

Justice Department Investigates Harvard Over Foreign Donations Favoring International Students

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Clear Facts

- The Department of Justice has opened an investigation into Harvard University over allegations that foreign donations, particularly from China, were used to favor international students over American students in financial aid programs.
- Harvard has disclosed nearly \$4.5 billion in foreign funding—more than any other American university—including over \$630 million from China, its largest foreign source.
- The DOJ is examining whether nationality-based restrictions on financial aid violate Title VI of the Civil Rights Act, which prohibits federally funded institutions from discriminating based on national origin.

The Department of Justice announced Monday it is reviewing whether Harvard University's acceptance of foreign donations created improper advantages for students from China and other countries while discriminating against American students. The investigation centers on whether certain funding arrangements violate federal civil rights law.

Federal officials say Harvard's foreign-funding disclosures raised red flags that some international donors imposed nationality-based restrictions on financial aid. The department is now examining whether those arrangements breach Title VI of the Civil Rights Act, which bars federally funded institutions from discriminating based on national origin.

"Every American student should have an equal opportunity to compete for college scholarships, grants, and other kinds of financial aid and benefits," Assistant Attorney General for Civil Rights Harmeet Dhillon said in a statement.

“Schools cannot take federal dollars and then turn around and accept money from foreign sources to give financial aid that deliberately excludes American citizens — doing so is illegal, and we will stop it wherever we find it,” she continued.

According to the DOJ, some China-based donors directed Harvard to allocate their contributions specifically for aid programs benefiting students from particular countries. The department alleges that complying with such restrictions could disadvantage students of other nationalities, including Americans.

Federal law requires colleges and universities to report foreign gifts and contracts worth at least \$250,000. A Civil Rights Division audit of those disclosures revealed that Harvard had reported nearly \$4.5 billion in foreign funding—more than any other American university. Of that total, over \$630 million came from China, making it Harvard’s largest foreign source.

The university provides need-based institutional aid to international students, while federal grants and other government assistance are generally limited to eligible U.S. students. Harvard also uses private scholarship and employment funds to support students from outside the country.

Some private gifts have been designated for students from specific nations. In 2014, SOHO China co-founders Pan Shiyi and Zhang Xin donated \$15 million to support Chinese students at Harvard. The DOJ has not confirmed whether that particular gift is part of its current review. Harvard has denied that its financial aid policies violate federal civil rights law.

“Harvard follows the law for required reporting of donations and, consistent with our legal obligations under Title VI, does not unlawfully discriminate on the basis of race, ethnicity, or national origin in allocating financial aid,” the university said in a statement.

Officials stressed that the review remains ongoing and that the department has not reached any conclusions. The DOJ also did not identify the specific scholarships or donors currently under examination.

The inquiry represents another front in the Trump administration’s broader scrutiny of Harvard. Federal officials have also examined the university over alleged antisemitism, admissions practices, and its treatment of foreign students. A federal judge previously blocked the administration from cutting billions of dollars in research funding from Harvard as related litigation continues.