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By Electronic Submission

RE: Comment on "Regulation for Federal Financial Assistance, 91 Fed. Reg. 32,198 (May 29, 2026); Docket No. OMB-2026-0034

To Whom It May Concern:

On behalf of Brown University, we write as the University's chief academic officer and vice president for research, respectively, to submit comments in response to the proposed rule, "Regulation for Federal Financial Assistance," published by the Office of Management and Budget (OMB) and participating federal award-making agencies in the Federal Register on May 29, 2026.

Our understanding is that OMB has set out to improve transparency, accountability, and oversight for use of federal taxpayer dollars and to reduce the burden on recipients of federal financial assistance, including federal research awards. Brown shares the government's commitment to accountability, transparency, and careful stewardship of public research funds, and we appreciate the opportunity to provide comments on this proposed rule. Since World War II, the federal government and the nation's leading research universities have partnered to make the U.S. the global leader in scientific progress and innovation. This federal-university research partnership has led to cutting-edge medical procedures and cures, produced defense technologies that advance national security, set the stage for future scientific discovery, and trained researchers who make breakthroughs that benefit society and everyday quality-of-life. This longstanding partnership works because federal agencies set public goals, experts evaluate the science, and universities make the people, facilities, systems, and long-term commitments needed to carry the work through. When that partnership is weakened, it is not just the science that is impacted: The ripple effect means the public loses access to cutting-edge medical treatments. People lose jobs. Regional economies decline. And the nation's global leadership in science, technology, and medicine suffers.

The proposed rule, as drafted, would make this partnership less stable. It would introduce standards that shift after awards are made, reduce the role of expert reviews, impose blanket administrative requirements without regard to recipient risk, restrict ordinary dissemination of research findings, and allow performing awards to be suspended or terminated without the procedural protections needed to correct errors before research is interrupted.

We recognize and fully support OMB's stated goals of improving transparency, accountability, and oversight in federal awards, ensuring that public funds are used for their intended purposes, and upholding compliance with federal law. The question this rulemaking presents, however, is not whether federal awards should be subject to strong oversight — they should — but whether the specific revisions proposed are necessary, legally justified, and reasonably respond to those stated purposes. On that question, the proposed rule falls short, as we detail in our comments; the gap between its stated objectives and its operative provisions warrants careful examination.

What is at Stake

What distinguishes research at Brown University is not only its range but its character. Brown is built to cross disciplinary lines — its scholars are encouraged to transcend the traditional boundaries between fields, and its doctoral training, like the Open Curriculum that shapes its undergraduate education, treats free inquiry across disciplines as the norm rather than the exception. That same philosophy propels Brown undergraduate students to engage directly in the research happening across campus, with half of them conducting research alongside a faculty member before they graduate. The students, postdoctoral researchers, faculty, and clinical trial participants whose ability to make a positive impact through their research depends on federal funding have a direct and immediate stake in whether the federal grants system honors the merit-based assessment of their work by experts in the field, and operates lawfully and efficiently to administer the terms under which awards are made.

These are not administrative abstractions. In our recently ended Fiscal Year 2025, Brown received $195 million in federal research funding from the National Institutes of Health, the Department of Defense, the Department of Veterans Affairs, the National Aeronautics and Space Administration, the National Science Foundation, the Department of Energy, and other federal funding agencies, as is detailed publicly on USA Spending.gov. In total, Brown spent approximately $266 million to conduct that research, including an approximately $75 million investment from its own resources, as detailed publicly in the FY25 NSF HERD Survey. Brown's research enterprise is conducted by roughly 800 regular faculty (and an additional 2,600 research, clinical, adjunct and visiting faculty) who support nearly 300 postdoctoral researchers and approximately 1,500 doctoral students. The enterprise also draws on the work of a commensurate number of staff who are engaged in or support research.

Research at Brown results in solutions that improve our nation's health and national security, and basic science insights that lead to tomorrow's applied research. As just a few examples:

- Brown holds $133 million in federal awards aimed at Alzheimer's disease, and that work goes well beyond the laboratory: an initiative at Brown's School of Public Health is testing how dementia care works in real health systems where families face the disease, not in the idealized conditions of a typical clinical trial — this work is already changing how patients and their families are cared for across the country. Other teams are focused earlier in the course of disease, catching coronary heart disease before it turns fatal with anticipated National Heart, Lung, and Blood Institute support of $6.6 million. Overall, Brown received $119 million in National Institutes of Health grants in FY25.
- In partnership with the Naval Undersea Warfare Center in Newport, Rhode Island, Brown engineers supported by the Office of Naval Research are working out how to make unmanned undersea vehicles lighter, more maneuverable, and capable of surviving conditions that would disable conventional craft. A team funded by the Defense Advanced Research Projects Agency is strengthening computer security from the foundations up, through advances in the Rust

programming language. Overall, Brown received $16.8 million in Department of Defense grants in FY25.

