

July 13, 2026

Russell T. Vought Director Office of Management and Budget

Dear Mr. Vought:

I write on behalf of Occidental College to urge the Office of Management and Budget (OMB) to withdraw the proposed Regulation for Federal Financial Assistance. While the proposal is framed as an administrative modernization of the Uniform Guidance, several of its provisions would do serious and lasting damage to scientific discovery and to the education of undergraduate students.

The longstanding partnership between the federal government and our nation's colleges and universities has directly advanced the economic, scientific, and security interests of the United States. Sustained federal investment helped produce the foundational research behind the internet, the Global Positioning System, magnetic resonance imaging, biotechnology, artificial intelligence, and countless advances in medicine, computing, and materials science. That record reflects a powerful and successful model: the federal government supports long-term, investigator-initiated research, while qualified experts, rather than political officials, assess the scientific merit and promise of competing proposals.

At colleges like Occidental, designated as a Research College and University (RCU) under the 2025 Carnegie Classifications, we see the value of this partnership firsthand. The federal government's sustained investment in research and education, together with its commitment to rigorous scientific review, has supported both faculty discovery and transformative opportunities for our students. At our institution, federally funded research is not separate from teaching. Our awards directly support a pedagogical model in which undergraduates conduct authentic, mentored research alongside faculty. Liberal arts colleges have long produced an outsized share of the students who go on to earn science and engineering doctorates, and programs such as NSF's Research in Undergraduate Institutions (RUI) and Research Experiences for Undergraduates (REU), along with NIH training and research awards, are the financial underpinning of that pipeline. Our RCU designation is a formal recognition that institutions like ours have served our nation's interests through Federal financial assistance.

The proposed rule states that the new regulations would ensure that federal funds serve the needs of the American public. For research-focused liberal arts colleges like Occidental, however, the effect would be the opposite. The proposal would weaken the foundation of the federal research partnership, introduce substantial financial and operational uncertainty, and

make it more difficult to sustain the long-term, student-centered research that federal funding is intended to support.

Given our concerns, we offer the following comments:

1. Political pre-issuance review and advisory-only peer review (§§ 200.202, 200.205) would substitute political judgment for scientific merit.

The proposal would require a senior political appointee to review discretionary awards before issuance and to assess their consistency with presidential priorities, agency priorities, and “the national interest,” while reducing scientific peer review to a nonbinding, advisory role. For decades, merit-based review conducted by experts in the relevant fields has been central to federal grantmaking. It provides agencies with a disciplined process for assessing the quality, feasibility, and significance of competing proposals. A merit-based process ensures that public funds can be directed toward the most promising work.

Merit-based review also gives institutions confidence that proposals will be evaluated fairly and consistent with expert knowledge. That confidence matters at colleges like Occidental, where faculty members and a small administrative staff invest substantial time and resources in developing each application. A process perceived as less predictable or less grounded in the quality of the proposal may discourage applications from institutions that have fewer resources to absorb that uncertainty.

The concern is not that an administration should have no role in establishing national research priorities. It should. But once those priorities have been set, expert review should remain the basis for evaluation. Reducing peer review to an advisory role would weaken a proven system that has promoted rigorous research, responsible stewardship of federal funds, and public confidence in grantmaking. OMB should preserve the primacy of expert merit review in funding decisions.

2. Expanded termination and stop-work authority (§ 200.340) would make multi-year research involving students impossible to sustain.

Proposed § 200.340 would permit agencies to terminate discretionary awards whenever continued funding is judged no longer to advance program goals, agency priorities, or the national interest, and would authorize stop-work orders of up to 90 days—importing a “termination for convenience” concept from federal procurement into the federal grant context. At any university, an abruptly terminated grant creates budget challenges and substantially disrupts scientific progress. At a college like ours, this unpredictability would directly harm students.

Undergraduate research is a core pedagogical method at Occidental College and supports the senior thesis that defines their degree. These projects are typically built on multi-year engagement, where a student is trained in year one, becomes productive in year two, and publishes results and mentors the next students in year three. A mid-stream termination

strands students in the middle of a degree requirement, ends theses that cannot be restarted, breaks the training chain between student cohorts, undercuts our contribution to federal workforce development initiatives, and can cost a young person an authorship, a presentation, or potentially a future career in the research.

From the perspective of scientific achievement, the prospect of unpredictable termination disincentivizes ambitious, longer-horizon projects. And, would push faculty toward short-term projects that lead to poorer training and workforce development opportunities for students and poorer scientific outcomes.

3. New restrictions on publication, conference, subscription, and membership costs (§§ 200.432, 200.454, 200.461) would disrupt scientific communication.

