

any program, expenditure, or other financial transaction or undertaking observed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or made contrary to the requirements of this subchapter. A copy of each report shall be furnished to the President and to the Endowment at the time submitted to the Congress.

**(g) Audits by United States Information Agency**

The financial transactions of the Endowment for each fiscal year shall be audited by the United States Information Agency under the conditions set forth in subsection (f)(1).

**(h) Recordkeeping requirements; audit and examination of books, etc.**

(1) The Endowment shall ensure that each recipient of assistance provided through the Endowment under this subchapter keeps separate bank accounts or separate self-balancing ledger accounts with respect to such assistance and such records as may be reasonably necessary to fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(2) The Endowment shall ensure that it, or any of its duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance provided through the Endowment under this subchapter. The Comptroller General of the United States or any of his duly authorized representatives shall also have access thereto for such purpose.

**(i) Annual report; contents; testimony respecting report**

Not later than February 1 of each year, the Endowment shall submit an annual report for the preceding fiscal year to the President for transmittal to the Congress. The report shall include a comprehensive and detailed report of the Endowment's operations, activities, financial condition, and accomplishments under this subchapter and may include such recommendations as the Endowment deems appropriate. The Board members and officers of the Endowment shall be available to testify before appropriate committees of the Congress with respect to such report, the report of any audit made by the Comptroller General pursuant to subsection (f), or any other matter which any such committee may determine.

**(j) Grantee; conflict of interest**

After January 31, 1993, no member of the Board of the Endowment may be a member of the board of directors or an officer of any grantee of the National Endowment for Democracy which receives more than 5 percent of the funds of the Endowment for any fiscal year.

(Pub. L. 98-164, title V, §504, Nov. 22, 1983, 97 Stat. 1040; Pub. L. 99-93, title II, §210(b), (d), Aug. 16, 1985, 99 Stat. 432; Pub. L. 100-204, title II, §211, Dec. 22, 1987, 101 Stat. 1376; Pub. L. 102-138,

title II, §§211(d), 215, Oct. 28, 1991, 105 Stat. 695, 697; Pub. L. 103-236, title II, §228, Apr. 30, 1994, 108 Stat. 423; Pub. L. 108-271, §8(b), July 7, 2004, 118 Stat. 814.)

**Editorial Notes**

AMENDMENTS

2004—Subsec. (f)(1). Pub. L. 108-271 substituted “Government Accountability Office” for “General Accounting Office” in two places.

1994—Subsec. (h)(1). Pub. L. 103-236 substituted “bank accounts or separate self-balancing ledger accounts” for “accounts”.

1991—Subsec. (g). Pub. L. 102-138, §211(d), substituted “shall” for “may also” before “be audited”.

Subsec. (j). Pub. L. 102-138, §215, added subsec. (j).

1987—Subsec. (h)(1). Pub. L. 100-204 inserted “separate accounts with respect to such assistance and” after “keeps”.

1985—Subsecs. (g) to (i). Pub. L. 99-93 added subsec. (g), redesignated existing subsecs. (g) and (h) as (h) and (i), respectively, and in subsec. (i) substituted “February 1” for “December 31”.

**Statutory Notes and Related Subsidiaries**

TRANSFER OF FUNCTIONS

United States Information Agency (other than Broadcasting Board of Governors and International Broadcasting Bureau) abolished and functions transferred to Secretary of State, see sections 6531 and 6532 of this title.

**§ 4414. Requirements relating to the Endowment and its grantees**

**(a) Partisan politics**

(1) Funds may not be expended, either by the Endowment or by any of its grantees, to finance the campaigns of candidates for public office.

(2) No funds granted by the Endowment may be used to finance activities of the Republican National Committee or the Democratic National Committee.

(3) No grants may be made to any institute, foundation, or organization engaged in partisan activities on behalf of the Republican or Democratic National Committee, on behalf of any candidate for public office, or on behalf of any political party in the United States.

**(b) Consultation with Department of State**

The Endowment shall consult with the Department of State on any overseas program funded by the Endowment prior to the commencement of the activities of that program.

(Pub. L. 98-164, title V, §505, as added Pub. L. 99-93, title II, §210(a), Aug. 16, 1985, 99 Stat. 431.)

**§ 4415. Freedom of information**

**(a) Compliance with Freedom of Information Act**

Notwithstanding the fact that the Endowment is not an agency or establishment of the United States Government, the Endowment shall fully comply with all of the provisions of section 552 of title 5.

**(b) Publication in Federal Register**

For purposes of complying pursuant to subsection (a) with section 552(a)(1) of such title, the Endowment shall make available to the Director of the United States Information Agency

such records and other information as the Director determines may be necessary for such purposes. The Director shall cause such records and other information to be published in the Federal Register.