- Brown's National Science Foundation portfolio ($24.5 million in FY25, across nearly 250 projects) includes earthquake research and related engineering studies to inform safer building codes, x-ray imaging that points toward treatments for muscular dystrophy and cerebral palsy, and breakthroughs in quantum science. Some research supports all of Rhode Island: since 1991, Brown has led NASA's Rhode Island Space Grant Program, currently a five-year, $3.41 million cooperative agreement that carries science and engineering education to 10 institutions across the state, from the Community College of Rhode Island to the planetarium in Providence, Rhode Island.

All of these projects are currently administered under a Federal Financial Assistance system that this rule would change.

Basis for our Comments

The comments we detail below are organized around six principal concerns:

- the administrative burden the rule, if finalized, would impose on federal award recipients;
- its chilling effect on federally supported research across disciplines;
- its displacement of expert scientific merit review by political judgment;
- its reliance on standards too vague to administer consistently;
- its disregard for the reliance interests of institutions carrying out active multi-year awards;
- and its denial of basic procedural fairness.

Brown raises each of these concerns because the proposed rule as written would work against the very objectives it sets out to advance.

The proposed rule claims to strengthen stewardship of taxpayer dollars while removing requirements that recipients follow internal control standards established by the Government Accountability Office. OMB claims the proposed rule will improve the quality of federally funded science, but at the same time requires senior political appointees to conduct pre-issuance review of awards, with guidance that they should not defer to expert peer review. The proposed rule claims to provide clarity and uniformity while relying on undefined terms such as "Gold Standard Science," "anti-American values" and "the President's policy priorities" that would be applied through the differing and inconsistent political judgments of officials across agencies, programs, and administrations. Standards applied in this way are not uniform and cannot be meaningfully enforced. This process will leave recipients with uncertain understanding of the compliance requirements and how the requirements will be interpreted and judged. When a rule's operative provisions systematically contradict its stated objectives, such a pattern warrants more than editorial observation. In practice, the proposed rule would consolidate political control over federal award decisions, condition access to federal funding on ideological criteria, undermine congressional intent with respect to appropriated funds, and destabilize the long-term commitments on which rigorous, sustained research depends.

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OMB has not provided the analytical foundation to support the magnitude of the proposed changes. Among other things, the proposal does not identify a record of concrete failures in the existing awards system, provide specific examples of the problems it aims to solve, or explain why less disruptive alternatives would be inadequate. Simply invoking values such as transparency, accountability, and stewardship is not a sufficient basis for reordering the relationships among Congress, federal agencies, political appointees, scientific peer reviewers, and award recipients. The existing system, with its merit-based review processes in place since 1946 and established compliance frameworks, reflects decades of careful development that has been lauded by researchers worldwide. OMB must explain, with specificity, why the current system is insufficient and why its proposed changes are the necessary remedy. On that central question, the proposal does not provide an adequate answer.

The accountability that Brown takes seriously in managing federal funds should be matched by accountability on the part of the federal government. Recipients are accountable for using federal funds lawfully, responsibly, and in accordance with award terms. The federal government must likewise be accountable to Congress, to the statutory purposes of appropriated funds, to the terms of its own awards, and to the evidence-based processes that protect public trust. The proposed rule cannot fulfill OMB's stated objectives because it removes or weakens the very safeguards, including expert peer review, clear and consistent standards, award stability, and fidelity to congressional intent, that make genuine accountability possible.

For these reasons, we urge OMB to substantially revise the proposed rule to preserve merit-based review, maintain the stability of active awards, protect lawful and appropriately managed international collaboration, and provide clear, workable standards that recipients and agencies can apply with consistency and confidence.