The proposal upends scientific dissemination by making publication costs—including page charges, article-processing charges, and open-access fees—unallowable absent explicit agency approval (§ 200.461), also mandating advance agency approval for conference attendance (§ 200.432), and sharply restricting journal subscriptions and professional memberships (§ 200.454). A critical component of advancing research and knowledge is communicating scientific results to peers, industry partners, and the broader public. Restrictions on publication, conference attendance, and related costs would impede that communication, interrupt scientific innovation, and disrupt research transfer pipelines that are important to the U.S. economy.

At a research-focused liberal arts college like Occidental, this work also plays an essential educational role. Students learn not only how to conduct research, but how to present evidence, explain complex ideas, defend their conclusions, and communicate with different audiences. These skills prepare students not only for careers in research and higher education, but also to become doctors, lawyers, business leaders, and leaders in many other fields. For these reasons, the costs necessary to communicate and disseminate federally funded research should remain allowable.

The practical effect of these provisions would be to strip dissemination and professional development components from federally funded research while simultaneously undercutting the open-access publication that taxpayers themselves benefit from. Current policy requires products of funded work to be open access. These cost categories should remain allowable and flexible as is the current practice.

4. Expanded, reputation-based risk factors and heavier compliance burdens (§ 200.206) would deter small institutions from submitting proposals.

Proposed § 200.206(b) would broaden the factors agencies may weigh in assessing applicant risk to include a wide range of publicly available information, and the proposal as a whole layers on new reporting, justification, and oversight requirements. At a small college, grant administration is often handled by one or two dedicated staff members, or by faculty themselves. Each added layer of pre-award review, written justification, and compliance

documentation raises the cost of pursuing a grant to the point where faculty are not likely to apply. The predictable consequence is not better stewardship of funds, but rather fewer proposals from precisely those institutions that deliver federal research dollars most efficiently in terms of students trained per dollar. OMB should remove unnecessary reporting and oversight requirements and continue with the “fixed amount” practices that currently govern financial awards.

5. Vague content-based restrictions (§§ 200.218, 200.300) would require political appointees to codify ambiguous and imprecise prohibitions advanced by the administration.

The proposed rule would require political appointees to ensure that federal funds are not used to “promote, encourage, subsidize, or facilitate” disparate-impact analysis (§ 200.218) or a broadly defined set of “DEI” and “gender ideology” activities (§ 200.300). These terms are sweeping and undefined.

The Executive Orders which seek to prohibit these practices in higher education are still poorly understood, creating significant administrative confusion. New regulations should not attempt to codify the legal status of terms which remain unsettled. Codifying these ambiguous prohibitions in government-wide grant regulations would deepen confusion and create additional legal and administrative challenges.

Words such as “promote,” “encourage,” and “facilitate” give faculty and institutions no reliable way to determine whether research or teaching will later be deemed noncompliant, with material breach, termination, and potential False Claims Act exposure at stake. Colleges and universities already understand that they must comply with applicable constitutional and statutory requirements. They should not also be required to interpret vague and contested political terms as conditions of federal funding.

The likely effect would be to chill legitimate research and teaching, harm academic freedom, and weaken the education of students, who learn best by following evidence wherever it leads rather than avoiding subjects that may draw political scrutiny. These provisions should be removed.

6. The “domestic-first” framework and foreign-collaboration bar (§§ 200.202(e), 200.220) would undermine international training and research.

The proposed rule favoring domestic entities for R&D awards and the broad prohibition on covered foreign collaborations (§§ 200.202(e), 200.220) would impede the international partnerships, field stations, and study-abroad research placements through which faculty access key aspects of their scientific study, and undergraduates gain global scientific experience. Modern science is collaborative and international, and many of our recent scientific masterpieces have been achieved by international teams. National security concerns should be addressed through the existing, targeted research security frameworks.

Conclusion

Taken together, these provisions would make federal research support less predictable, more politicized, more expensive to administer, and antithetical to the long-horizon, student-centered work that small liberal arts colleges do so well. Through the Carnegie RCU designation, the federal government has just formally recognized the research enterprises that undergraduate institutions have worked for decades to build, even as this proposed rule would destabilize the funding on which those enterprises depend.

Through their grant-funded work, our faculty have long advanced the public good while developing the next generation of leaders in our country. These changes would harm our faculty, our institutions, our students, and broader society. The likely results are fewer students trained in research, a weaker domestic STEM pipeline, and a measurable loss to U.S. scientific discovery and the health of our country.

We respectfully urge OMB to withdraw the proposed changes.

Sincerely,
Tom Stritikus
President
Occidental College