The Hope Center for Student Basic Needs

September 22, 2026

U.S. Department of Education
Office of Planning, Evaluation and Policy Development
400 Maryland Avenue, SW
Washington, DC 20202

Re: Docket ID ED-2026-OPEPD-2542 — Education Department General Administrative Regulations (RIN 1875-AA14)

To Whom It May Concern:

The Hope Center for Student Basic Needs at Temple University ("The Hope Center") appreciates the opportunity to comment on the U.S. Department of Education's ("the Department") proposed amendments to the Education Department General Administrative Regulations (EDGAR).

The Hope Center is a national action research center dedicated to ensuring that all students in higher education can afford the full cost of college and can access all resources for which they are eligible to finance their education. National survey data from several independent organizations, as well as our own, show that 3-in-5 students in higher education struggle to meet basic needs such as food and housing while enrolled, while millions more struggle with costs related to child care, transportation, health care, technology, and other expenses.[1] More than half of students say they would struggle to find $500 even in an emergency, and more than two-thirds have run out of money at least once in the last year.[2]

Federal discretionary grants are among the most direct tools the Department has to address these conditions. Grants such as the Child Care Access Means Parents in School (CCAMPIS) program, and those funded through the Fund for the Improvement of Postsecondary Education (FIPSE) such as Basic Needs for Postsecondary Students Program (known commonly as the "Basic Needs Grant) and the Postsecondary Student Success Grant (PSSG), fund the staff, partnerships, and systems that connect students to food, housing, transportation, child care, and emergency assistance on campuses across the country, while providing a base of promising practices for states and institutions across the country that can promote student success.

For these grants to be most effective, institutions, students, and practitioners must be able to rely on the Department and other federal agencies to reliably and predictably deliver funding and technical assistance. Unfortunately, **the proposed rule would allow the Secretary of Education to terminate a grant "in part or its entirety" for convenience** and "[p]ursuant to additional terms and conditions" included in the federal award, **while expanding the Secretary's authority to withhold continuation funding.**

The proposed rule would also allow the Department to favor grant applicants that agree to use an indirect cost rate below their negotiated rate. In competitions that use this preference, colleges could face pressure to absorb costs that their grants would otherwise cover. If finalized, this rule would make continued funding less predictable after a grant is awarded. Ultimately, colleges could have to scale back programs, leaving students facing hunger, eviction, utility shutoffs, gaps in child care, or a financial emergency with less access to the support they need. In other cases, institutions may not apply for funds at all if they cannot rely on stable, predictable funding through an expected grant period.

We share the Department's interest in effective stewardship of public funds and clear performance expectations. However, **we urge the Department to withdraw the rule in its entirety.** The proposed changes to EDGAR would make federal education grants less predictable, leave them vulnerable to shifting priorities after an award is made, and push federal costs onto colleges. If the Department is unwilling to withdraw the rule, we have suggested essential changes for the final rule.

I. Basic Needs and Student Success Interventions Require Reliability and Stability

An institution that applies for a (often multi-year) federal grant does so with a plan to hire staff, make capital improvements, sign agreements with community or third-party providers, and enroll students in programming, all on the premise that the project will be funded for its full award period. The proposal would allow the Department to cancel a grant, at will, for its own "convenience," even when the institution has complied with every requirement of the award. That uncertainty could make institutions less likely to apply, and more reluctant to build programs—from basic needs centers and hubs to emergency aid programs, to campus childcare facilities that students come to depend on. Two sets of provisions in the proposed rule would allow a grant in full compliance to be reduced, delayed, or ended after the award is made.

Termination for convenience
Proposed § 75.901(a)(2) would permit the Secretary or a pass-through entity[3] to terminate a grant, in whole or in part, for "convenience," while proposed § 75.901(b)(7) would add "Termination for Convenience" to the remedies the Department could use. Neither provision states when that authority may be used. It gives political appointees unprecedented, opaque authority to cancel grants without a justifiable reason and should be removed.

In plain terms, the Department could end a compliant grant simply because it no longer wished to fund it, and, crucially, a State agency passing funds through to a college could do the same with a subaward. No independent administrative review would be required, leaving grantees with little guaranteed recourse within the Department. In federal procurement today, termination for convenience is typically paired with a settlement process: a terminated contractor may be paid for completed work and reasonable costs associated with winding down.[4] This proposal borrows the termination authority without extending that longstanding and fair settlement practice to grantees, leaving them with no comparable safeguards.