1. **[2 C.F.R. §§ 200.340, 200.341(c), 200.342, 200.343(b)] Termination and Suspension Authority**

Proposed § 200.340(a)(2) would authorize agencies and pass-through entities to terminate federal awards if termination is "in the interest" of the agency or pass-through entity, including if the award "does not effectuate the program goals, Federal agency priorities, or the national interest as they exist at the time of the termination." Proposed § 200.340(e) would authorize temporary suspension of awards for up to 90 days. Proposed § 200.341(c) would allow agencies to provide brief discretionary termination notices with reasons that "may apply to an individual award or class of awards" and need not "provide a detailed or exhaustive analysis." Proposed additions to § 200.342 state that agencies need not "allow for objections, hearings, and appeals" except for terminations for noncompliance. Proposed § 200.343(b) generally makes costs incurred during suspension or after termination unallowable unless authorized or arising from pre-existing obligations and allows but does not require agency payment of necessary and reasonable post-termination costs following a discretionary termination.

A multi-year research award is built into hiring, participant enrollment, equipment purchases, vendor relationships, graduate student training, and regulatory commitments before the first year is complete.

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Brown is concerned that the proposed changes to §§ 200.340 through 200.343 would allow an agency to terminate or suspend a performing award based on a later assessment of agency priorities, without a detailed explanation and without an administrative appeal unless the termination is for noncompliance. The proposed standard — whether an award continues to "effectuate" goals and priorities "as they exist at the time of the termination" — does not require any deficiency by the recipient. A 90-day suspension would create many of the same effects as termination: work stops, costs that are presumptively unallowable, and the need for the recipient to decide whether to keep people, participants, specimens, data, and equipment in place without knowing whether the award will resume.

Brown's records show what this kind of disruption does to active research. In 2025, Brown received a stop-work order on a subaward supporting a U.S. State Department grant after the prime institution reported that the funding was suspended because it no longer "effectuated agency priorities" — the same formulation reflected in the proposed termination standard. Brown also had a National Institutes of Health dementia-care renewal review canceled; the renewal represented $83 million in potential funding, supported more than 80 Brown staff, and involved data vendors and clinical trials that depend on continuity. Under the proposed rule, work of that kind could be suspended for 90 days without detailed justification and without a hearing. During the suspension, Brown would still have to maintain laboratories, equipment, data systems, and ethical obligations to human subjects while expenditures are presumptively unallowable. Graduate students working on funded projects could be forced to stop research mid-degree. Staff who keep projects running — administrators, research coordinators, lab managers, lab staff, clinical coordinators — could be laid off. Brown's experience demonstrates that hiring back people with those skills is not simple when funding resumes. These actions have the potential to severely impact members across the entire research enterprise; at Brown, that includes roughly 800 regular faculty (and an additional 2,600 research, clinical, adjunct and visiting faculty) who support nearly 300 postdoctoral researchers and approximately 1,500 doctoral students, as well as the work of hundreds of staff members.

The proposed termination and suspension provisions require a clearer justification than OMB has provided. OMB has not identified why existing termination authorities for noncompliance, fraud, statutory changes, or other concrete award-related problems are inadequate, nor has it explained why agencies should be permitted to suspend or terminate performing awards based on later-shifting priorities without detailed reasons or a meaningful opportunity to be heard. If OMB believes discretionary termination and the 90-day suspension authority are necessary, it should explain why less disruptive alternatives, including specific written findings, individualized notice, pre-termination review, narrower suspension periods, and payment of necessary wind-down costs, would not protect the government's interests. Without that explanation, the proposal would undermine award stability and procedural fairness while shifting the risk of changed agency priorities onto students, staff, research participants, subrecipients, and ongoing scientific work.

Brown requests that OMB: (1) limit discretionary termination to circumstances where the recipient has failed to comply with the terms of the award, materially misrepresented information in the application, or where Congress has rescinded the underlying appropriation — and remove the open-ended "Federal

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agency priorities" and "national interest" standards "as they exist at the time of the termination" standards; (2) require that any termination notice include a specific, written explanation identifying the factual and legal bases for termination with enough detail that the recipient can respond; (3) provide recipients with a meaningful opportunity to object, present evidence, and obtain review before termination takes effect, except in cases involving fraud, imminent safety risk, or statutory mandate; (4) limit suspension to 30 days, require written justification at the outset, and make costs reasonably incurred during suspension allowable unless the agency demonstrates the recipient caused the condition requiring suspension; (5) require agencies to pay necessary and reasonable closeout and wind-down costs — including costs of maintaining ethical obligations to human subjects, biological specimens, and data preservation — following any discretionary termination; and (6) clarify that termination or suspension of a "class of awards" requires individual notice to each affected recipient with a right to individual review.

