



TEXAS TECH™

Operating Policy and Procedure

OP 62.12: Foreign Sources and Transactions Reporting

DATE: March 13, 2025

PURPOSE: The purpose of this Operating Policy/Procedure (OP) is to assure that Texas Tech University (TTU) complies with federal and state requirements for reporting foreign sources or transactions.

REVIEW: This OP will be reviewed every two years after publication by the Assistant Vice President and Controller. Substantive revisions will be routed through administrative channels to the Senior Vice President for Administration & Finance and Chief Financial Officer.

POLICY/PROCEDURE

1. Policy Statement

It is the policy of Texas Tech University to submit disclosures of financial transactions and/or support from foreign sources in accordance with federal regulations, state law, and institutional policy, including TTU [System Regulation 01.03](#). In the event there are federal or state law changes or there is a discrepancy between this OP and federal or state laws, any laws that are more restrictive than this OP will prevail.

2. Background

Certain federal and state agencies require disclosures for financial transactions and/or support of gifts from and contracts with a foreign source, whether received directly or indirectly through an affiliate entity or intermediary. Required disclosures include, but are not limited to, the following:

- a. Department of Education Section 117 – In accordance with Section 117 of the Higher Education Act (HEA) of 1965, as amended ([20 U.S.C. 1011f](#));
- b. Department of Education HEA Title VI reporting – In accordance with [20 U.S.C. 1132-7](#);
- c. National Science Foundation FFDR – In accordance with Section 10339B, Foreign Financial Support, of the CHIPS & Science Act of 2022 ([42 U.S.C. § 19040](#)) (P.L. 117-167) (the “CHIPS Act”);
- d. Texas Higher Education Coordinating Board – In accordance with Texas [Executive Order No. GA-48](#); and
- e. Bureau of Economic Analysis (BEA) Survey of Transactions in Selected Services and Intellectual Property with Foreign Persons – In accordance with International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, [22 U.S.C. 3101-3108](#)).

3. Definitions

- a. Contract – An agreement for the acquisition by purchase, lease, or barter of property or services by the foreign source (i.e., revenue contracts) for the direct benefit or use of either party. For the purposes of this policy, contracts also include sponsored project agreements, licensing agreements, and student sponsorship agreements (tuition and fee contracts).
- b. Gift – Any gift of money or property to TTU or to an affiliated entity, for the benefit of TTU.
- c. Foreign source – A foreign government or any agency thereof, a legal entity created under the laws of a foreign state, an individual who is not a citizen or national of the United States or a trust territory or protectorate thereof, or an agent acting on behalf of a foreign source.
- d. Affiliated entity – An entity whose primary purpose is to benefit TTU as outlined in TTU [System Regulation 04.04, Affiliated Entities](#).

4. Procedures

- a. Accounting Services collects data for all incoming gifts from and revenue contracts with foreign sources from applicable departments and affiliate entities for a given reporting period.
 - (1) Gifts include those received by TTU, or an affiliated entity for the benefit of TTU, during the reporting period where applicable. Pledges are not reported until funds are actually received.
 - (2) Contracts may be assessed based on the value as of the date of execution or as revenue is received under a given contract, depending on each agency's disclosure reporting requirements where applicable. Where exact amounts are not specific in a contact document, TTU will use a reasonable valuation methodology where applicable.

	Department/Affiliate
Internal Departments	TTU Procurement Services
	TTUS Institutional Advancement
	TTU Student Business Services
	TTU Office of Research Commercialization
	TTU Cash and Credit Management
Affiliated Entities per TTU System Regulation 04.04, Affiliated Entities	Museum of Texas Tech University Association
	Ranching Heritage Association
	Red Raider Facilities Foundation, Inc.
	TTFI Holdings, LLC (via TTUS Institutional Advancement)
	Texas Tech Alumni Association
	Texas Tech Foundation, Inc. (via TTUS Institutional Advancement)
	Texas Tech Law School Foundation
	Texas Tech Parents Association
	Texas Tech Research Park, Inc.

- b. Accounting Services aggregates revenue data and summarizes by source. Where the value, considered alone or in combination with all other gifts from or contracts with that foreign source, exceeds the applicable reporting threshold, a disclosure report is prepared as required.
- c. For the BEA Survey of Transactions in Selected Services and Intellectual Property with Foreign Persons, Payroll & Tax Services provides data for purchases from foreign persons to TTU System Accounting & Reporting for system-level reporting as required.

5. Responsibilities

a. Accounting Services

- (1) Maintain accounting records of sponsored project agreements established with foreign sources;
- (2) Aggregate, evaluate, and report foreign gift and revenue contract disclosures to external federal and state agencies and TTU System Accounting & Reporting as applicable and as required;
- (3) Maintain detailed internal procedures outlining the varying requirements of each agency; and
- (4) Monitor industry and peer compliance news to keep reporting requirements up-to-date and document new and/or changing requirements for compliance.

b. Cash and Credit Management Services

- (1) Maintain records of transactions related to student sponsorship agreements, wires, and checks from foreign sources; and
- (2) Provide applicable data for wires, checks, and contract billing transactions to Accounting Services as required for reporting.

c. TTU System Institutional Advancement

Maintain records of gifts received from foreign sources to provide applicable data to Accounting Services in accordance with [TTU OP 02.07, Disclosure of Certain Gifts from Foreign Persons](#), and as required for reporting.

d. Office of Research Commercialization

Maintain records of licensing agreements to provide applicable data to Accounting Services as required for reporting.

e. Payroll & Tax Services

Provide records of purchases from foreign persons to TTU System Accounting & Reporting as required for reporting.

f. Procurement Services

Maintain records of revenue contracts properly submitted to Procurement Services in accordance with [TTU OP 72.02, Contract Management Procedures](#), and [TTU OP 72.04, Contract Administration](#), and provide applicable data to Accounting Services as required for reporting.

g. Student Business Services

Maintain records and contracts related to student sponsorship agreements and provide applicable data to Accounting Services as required for reporting.