

University missing year of important donation records

By Lily Altavena

Published April 26, 2010

Some of the legally mandated reports of foreign donations to NYU from the past decade are missing.

When WSN requested the records for foreign gift disclosures from 2000 to 2008, neither NYU nor the New York State Education Department's Office of Higher Education was able to produce those from Sept. 1, 2001 to Aug. 31, 2002.

WSN asked to review the files after a February 2009 town hall meeting, where President John Sexton made an offhand comment about a Saudi Arabian gift he said the university declined after the attacks of Sept. 11.

During the meeting, an audience member asked Sexton whether NYU would take money from any government, in reference to the \$50 million gift from the Crown Prince of Abu Dhabi. Sexton responded that, shortly after the Sept. 11 attacks, the government of Saudi Arabia offered the university a \$30 million gift. But after a conversation with police commissioner Ray Kelly, who recommended that NYU reject the donation, the university declined the gift.

After the meeting, Sexton told a WSN reporter that those comments should be kept off the record; he claimed that printing them would endanger lives. At the request of the administration, WSN agreed not to publish Sexton's comments so long as it could verify that no money was taken from Saudi Arabia. WSN reserved the right to print Sexton's comments should supporting documents not be available.

NYPD deputy commissioner of public information Paul Browne would not elaborate on Sexton and Kelly's discussion.

"Any conversation that commissioner Kelly had with John Sexton in confidence will remain as such," Browne said.

Under state law, universities must disclose the receipt of large foreign gifts to the New York State Education Department's Office of Higher Education every year. For gifts over \$100,000, the university must report who made the gift, how much it was for, when it was made and what its purpose was, as well as any conditions attached to the use of those funds.

According to Jennifer Mitchell, manager of capital accounting and financial reporting at NYU, the university submitted those records to the department.

"The state should definitely have them," she said.

However, the New York State Education Department said it does not possess a copy of the financial disclosures for NYU during that period.

In an e-mail, university spokesman John Beckman provided information on what he said were the only two foreign gifts over \$100,000 received during the one-year period in question.

However, WSN was not able to see any original records to verify this information.

The New York Sun reported in 2008 that Columbia University failed to report its gifts on time in 2004 when it filed 170 days after the deadline. That same year, Columbia accepted a \$250,000 gift from Saudi Arabia. According to Sharee Seyffer, secretary of the Office of Higher Education, the department also does not have any records from Fordham University since 2000.

According to the foreign disclosure records, NYU received more than \$36 million in foreign donations from 2000 to 2008 that were greater than \$100,000. As part of its original \$50 million pledge, NYU expects to collect at least an additional \$30 million more from the government of Abu Dhabi. In 2008, NYU received donations of over \$100,000 from 11 different donors. One of these gifts, a \$1.6 million "pledge payment" from the National University of Singapore came a year after that school launched a dual-degree program with the NYU Law School.

U.K. businessman Thomas Flohr, the founder of VistaJet, made donations to the university in 2006, 2007 and 2008, totaling almost \$500,000. Flohr is also on the College of Arts and Science board of overseers.

George Soros' Open Society Institute donated over \$300,000 to NYU in 2006 and 2007. Soros, a Hungarian businessman and investor who gave over \$20 million to anti-George Bush organizations during the 2004 presidential election, is a well-known financier who profited from the 1997 Asian financial crisis.