2. **[2 C.F.R. §§ 200.205(b)-(e), 200.206(b)(2)] Merit Review, Pre-Issuance Review, and Applicant Risk Assessment**

Proposed § 200.205(b)-(e) would require agency-designated senior appointees to conduct pre-issuance reviews of discretionary awards. Awards would be required to, among other factors, demonstrably advance the President's policy priorities, not promote "anti-American values," and comply with "Gold Standard Science" policies, procedures, and guidance. Senior appointees are directed not to "ministerially ratify or routinely defer to the recommendations of others," including peer review recommendations. The provision further states that, all else being equal, preference should be given to institutions with lower indirect cost rates, and that agencies should prioritize an institution's commitment to "rigorous, reproducible scholarship over reputation or perceived prestige." Proposed changes to § 200.206(b)(2) would expand pre-award risk assessment factors to include publicly available history of "questionable practices" (including plagiarism and discredited or non-replicable studies), activities inconsistent with federal civil rights or religious liberty laws, memberships or affiliations with organizations alleged to "violate Federal law, undermine public safety or national security, or advocate for the overthrow of the United States government," and compliance with the reporting requirements under § 117 of the Higher Education Act of 1965.

A proposal from Brown or any other institution may receive favorable review from scientists with subject-matter expertise and still be reconsidered by a senior appointee applying criteria such as "the President's policy priorities" or "anti-American values." That changes the role of peer review from the center of the award decision to one input among others that are not defined in technical or scientific terms. The undefined criteria of pre-issuance review also makes it harder for researchers to know how to design proposals that will be judged on scientific merit. The proposed preference for institutions with lower negotiated indirect cost rates would penalize institutions for costs the federal government has already reviewed and approved; Brown's predetermined federal negotiated indirect cost rate through Fiscal Year 2027 is 59.5% for organized on-campus research activities.

In our recently ended Fiscal Year 2025, Brown's $24.5 million National Science Foundation portfolio supported nearly 250 projects across every National Science Foundation scientific discipline. Those awards were made through peer review processes in which subject-matter experts evaluated scientific merit, feasibility, and broader impacts. If senior appointees are directed not to defer to those evaluations, researchers cannot know at the time of application whether work that meets the scientific standard will be funded. The risk-assessment factors add a second layer of uncertainty. Terms like "questionable practices," activities "inconsistent with Federal civil rights laws," "inconsistent with religious liberty laws," and "affiliation with organizations" that allegedly undermine public safety or national security do not tell an institution what conduct counts, whose conduct is imputed to the applicant, or how far back the agency may look.

The pre-issuance review and risk-assessment provisions outlined in the proposal do not address why the existing merit review system is insufficient or why an additional political review process is necessary. As such, the proposal does not describe a concrete failure in the current expert peer review process that would justify directing senior appointees to not defer to recommendations from scientific experts. The proposal does not explain how undefined criteria tied to policy priorities, ideology, institutional affiliations, or reputational judgments can provide reliable guidance for funding or be applied consistently across agencies and administrations.

Brown requests that OMB: (1) remove the directive that senior appointees not defer to peer review and instead affirm that expert scientific merit review is the primary basis for discretionary award decisions; (2) remove the preference for institutions with lower indirect cost rates, which penalizes institutions for federally negotiated costs and is unrelated to scientific merit; (3) define or remove vague terms including "anti-American values," "Gold Standard Science," "questionable practices," activities "inconsistent with Federal civil rights laws," and activities "inconsistent with religious liberty laws," replacing them with objective, administrable standards; (4) remove "memberships and affiliations" as a risk assessment factor, which raises serious First Amendment concerns and lacks the specificity necessary for consistent application; and (5) ensure that any pre-issuance review is limited to verifying compliance with objective eligibility criteria and does not substitute political judgment for scientific expertise.

3. **[2 C.F.R. §§ 200.202(e), 200.220] Domestic-First Framework and Foreign Collaboration Restrictions**

Proposed § 200.202(e) would impose a domestic-first framework for all federal research and development awards: Those awards must be made to U.S., state, or tribal entities unless authorizing statutes provide otherwise or a senior appointee makes a finding of "compelling interest" for the agency's mission, administration priorities, and U.S. interests. A research and development award may only include an international element if such element is "justified," "consistent with program objectives," and in the "national interest." Proposed § 200.220 separately prohibits federal funds — including indirect costs allocable to such collaborations — from supporting a "bilateral or multilateral collaboration, agreement, program, or activity" with a "covered foreign country" or "covered foreign entity," unless an agency exception applies.