The existing federal grant framework already permits termination for noncompliance, by mutual agreement, upon notification by the recipient, or under the terms and conditions of the award. Those terms may allow termination when an award no longer advances program goals or agency priorities. The Department has not explained what those grounds fail to address or why this additional authority to terminate for convenience is necessary.

Congressionally authorized federal education grants support public programs and create commitments to students. A campus operating a child care center with CCAMPIS funding that is suddenly terminated, for example, may have to absorb costs it did not budget for or suddenly reduce services for parenting students. Institutions cannot instantly unwind staffing commitments, provider agreements, or facilities investments they made under the approved award; terminated grants are intensely disruptive to their operations. Students may be directly impacted if federal grants supporting basic needs efforts on campus are terminated, leaving them on the hook to pay for unexpected or unaffordable expenses, which may lead them to drop out of higher education altogether.

The "convenience" provision also risks interfering with, or overriding, decisions Congress has already made about how federal education funds should be spent. Congress authorizes discretionary programs, establishes their purposes, and appropriates funds for them. In July 2026, however, a federal court held that agencies were not permitted under current rules to terminate grants based on goals or priorities identified *after* the award was made.[5] The proposed rule would create this broader authority.

We urge the Department to remove proposed "convenience" provisions in § 75.901(a)(2) and (b)(7) entirely. If the Department proceeds anyway, the final rule should apply only to awards made after it takes effect, require written grant-specific findings tied to the authorizing statute and the approved project, provide at least 60 days' notice and a meaningful opportunity to respond, preserve independent administrative review, and require payment of obligations already incurred and reasonable closeout and participant-transition costs.

Continuation awards

Colleges treat multi-year awards as multi-year commitments because it is the only way to effectively budget for payroll, facilities, and student participation. Multi-year grantmaking is, therefore, a common-sense part of current grantmaking. Under current § 75.251(b)(2), when the Secretary approves a multi-year project period, the Secretary makes the initial award and indicates an intention to fund the remainder of that period. Under current § 75.253(c), the Secretary gives priority to continuation awards over new grants.[6] Together, these longstanding rules tell an applicant that a four-year project will ordinarily be funded for four years, and that existing grantees are not made to compete each year against new applicants.

The proposed EDGAR provisions would substantially upend the process by removing the current priority for continuation awards, allowing the Secretary to favor new applicants over existing grantees when funding is limited. Under-resourced colleges—community colleges, rural institutions, and regional publics—would be especially financially exposed, since they typically lack the operating funds to replace lost grant funding mid-project. The Department has not explained what problem this change would solve.

When the Department denied continuation funding for TRIO and school mental-health grants because they reflected a prior Administration's priorities, federal courts intervened, noting that the agency had not provided a grant-specific explanation, failed to follow required procedures, and ignored the commitments recipients had made in reliance on approved funding.[7] The courts also noted these decisions had caused programs to suspend services, lay off staff, and leave students without support. The Department should follow these rulings when deciding whether to continue a grant.

Several other changes compound the problem. The Department could make continuation decisions at any point in the fiscal or appropriation year and could issue only partial awards, provide funding in installments, or delay the release of funds. Another provision would allow the Department to take back funds if it decides that the amount available to a grantee, including an unspent balance, exceeds the project's needs. Without clear safeguards, a college could lose funds still needed for the approved project simply because hiring or contracting took longer than expected. In the case of grant projects that fund direct assistance to students—including basic needs supports and emergency aid—institutions could see funds taken away in one year that would be needed in short order. These are not theoretical concerns: policy decisions, such as the delay in SNAP benefits in the fall of 2025, or economic conditions, such as spikes in utility costs, often require institutions to be flexible and strategic with resources they can deploy to students. How much funding a project needs can look very different across semesters.

A college cannot responsibly retain staff, renew a lease, maintain a subaward, or promise their students assistance next term while continuously monitoring for funding determinations that could change at any time. Most institutions cannot carry payroll on their own funds when grant-funded work lapses.

Institutions of higher education already face uncertainty with continuation awards, given their limited ability to challenge the Department's decisions on continuation funding under current rules. The proposed rule makes this challenge even more severe. Current § 75.253(i) already excludes reductions and denials of continuation awards from the Department's formal process for appealing withheld grant funds. Proposed § 75.253(j) would retain that exclusion and explicitly state that the Office of Hearings and Appeals lacks jurisdiction over those cases. At the same time, proposed § 75.253(b) would allow the Department to consider information beyond grantee performance, and proposed § 75.253(c) would remove the priority for continuation awards over new grants. Grantees can ask the Department itself to reconsider a decision not to continue an award, but current § 75.253(e)(4) excludes funding reductions from that process, even when the cut is substantial.

