HIGHER EDUCATION GLOBAL ENGAGEMENT: REGULATION, COMPLIANCE & BEST RISK MANAGEMENT PRACTICES

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LEARNING OBJECTIVES

- Understand current trends in study abroad
- Understand current trends in international programs compliance & regulation
- Understand how to develop a checklist for international locations, partners, and 3rd party providers
- Understand best practices and protocols for risk mitigation associated with global engagement
Current Trends in Study Abroad
LEADING DESTINATIONS

TOP TEN DESTINATIONS FOR U.S. STUDY ABROAD STUDENTS

- U.K. 12%
- Spain 9%
- Italy 11%
- Ireland 3%
- Germany 4%
- France 6%
- China 4%
- Japan 2%
- Australia 3%
- Costa Rica 3%

32% of U.S. study abroad students are hosted by the United Kingdom, Italy, and Spain.

Open Doors is conducted by the Institute of International Education with the support of the Bureau of Educational and Cultural Affairs of the U.S. Department of State. Online at: www.iie.org/opendoors
In 2014/15 there was an increase of 3% over the prior year in the number of U.S. students studying abroad.

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Summer remains the most popular term to study abroad (39%)
The proportion of U.S. minority students studying abroad has increased modestly over the past ten years.
FIELDS OF STUDY

TOP FIVE MAJOR FIELDS OF STUDY OF U.S. STUDY ABROAD STUDENTS

- STEM Fields: 24%
- Business: 20%
- Social Sciences: 17%
- Foreign Language & International Studies: 8%
- Fine and Applied Arts: 7%

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22,431 U.S. students participated in non-credit work, internships, and volunteering abroad in 2014/15, in addition to the 313,415 who received academic credit for study abroad.

Mexico, Nicaragua, and the Dominican Republic are the top 3 hosts of U.S. non-credit education abroad.
MOST POPULAR DESTINATIONS

TOP TEN DESTINATIONS FOR U.S. STUDY ABROAD STUDENTS

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Trends in International Programs
Compliance and Regulation
Outside the “Safe Haven” of Campus

- Unfamiliar laws of foreign countries will apply!
- New/no legal structure
- New/no financial controls over transactions
- Changing business landscapes
- Different health and safety considerations
- Different time zones, different languages
- Little to no governance to monitor changes in programs
- Lack of home campus infrastructure to support programs
- Technology challenges—mobile connectivity; data security; network compatibility
US LAW AND REGULATION

- IRS Form 990-Schedule F
- Form TDF 90-22.1 (FBAR)
- Clery Act
- ADA
- FERPA
- Foreign Corrupt Practices Act
- U.S. Export Control Act
- Anti-Boycott Laws
- Title 9
- OFAC
FOREIGN LAW

 Employment
  • – Benefits
  • – Withholdings
  • – Job descriptions
  • (Contractor? Employee?)

 Tax

 Registration requirements

 Capital (cars, buildings etc.)

 Banking

 Boycott requirements

 Non-profit (does the concept exist?)

 Data management

 Visa compliance
Best Practices and Protocols for Risk Mitigation associated with Global Engagement
FORUM STANDARDS

- **Standard 8: Health, Safety, Security, and Risk Management**: The organization prioritizes the health, safety, and security of its students through policies, procedures, advising, and training.

  http://www.forumea.org/standards-standards.cfm
Prevent, Detect, & Mitigate

How to prevent risk:
- program planning,
- departmental communication,
- central training,
- defined accountability, policy development etc.

How to detect risk:
- transaction reviews, budget requests, new hires
- news and information releases,
- data mining--travel systems, AP, bank transfers, etc
How Mitigate Risks

- Appropriate staffing / competencies
- Contractual arrangements
- Expert partners
- Periodic evaluations
- Documented procedures and protocols
- Effective internal and international communications
- Crisis Planning and Practice
RESOURCES

- Develop your checklist: Follow your risk map – who, what, where, how long

- Who:
  
  Identify the Travelers and their authority
  - Can they sign contracts or MOU’s
  - Are they able to financially or legally obligate the institution to binding agreements?

- Will your US based staff “work” outside of the US for a long term period of time?
- Will any local nationals be hired
- Have you engaged with Human Resources regarding the terms of the employment contract?
DEVELOPING YOUR CHECKLIST

- What is the purpose of travel/contract/work
  - Is there anything about the contracting entity that changes your compliance issues?
  - Does the work require in-country banking, lease agreements or establishing a Joint Venture?
  - Is the purpose/work still “education” or has the industry changed i.e. energy exploration, engineering, tour operating - compliance rules can vary based upon the work being performed
DEVELOPING YOUR CHECKLIST

- Where will the exposure take place?
  - Identify not just the country but the Province/State as laws can change
  - What is the applicable legal system and has your exposure changed?
  - Are there unique tax implications with respect to in-country local coverage requirements?
  - Is there exposure to natural disaster or increased risk of terrorism?
DEVELOPING YOUR CHECKLIST

- Third Party Providers allows for broader program offerings across multiple disciplines
- Shifts the burden of planning, vetting, sourcing to another dedicated resource
- Does not relieve you of liability for the well keeping of the program participants
  - Have you reviewed their process for vendor selection? Does the selected transportation company have well documented maintenance records, drug screening etc. What is their process for vetting home stay families?
- Carefully review the contract and insurance coverage and limits required of vendors
Questions??????