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Some research questions require data, study populations, field sites, instruments, or expertise located outside the United States. Brown is concerned that §§ 200.202(e) and 200.220 would make those ordinary research judgments depend on terms the proposed rule does not define. The words "collaboration," "activity," "covered foreign entity," "compelling interest," "justified," "national interest," "consistent with program objectives," and "indirect costs allocable to such collaborations" would determine whether work may proceed, but they do not yet tell institutions how to apply the rule. Without those definitions, Brown and other institutions cannot give researchers reliable advice about existing projects or planned proposals with international components.

Brown's existing research portfolio includes projects funded by the National Institutes of Health, National Science Foundation, National Aeronautics and Space Administration, and Department of Energy that involve international data-sharing, foreign field sites, and collaboration with researchers at institutions abroad. The research conducted in these projects — including global disease surveillance, climate science, and studies at the forefront of understanding fundamental physics and the origin of the solar system — require access to populations, environments, and instrumentation that is impossible to replicate domestically, or provide the demonstrably best geographic location to test a scientific hypothesis or advance the field. Importantly, this research is on areas the federal government has already deemed as a priority to fund. For example, our researchers are funded through the National Institute of Allergy and Infectious Diseases at the National Institutes of Health to investigate the emergence of resistance to antimalarial therapies in Africa, and to discover and develop novel treatments. International collaboration involving Brown researchers is critical for fundamental research in high energy physics at the Large Hadron Collider (the world's largest and most powerful particle accelerator located and operated at the CERN facility in Switzerland) and for planetary science missions throughout the solar system (such as NASA's Dragonfly mission to Saturn's moon Titan to investigate habitability).

The phrase "indirect costs allocable to such collaborations" creates a separate administrative problem. Brown's federally negotiated indirect cost rate applies institution-wide, and the proposed rule does not explain how an institution should isolate and exclude indirect costs associated with an international component of an otherwise domestic award.

While we continue to support compliance mechanisms that strengthen our national security, the proposal does not explain why existing research security, disclosure, export control, and foreign influence rules are inadequate, or why a broad domestic-first framework is needed in addition to these existing safeguards. The proposal does not outline why lawful international research collaboration that depends on unique data, populations, facilities, or expertise should be made uncertain through undefined standards that could jeopardize already funded and ongoing multi-year awards.

Brown requests that OMB: (1) define all key terms in §§ 200.202(e) and 200.220 — including "collaboration," "activity," "covered foreign entity," "compelling interest," "justified," "national interest," "consistent with program objectives," and "indirect costs allocable to such collaborations" — with enough specificity that institutions can administer the requirements consistently; (2) provide clear guidance on the treatment of indirect costs, clarifying whether and how institutions should allocate indirect costs to international components of otherwise domestic awards; (3) ensure that existing multi-year awards with approved international components are not subject to retroactive application of new restrictions; (4) create an expedited process by which institutions may obtain written confirmation that planned international collaborations comply with the rule; and (5) clarify that the domestic-first framework does not apply to fundamental research collaborations that require access to geographically unique data, populations, or facilities.

4. **[2 C.F.R. §§ 200.101(d), 200.106, 200.110] Change from Guidance to Regulation**

The proposed rule would reclassify Part 200 from guidance to binding regulation. That change would operate in two stages. First, if the proposed rule is finalized, participating agencies would amend their own adopting regulations to implement the revised Part 200, with OMB proposing an effective date of October 1, 2026. Then, pursuant to the proposed changes at § 200.110, in the future, when OMB again amends the regulatory text of Part 200, those changes would apply government-wide on the effective date of OMB's final rule, without requiring each federal agency to adopt separately those amendments through the agency's own rulemaking process. Pursuant to the proposed changes at § 200.106, agencies, however, may still undertake rulemakings as appropriate to adjust their own chapters, but they would not be required to do so for every OMB amendment.

