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Subject: Section 117 of the Higher Education Act

This announcement is to remind postsecondary institutions of their legal obligation to report to the Department of Education ownership and control by foreign sources as well as gifts from and contracts with foreign sources that have a total value of $250,000 or more within a given calendar year. Institutions are obligated to file a disclosure report with the Secretary on January 31 and July 31. We are also announcing a new reporting system, and, if the associated information collection is approved by OMB under the Paperwork Reduction Act, institutions will have the option to use either the new or current system for the January 2020 report. The Department encourages institutions opting for January 2020 reporting using the current system to voluntarily supplement using the new system within a reasonable time. However, institutions are not obliged to do so.

**When is an Institution Required to Report**

An institution that receives the benefit of a gift from or a contract with a foreign source that totals $250,000 or more in a calendar year must file a disclosure report with the Secretary on January 31 and July 31.

**Which schools are required to report?**

All institutions, public or private, or, if a multi-campus institution, any single campus of such institution, in any State, that is—

(A) legally authorized within such State to provide a program of education beyond secondary school;

(B) 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

(C) 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.

**What does the new report include?**
Please see [https://ifap.ed.gov/fregisters/FR121719.html](https://ifap.ed.gov/fregisters/FR121719.html) to understand what information the new collection would include.

**How the Report is Submitted**

Institutions have two options—

- Use the current system, the electronic application or E-App at [https://eligcert.ed.gov/](https://eligcert.ed.gov/). Schools enter the information in Section K, Question 71; any restrictions or conditions pertaining to gifts or contracts can be entered in Question 69. Schools then complete the signature page in Section L and submit the report.

- Use the new system to submit the new information (if approved by OMB). FSA will provide a link to the new system once it is live through an electronic announcement in January 2020.

**Failure to Comply**

When schools do not meet the requirements in Section 117 of the HEA the Secretary of Education may request that the Department of Justice undertake a civil action in federal district court to ensure compliance.

**Sources of Information and Help**

The statutory requirement to report on ownership/control by and gifts/contracts with foreign sources is found in HEA Sec. 117 [20 U.S.C. 1011(f)]. For help with this issue, contact [FSAForeignGiftReporting@ed.gov](mailto:FSAForeignGiftReporting@ed.gov).