

# Committee's Letter to DOE Signals Heightened Scrutiny of Foreign Funding in Higher Education

Matthew Kennison, Sandra L. Musumeci

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On February 19, 2025, the Committee on Oversight and Government Reform – specifically, Rep. Virginia Foxx and Committee Chairman James Comer – sent a [letter](#) to the U.S. Department of Education (DOE) Acting Secretary, Denise Carter, requesting documents and information regarding DOE’s enforcement of Section 117 of the Higher Education Act of 1965 (Section 117), which requires institutions that receive federal financial assistance to bi-annually file disclosure reports with the Secretary of Education. The letter notes that DOE foreign funding reports “show that foreign nations gave more than \$57 billion to U.S. institutions since 1981,” and alleged that “many institutions have failed to make disclosures for funds since received since 2020.”

The letter describes Section 117’s requirements that “[r]eports must disclose gifts received or contracts executed with a foreign source, valued at \$250,000 or more, or if an institution is owned or controlled by a foreign source.” The letter notes that under the prior Trump administration, the DOE opened investigations into twelve institutions related to foreign funding, but under the Biden administration, “enforcement and monitoring of Section 177 reporting has been ‘uneven at best.’” The letter also stated the Committee’s view that the “lax approach to monitoring Section 117 disclosures” has been “exacerbated by the sheer lack of reporting.”

The letter concludes with a list of specific information demands to DOE, including most notably a list of Section 117 compliance investigations opened since January 20, 2021 and closed after January 20, 2021 (including names of the institutions under investigation, the amounts received, and what entities affiliated with the institutions may have been involved), as well as all referrals of Section 117 noncompliant institutions to the Attorney General under 20 U.S.C. § 1011f(f)(1) since January 20, 2021.

The Kelley Drye White Collar, Investigations and Compliance team is monitoring this development closely. Please contact us to discuss how we can support your goals in the next few critical months and beyond.