Brown's current compliance systems are built around the way each federal agency implements the Uniform Guidance through its own award terms and procedures. In the near term, implementation of this proposed rule, if finalized, would require Brown to translate a broad set of newly binding requirements across its federal portfolio while each agency is also updating its own adopting regulations, award terms, guidance, payment systems, reporting instructions, and program-specific procedures. Brown (and the agencies as well) would then need to determine, award-by-award, how the new government-wide provisions interact with existing terms, prior approvals, negotiated rates, reporting cycles, subaward structures, and closeout obligations. Future rule-making under Part 200 would create a separate risk because later OMB amendments could become binding across agencies on a single effective date without the agency-by-agency adoption process that currently provides recipients with additional notice and implementation guidance. That would add significant administrative work where OMB has said it seeks to reduce burden, and it would disrupt expectations built into existing awards. The concern is not uniformity itself; the concern is uniform change without adequate implementation time, without agency-specific translation before compliance obligations attach, and without protection for awards accepted under prior terms.

Brown administers awards from the National Institutes of Health, the Department of Defense, the National Science Foundation, the Department of Energy, the National Aeronautics and Space Administration , and the Department of Veterans Affairs, among other agencies. Each agency's award terms reflect that agency's implementation of the current guidance. Brown's research administration infrastructure — including pre-award, post-award, research integrity, contracting, and technology innovation offices — is configured around those frameworks. A government-wide change, effective on one date, would require Brown to reconfigure compliance systems across all awarding agencies at the

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same time. A new rule that changes all award administration requirements across agencies on the same date would significantly add to operational demands.

The proposal does not outline why these changes are necessary, why the current agency-specific processes are insufficient, or why a less disruptive approach would not meet OMB's goals.

Brown requests that OMB retain Part 200's status as guidance rather than binding regulation, preserving the agency-specific rulemaking process that gives institutions notice and a meaningful opportunity to adapt. If OMB proceeds with reclassification, Brown requests: (1) for the initial final rule, an 18- to 24-month implementation period from the date of the final rule; (2) for future OMB amendments to Part 200, a requirement that such amendments be subject to notice and comment with an implementation timeline proportionate to the scope of changes before they take effect across agencies; and (3) a clear statement that existing awards will continue to be governed by the terms in effect at the time of award unless the recipient affirmatively consents to new terms.

To add perspective for the magnitude of disruption these changes would impose, Brown currently applies agency-specific guidance to support unique aspects of funding provided from (among others): the NIH Grants Policy Statement, NSF Proposal and Award Policies and Procedures Guide, NASA Grant and Cooperative Agreement Manual, NASA Grant Information Circulars, DOD Grant and Agreement Regulations, Office of Naval Research Addendum to DOD Research and Development General Terms and Conditions, and DOE Financial Assistance and Policy Flashes. Similarly, this guidance is administered using an array of agency-specific systems, including: Department of Health and Human Services and NASA Payment Management System, DOD Wide Area Workflow, DOE Automated Standard Application for Payments, and NSF Award Cash Management Service. Modifications of these systems would then also require revisions to our internal systems in Workday Finance, Huron Grants and Agreements, Proposal Submission Guidance, Award Closeout timelines, and University Prior Approval system. While harmonization of the federal systems could eventually lead to less burden on our staff and researchers, immediate government-wide implementation of this proposed rule, and any later OMB amendment that takes effect across agencies on a single date, would be exceptionally inefficient and expensive.

The government has partnered with recipient stakeholders on grants administrative guidance in the past. In those circumstances, the phasing in of guidance took place on a timeline better suited to thoughtful analysis. To consolidate eight separate OMB circulars, an Advance Notice of Proposed Guidance was published in the Federal Register in February 2012. OMB then took over a year to review and analyze feedback, publishing the formal Notice of Proposed Guidance in February 2013 and issuing a final rule in December 2013. The new 2 C.F.R. Part 200 - "Uniform Guidance" became effective for awards on or after Dec. 26, 2014. That timeline allowed federal agencies and grantees adequate time to prepare internal systems, update policies, and revise procedures to enforce the new requirements.

5. **[2 C.F.R. §§ 200.218, 200.219, 200.300(b)-(c)] Nondiscrimination, DEI, Disparate-Impact, and Event-Services Provisions**

Proposed § 200.300(b) would prohibit use of federal awards to "fund, promote, encourage, subsidize, or facilitate" "diversity, equity, and inclusion" (DEI) or "diversity, equity, inclusion, and accessibility" (DEIA) practices that violate federal anti-discrimination laws, "gender ideology" as defined by executive order, and pediatric gender "transition" procedures. Proposed § 200.218 would restrict federal awards from "promot[ing] or support[ing] the use of disparate-impact liability" and includes a narrow exception for internal institutional use that expressly excludes a federally funded analysis and use of such analysis in award activities. Proposed § 200.219 addresses event services and prohibits "viewpoint, content, or subject matter" discrimination in services for events, meetings, and other expressive activities; for non-public entities, this prohibition applies to such activities within the scope of the federal program.