The proposed rule rewrites § 75.253 to turn multi-year continuation awards from something colleges can reasonably count on into a year-by-year decision the Secretary makes at will. Disruptions in anticipated continuation grants would also undermine the intent and impact of grants funded by Congress and administered by the Department and make it harder to build an evidence base—one that could be used by states or other institutions outside of federal funding streams—on what works.

For example, the Basic Needs for Postsecondary Students Grant and other FIPSE grants are designed to build a set of evidence toward sustainable and systemic solutions over time that improve student outcomes; threats to this grant funding during the project periods would interrupt the interventions and compromise the collection of evidence the grants were intended to produce (for example, if funding for a mental health intervention or an emergency aid grant runs dry, that interruption could significantly affect any evaluation, with knock-on effects for other institutions and organizations running similar programs with or without federal funds).

Sustained, reliable funding is essential to understanding a project's full effect on students. Some outcomes may not appear until the second or third year of an intervention, while others may appear only among students facing particular circumstances. Both can inform future program design. **We therefore urge the Department to retain the existing priority for continuation awards over new grants in § 75.253(c), revise proposed § 75.253(j) to provide access to independent administrative review, and revise proposed §§ 75.253(e)(4) and 75.253(h) to allow grantees to seek reconsideration whenever a funding reduction materially changes the approved project's scope.**

If the Department does not withdraw the proposed rule, it should require a continuation determination by a fixed date before the end of the current budget period, retain the current limitation in § 75.253(b) to information regarding grantee performance, and exclude from § 75.251(d) unspent balances resulting from documented startup, hiring, or procurement delay.

II. Grant Competitions Should Not Pressure Colleges to Artificially Transfer Costs

Proposed § 75.228 would permit "competitive preference" (extra points) for applicants that agree to charge less than their federally negotiated indirect cost rate. It would then bind applicants to the reduced rate for the life of the grant and prohibit recovering the foregone amount elsewhere or counting it toward cost-sharing requirements. These proposals would not create efficiency; instead, they would water down programming, force cuts elsewhere, or reduce institutions' willingness to invest in vital programming.

Indirect costs, often called overhead, are the shared costs of running an institution that cannot be billed to a single grant: utilities, payroll and accounting systems, data security for sensitive student records, facilities, legal compliance, and audit systems. The indirect cost rate is negotiated with the federal government and reviewed through an established process. In basic needs work, those costs support the critical infrastructure behind direct services like food, housing, and emergency aid. Pressuring applicants to absorb those costs does not make them disappear or guarantee that more support reaches students; instead, it makes institutions less likely to invest in these services in the first place.

In a competitive scoring context, institutions would come under significant pressure to cut corners. This would put well-resourced institutions at a tremendous advantage, since they can absorb unreimbursed costs. Community colleges, rural and regional public institutions, minority-serving institutions, and small nonprofits, which disproportionately serve students with the greatest unmet basic needs, do not have the same fiscal leeway.

The Department's analysis also does not indicate how the shift from indirect to direct costs (an estimated $45 million annually[8]) will impact students. Even for grantees that propose lower indirect rates than they would otherwise (absent this rule change), the result could easily be higher tuition or reduced quality and services currently supported by indirect costs. As institutions look to other funding sources with clear, transparent indirect rates, instead of grants from the Department, total investment in basic needs services could diminish. The Department also concludes that the changes to §§ 75.253 and 75.901 are unlikely to generate any costs, without accounting for the real expenses institutions face when grants are reduced, delayed, or terminated.

We urge the Department to remove proposed § 75.228. When a program statute or regulation limits indirect costs, the Department should apply that limit transparently, rather than through competitive scoring. The Department should also account for the costs the proposed rule would place on institutions and revise its *Regulatory Flexibility Act*[9] determination that erroneously finds small institutions would not be impacted by the EDGAR changes.

III. Grantees Cannot Comply with Undefined Requirements

We share the Department's interest in ensuring that federally funded programs are administered lawfully. However, the proposed changes in §§ 75.500(f) do not define what compliance would require and instead appear to leverage federal grantmaking to affect a broad range of institutional policies related to hiring, admissions, promotions, and compensation practices. This would be a major change to the intent of federal education grants, add substantial new complexity, and would open the door to even greater politicization of the award process.

