgets and Accounting
(979) 458-6100