Brown's public health, epidemiology, education, environmental, and social science researchers use demographic and disparate-impact analysis to understand how policies, exposures, and institutions affect different populations. Brown is concerned that §§ 200.218, 200.219, and 200.300(b)-(c) would make that work difficult to plan and harder to administer because the operative terms are not defined. A researcher should not have to guess whether publishing findings about differential health outcomes will be treated as "promot[ing] or supporting the use of disparate impact liability." Nor should a university have to determine, without a clear boundary, when an event is within the "scope of the federal program" for purposes of § 200.219.

Brown's School of Public Health conducts federally funded research examining health outcomes across demographic populations. That work looks at how policies, environmental exposures, and institutional practices produce different effects, and it informs clinical care and public health interventions. For example, an R01-funded project at Brown's School of Public Health investigates drivers of migration to the U.S. mainland, and health outcomes following migration, among Puerto Rican older adults with and without Alzheimer's disease and related dementias. Predictors of migration are likely to include racial and ethnic characteristics. Under the proposed rule, researchers could reasonably question whether studying those effects — or publishing findings that document them — moves from permissible research into impermissible support for disparate impact liability.

The proposal does not describe what specific compliance failures for nondiscrimination, disparate impact, and event services provisions they are intended to address or why existing nondiscrimination laws and award conditions are inadequate. Without that explanation, the new provisions would risk turning lawful research methods and academic activity into compliance questions governed by undefined terms.

Brown requests that OMB: (1) clearly define all operative terms in these provisions, including "promote," "encourage," "facilitate," "gender ideology," "disparate impact liability," and activities within the scope of a federal program; (2) expressly exempt from § 200.218 all bona fide scientific research that uses disparate-impact analysis as a methodological tool, regardless of whether findings are published, shared with policymakers, or used in public-facing reports — consistent with longstanding federal support for research that examines differential effects across populations; (3) clarify that § 200.300(b) does not restrict research whose subject matter involves topics related to diversity, equity, or inclusion, but only prohibits using federal funds for operational programs that violate existing anti-discrimination statutes; and (4) narrow § 200.219's event-services provision to apply only to events that are directly funded by and constitute a deliverable of the federal award, not to all institutional activities that occur in proximity to federally funded work.

6. [2 C.F.R. §§ 200.208(f), 200.305(c)] Specific Conditions and Payment Justifications

Proposed § 200.208(f) would expressly authorize agencies to add or remove specific conditions at any point during an award's period of performance, with risk-based adjustments within 15 days. Examples of conditions include detailed financial reports, payment information submissions, and financial-integrity-related site visits. The proposal introduces program-level specific conditions for "elevated programmatic risk" and removes the existing requirement that conditions be promptly removed once the triggering risk factors are satisfied. Proposed § 200.305(c) would require Brown and other institutions to include a brief written justification for every payment request — including both advance and reimbursement requests — describing corresponding award activities, milestones, administrative activities, or other requirements.

Brown draws federal funds across hundreds of awards, each with its own budget, milestones, and reporting schedule. Each project generates multiple payment requests over its period of performance. A written justification for every payment request would add a redundant and burdensome step to each draw (as these payments are justified in budget justifications, and audited at the close-out of the project), whether or not the award or recipient presents any financial management concern. For example, requiring a written justification for each draw would multiply burden across the portfolio and move research administration staff from compliance and faculty-support work to transaction-by-transaction narrative drafting (in addition to a new justification burden to the researchers).

The same asymmetry appears in § 200.208: Conditions may be added quickly, but the proposed rule removes the requirement that they be promptly removed once the reason for the conditions has been addressed. Brown is concerned that the result would be more administration without a corresponding improvement in oversight.

