

September 23, 2026

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

RE: Education Department General Administrative Regulations [Docket ID ED-2026-OPEPD-2542, RIN 1875-AA14]

Dear Secretary McMahon:

The American Association of Colleges of Pharmacy (AACP) appreciates the opportunity to comment on the U.S. Department of Education's proposed amendments to the Education Department General Administrative Regulations (EDGAR). AACP is a national, nonprofit, nonpartisan association representing colleges and schools of pharmacy and the faculty, administrators, researchers, preceptors, and student pharmacists they educate and support. We represent 141 accredited colleges and schools of pharmacy with more than 6,400 faculty; 62,500 students enrolled in professional programs and 5,100 individuals pursuing graduate study.

Our member institutions participate in a wide range of federally supported education, workforce development, research, and student-success initiatives. We recognize and support the Department's interest in promoting accountability, responsible stewardship of federal funds, administrative efficiency, and high-quality outcomes. At the same time, several proposed revisions could create uncertainty for institutions administering multiyear awards, supporting health professions workforce programs, and maintaining the infrastructure necessary to carry out federal grants effectively. Accordingly, we support the Department's modernization goals while recommending targeted revisions and clarifications to improve transparency, predictability, and equitable implementation.

Competitive Preference for Lower Indirect-Cost Rates (34 CFR § 75.228)

The proposed changes to § 75.228 would permit the Department to provide a competitive preference for applicants that voluntarily reduce or waive recovery of negotiated indirect costs. While intended to maximize direct program expenditures, this approach could unintentionally disadvantage institutions that lack the financial capacity to subsidize federally funded activities. Negotiated indirect-cost rates support essential functions that enable successful grant administration, including regulatory compliance, data security, fiscal management, technology systems, facilities operations, and other institutional infrastructure. A competitive preference tied to indirect-cost concessions may favor institutions with greater unrestricted resources rather than those proposing the strongest projects or demonstrating the greatest potential public benefit. For colleges and schools of pharmacy, particularly those serving rural communities, workforce shortage areas, or operating under significant resource constraints, pressure to forgo indirect-cost recovery could undermine long-term institutional capacity and program sustainability.

Grant competitions should remain focused principally on project quality, evidence, feasibility, need, and anticipated impact. The Department should consider withdrawing or substantially revising this provision. At a minimum, voluntary indirect-cost reductions should not function as a scored, dispositive, or otherwise determinative competitive preference in discretionary grant competitions.

Continuation Awards, Future Funding, and Multiyear Grant Stability (34 CFR §§ 75.230(b), 75.251-75.253)

We are concerned about the cumulative effect of proposed changes relating to continuation awards, future funding determinations, unobligated balances, installment funding, delayed release of funds, and the Department's discretion to consider "any relevant information" and the "best interest of the Federal Government" when making continuation decisions. Health-professions education and workforce-development initiatives often require multiyear planning and sustained partnerships. Our members, schools and colleges of pharmacy, rely on continuation funding and stability to support faculty and staff positions, graduate trainees, student pharmacists, community-based experiential learning programs, subawards, workforce-development initiatives, and collaborations with healthcare systems and other partners. Increased uncertainty regarding continuation funding may disrupt activities that depend on predictable support over multiple budget periods.

The Department should establish objective, transparent, and publicly explained criteria for continuation-award determinations. In particular, the phrase "best interest of the Federal Government" should be clearly defined and linked to relevant program purposes, recipient performance, eligibility requirements, compliance obligations, and available appropriations. Recipients should receive timely decisions, advance notice when adverse actions are under consideration, and meaningful written explanations describing the basis for reductions, delays, or discontinuation of support. Additionally, institutions should have an opportunity to identify and correct factual inaccuracies, provide relevant information before materially adverse decisions are finalized, and seek reconsideration through a fair and reasonable review process. When funding is delayed, reduced, or discontinued, the Department should establish transition procedures that account for ongoing commitments and minimize disruption to students, trainees, personnel, and community partners.

Termination for Convenience (34 CFR § 75.901)

The proposed revision to § 75.901 would expressly authorize termination of awards "for convenience." We recognize the Department's responsibility to respond to material noncompliance, safeguard federal resources, and ensure that grants are administered effectively. Those objectives are important and should remain available through established oversight mechanisms. However, termination authority based on an undefined convenience standard raises concerns regarding predictability and continuity for recipients that remain compliant with award requirements. Colleges and schools of pharmacy make substantial commitments in reliance on federal grant awards, including personnel decisions, partnership agreements, curricular investments, data systems, and programmatic obligations extending across multiple years.

To promote sound grant administration, the Department should establish objective and transparent criteria governing the use of termination-for-convenience authority. A fair and impartial review process would further strengthen confidence in the administration of discretionary grants. The Department should also address the treatment of allowable closeout expenses, transition costs, and unavoidable commitments incurred in good-faith reliance on an award. These safeguards would help balance accountability with the stability needed to achieve intended program outcomes.

Grant-Related Admissions, Employment, and Merit Requirements (34 CFR §§ 75.500(f) and 76.500(f))

AACP supports lawful nondiscrimination, academic excellence, fair employment practices, freedom of inquiry, and high standards across higher education and federally supported programs. We are concerned, however, that several terms in the proposed regulations could be interpreted inconsistently with additional clarification needed. Specifically, institutions would benefit from further guidance regarding the meaning of “merit,” “high standards,” “proxies thereof,” and which activities are considered to occur “under the grant.” Greater clarity is especially important for grant-supported admissions, recruitment, scholarship, hiring, training, and workforce development activities. Health professions education programs often seek to prepare practitioners capable of serving vulnerable patient populations and addressing critical workforce shortages. Institutions should be able to continue using lawful, individualized, mission-related considerations, including academic preparation, professional competencies, economic disadvantage, rural or underserved-community experience, language skills, and demonstrated commitment to practicing in shortage areas, where consistent with applicable laws and program requirements. Accordingly, the Department should provide clear definitions, higher education specific examples, and guidance regarding the scope of activities covered by these provisions.

Evidence Standards and Review Costs (34 CFR §§ 75.210 and 77.1(c))

The proposed changes to evidence-related provisions may create useful flexibility for innovative educational approaches, workforce-development initiatives, and emerging health-professions programs. At the same time, implementation should ensure that evidence standards remain transparent, consistently applied, and appropriate to the purposes of individual competitions. Review processes should include qualified subject-matter experts, appropriate conflict-of-interest safeguards, and recognition that rigorous evidence may take different forms depending on program maturity and scale. The Department should also avoid review requirements that impose disproportionate burdens on smaller or resource-constrained institutions. If third-party evidence reviews are required, the Department should either support those reviews directly or expressly permit reasonable review-related expenses as allowable grant costs.

Conclusion

Thank you for considering our comments. We support the Department’s efforts to strengthen accountability and improve the administration of federal education grants. Revisions to the indirect-cost preference, continuation-award framework, termination-for-convenience authority, merit-related provisions, and evidence-review requirements could help ensure that federal grant programs remain transparent, fair, sustainable, and capable of supporting educational excellence and workforce development. Please contact AACP staff at governmentaffairs@aacp.org. We welcome continued engagement with the Department as it refines the final regulations and would be pleased to serve as a resource regarding the practical implications of these provisions for pharmacy education, research, and healthcare workforce initiatives.

Sincerely,



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