The proposed rule contains requirements that are extremely vague in ways that would force institutions into an impossible situation in designing programming that meets Congressional intent. For example, neither "merit and high standards" nor "proxies thereof" are defined. Many federal education programs are directed at specific populations including low-income, Pell Grant-eligible, first-generation students, parenting students, former foster youth, or those experiencing housing insecurity in statute.[10] This rule, as proposed, would force colleges to determine whether programming for any of these groups may be treated as a proxy for a protected characteristic. Faced with that uncertainty and the risk of losing an award, institutions may narrow eligibility and reduce outreach rather than guess, which would reduce the effectiveness of their interventions.

In 2024, the Department added a requirement under § 75.700 for direct grant recipients to comply with applicable executive orders. Proposed § 76.700 would extend that requirement to states and subgrantees under state-administered formula grant programs.[11] This change would also affect colleges that receive federal funds through a state. For example, colleges receive career and technical education funds as subgrants from state agencies without competing directly for those funds from the Department.[12] Executive orders must rest on authority granted by the Constitution or Congress.[13] The proposed provision does not explain how recipients would determine whether an executive order applies to a particular program or how orders issued after an award would affect their existing obligations. It also does not specify what notice or time to adjust recipients would receive if those obligations changed during an award. In particular, these questions matter for colleges receiving subgrants because they would need to understand both the federal requirements and how their state agency would apply them.

We urge the Department to remove the changes to § 75.500(f), § 76.500(f), and § 76.700.

Instead, we urge the Department to focus on merit in its own grantmaking procedures. Nothing in the agency's proposed changes to EDGAR addresses the glaring lack of fair and transparent competition. Under § 75.217(d), the Secretary "determines the order in which applications will be selected for grants" after merely "consider[ing]" the rank ordering of applications alongside other information; peer-review score is just one input.[14] The Secretary is therefore free to award federal funds to lower-scoring applicants at whim—the opposite of merit and high standards. We therefore suggest regulatory changes requiring the Secretary to choose grantees based on the rank order of their scores from the peer review process.

IV. Application Review Should Continue to Account for Students' Circumstances

Congress funds education grant programs to achieve specific purposes, and the Department's selection criteria should help identify the projects most likely to achieve them. The Department describes the Basic Needs for Postsecondary Students Program, for example, as advancing systemic and sustainable solutions to student basic needs insecurity and reporting on practices that improve outcomes for students.[15] The students most likely to encounter barriers to participation and completion are often those carrying the heaviest burdens outside the classroom, such as students experiencing hunger or housing insecurity, students who are pregnant or parenting, and students for whom a car repair or other unexpected expense can interrupt enrollment. A project's quality therefore depends on whether it is designed to reach them.

The Department chooses which general selection criteria to use in each grant competition. The proposed rule removes provisions that assess how applicants plan to address barriers to participation, such as housing insecurity and parenting responsibilities, and whether project staff have experience with those barriers. Although the proposal retains a broader factor addressing the target population's greatest needs, that factor does not specifically assess how a project would overcome barriers to participation. For example, a basic needs proposal that prioritizes parenting students should explain how its services account for the costs of supporting children and the demands of caregiving. These considerations help reviewers determine whether a project is likely to reach parenting students and help them stay enrolled. Removing these provisions would weaken the criteria available to assess whether applicants have workable plans to serve those students.

We urge the Department to retain the existing language in §§ 75.210(d)(2) and 75.210(e)(2), which the proposal would remove. When used in a grant competition, these provisions help reviewers assess how well applicants plan to reach students facing financial hardship, homelessness or housing insecurity, pregnancy, parenting, or caregiving responsibilities, and whether project staff have experience with those barriers.

V. Conclusion

Basic needs work at colleges has been built on the premise that durable federal support exists. Institutions have opened food pantries, hired staff, created emergency aid funds, and partnered with community providers because federal grants made those commitments possible. That premise, in turn, is what allows a college to hire staff, sign a lease, or promise a student help next term.

This proposed rule allows those awards to be cut or ended based on shifting priorities, and the ramifications would far exceed the institutions that may lose funding in the future. The proposal tells every institution considering critical basic needs work that federal support cannot be relied on. That uncertainty would make colleges less likely to invest in these services, leaving fewer students with the support they need to enroll and graduate.

The proposed rule would make federal education grants less reliable, easier to cancel based on political priorities, and more costly for colleges. It would also make the needs of students facing the greatest barriers less central to grant review. Students should not lose access to food, housing, transportation, child care, health care, or emergency support because an administration's priorities change. **For these reasons, The Hope Center urges the Department to withdraw the proposed rule in its entirety.**

If you have any questions about these comments, please contact me at bryce.mckibben@temple.edu.

Sincerely,

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