**(c) Review by United States Information Agency**

(1) In the event that the Endowment determines not to comply with a request for records under section 552, the Endowment shall submit a report to the Director of the United States Information Agency explaining the reasons for not complying with such request.

(2) If the Director approves the determination not to comply with such request, the United States Information Agency shall assume full responsibility, including financial responsibility, for defending the Endowment in any litigation relating to such request.

(3) If the Director disapproves the determination not to comply with such request, the Endowment shall comply with such request.

(Pub. L. 98-164, title V, §506, as added Pub. L. 99-93, title II, §210(a), Aug. 16, 1985, 99 Stat. 432.)

**Statutory Notes and Related Subsidiaries**

TRANSFER OF FUNCTIONS

United States Information Agency (other than Broadcasting Board of Governors and International Broadcasting Bureau) abolished and functions transferred to Secretary of State, see sections 6531 and 6532 of this title.

**§ 4416. Retention of interest**

Notwithstanding any other provision of law, with the approval of the National Endowment for Democracy, grant funds made available by the National Endowment for Democracy may be deposited in interest-bearing accounts pending disbursement, and any interest which accrues may be retained by the grantee without returning such interest to the Treasury of the United States and interest earned may be obligated and expended for the purposes for which the grant was made without further appropriation.

(Pub. L. 105-277, div. G, subdiv. B, title XXIV, §2411, Oct. 21, 1998, 112 Stat. 2681-831.)

**Editorial Notes**

CODIFICATION

Section was enacted as part of the Foreign Relations Authorization Act, Fiscal Years 1998 and 1999, and also as part of the Foreign Affairs Reform and Restructuring Act of 1998 and the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, and not as part of the National Endowment for Democracy Act which comprises this subchapter.

**CHAPTER 55—RESEARCH AND TRAINING FOR EASTERN EUROPE AND INDEPENDENT STATES OF FORMER SOVIET UNION**

Sec.	
4501.	Findings and declarations.
4502.	“Institution of higher education” and “Advisory Committee” defined.
4503.	Establishment of Advisory Committee.
4504.	Authority to make payments; purposes.
4505.	Applications; payments to eligible institutions.

Sec.	
4506.	Repealed.
4507.	Federal control of education prohibited.
4508.	Allocation of funds.
4509.	Repealed.

**§ 4501. Findings and declarations**

The Congress finds and declares that—

(1) factual knowledge, independently verified, about the countries of Eastern Europe and the independent states of the former Soviet Union is of the utmost importance for the national security of the United States, for the furtherance of our national interests in the conduct of foreign relations, and for the prudent management of our domestic affairs;

(2) the development and maintenance of knowledge about the countries of Eastern Europe and the independent states of the former Soviet Union depends upon the national capability for advanced research by highly trained and experienced specialists, available for service in and out of Government;

(3) certain essential functions are necessary to ensure the existence of that knowledge and the capability to sustain it, including—

(A) graduate training;

(B) advanced research;

(C) public dissemination of research data, methods, and findings;

(D) contact and collaboration among Government and private specialists; and

(E) firsthand experience of the countries of Eastern Europe and the independent states of the former Soviet Union by American specialists, including on site conduct of advanced training and research to the extent practicable; and

(4) it is in the national interest for the United States Government to provide a stable source of financial support for the functions described in this section and to supplement the financial support for those functions which is currently being furnished by Federal, State, local, regional, and private agencies, organizations, and individuals, and thereby to stabilize the conduct of these functions on a national scale, consistently, and on a long range unclassified basis.

(Pub. L. 98-164, title VIII, §802, Nov. 22, 1983, 97 Stat. 1047; Pub. L. 103-199, title III, §302(3), Dec. 17, 1993, 107 Stat. 2322.)

**Editorial Notes**

AMENDMENTS

1993—Pars. (1), (2), (3)(E). Pub. L. 103-199 substituted “countries of Eastern Europe and the independent states of the former Soviet Union” for “Soviet Union and Eastern European countries”.

**Statutory Notes and Related Subsidiaries**

SHORT TITLE

Pub. L. 98-164, title VIII, §801, Nov. 22, 1983, 97 Stat. 1047, as amended by Pub. L. 103-199, title III, §302(2), Dec. 17, 1993, 107 Stat. 2322, provided that: “This title [enacting this chapter] may be cited as the ‘Research and Training for Eastern Europe and the Independent States of the Former Soviet Union Act of 1983.’”

DEFINITIONS

In pars. (1), (2), and (3)(E), independent states of the former Soviet Union has the meaning given in section