Since the initial adoption of the "Defend the Spend" practices, Brown needed to add a full-time post-award specialist position to its central Sponsored Projects office. The position is dedicated to management of 27 letter of credit systems drawdowns and more than four distinct federal payment systems. The position reconciles drawdowns with the University general ledger accounts and resolves discrepancies in collaboration with the controller's office, financial services, treasury office, and post-award staff. Additionally, the specialist completes refund determinations and interpretation of sponsor payment requirements. All of this work is complicated by the excessive line item detail required and the redundant entry of award budget transaction justifications in addition to awards that may be subject to suspensions of unknown duration. The cost information is already available to the federal

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government throughout the award lifecycle, first as a proposal numeric budget and narrative budget justification, in all revised budgets reviewed and approved by the sponsor prior to award, and at the award stage of the Notice of Award and in the Research Performance Progress Report, which collects information on spend rates annually.

The proposal does not explain why a blanket payment justification requirement is necessary for all non-state recipients, rather than — for example — recipients with identified financial management deficiencies. The proposal does not describe why existing budget justifications, drawdown controls, audits, closeout reviews, and specific conditions are insufficient.

Brown requests that OMB: (1) limit the per-payment written justification requirement to recipients that have been placed on specific conditions for financial management deficiencies, rather than applying it as a blanket requirement to all non-state recipients; (2) restore the requirement that specific conditions be promptly removed once the triggering risk factors have been satisfactorily addressed; (3) define "elevated programmatic risk" with objective criteria so that institutions can understand what triggers program-level conditions and what steps will result in their removal; and (4) ensure that any conditions imposed mid-performance are subject to a written explanation and an opportunity for the institution to respond before the condition takes effect.

7. **[2 C.F.R. §§ 200.329, 200.331, 200.332, 200.333, 200.340] Subaward and Subrecipient Monitoring**

Proposed §§ 200.329 and 200.332(g) would require confirmation and reporting of subawards in SAM.gov, with failure to report serving as a basis for termination. Proposed §§ 200.331(c) and 200.332(h) would require that transfers to affiliates, subsidiaries, or other related entities that are separate legal persons be classified as subawards or contracts rather than internal transfers. Proposed § 200.332(i) would require pass-through entities to ensure that subrecipients comply with all award terms and do not take actions that could "significantly damage the reputation of the pass-through entity, the Federal agency making the award, or the Federal Government"; agencies may direct subaward termination or terminate the prime award. Proposed § 200.333 would eliminate fixed amount subawards.

Brown's research depends on subawards, hospital partnerships, and work with affiliated entities. Brown is concerned that the proposed subaward provisions would add administrative requirements to those relationships while using standards that cannot be applied with precision. A pass-through entity can monitor compliance with award terms. It cannot objectively "ensure" that a subrecipient will never take an action that could damage the reputation of the agency or the federal government. The affiliate-transfer provisions also risk converting integrated research arrangements into full subrecipient relationships even where Brown already oversees the work through institutional agreements and shared compliance systems.

Brown annually administers approximately 700 subawards, including approximately 120 subawards to our partners at Brown University Health (a separate and independent healthcare system) and Care New

England. These comprise a combination of new subawards and subawards that are amended to extend their period of performance. In addition, Brown administers approximately 280 awards as a subrecipient. Many research arrangements involve transfers to entities that are separate legal persons but operate within Brown's research ecosystem. Reclassifying those transfers as subawards would subject each to SAM.gov reporting, risk assessments, and compliance certifications. For arrangements where Brown already exercises programmatic and fiscal oversight, the rule would add process without identifying a concrete gap in oversight.

The proposal does not explain why current subrecipient monitoring processes, audit, risk-assessment, and pass-through oversight requirements are inadequate. Similarly, the proposal does not identify a concrete oversight gap that justifies eliminating fixed amount subawards, reclassifying affiliate transfers, or holding pass-through entities responsible for open-ended reputational harms that are not tied to specific award terms or applicable law.

Brown requests that OMB: (1) remove or replace the "significantly damage the reputation" standard with an objective, compliance-based standard tied to violations of specific award terms or applicable law; (2) provide a clear safe harbor or exemption for transfers to affiliated entities where the pass-through entity already exercises substantive oversight through institutional agreements, shared governance, or joint compliance systems; (3) retain fixed amount subawards as a permissible mechanism for low-risk, clearly scoped collaborative work; and (4) ensure that SAM.gov reporting requirements include a reasonable implementation timeline and do not serve as a basis for termination absent a showing of willful noncompliance.

8. **[2 C.F.R. §§ 200.432, 200.454, 200.461] Publication, Conference, and Professional Activity Costs**

Proposed § 200.432 would make conference attendance costs allowable only if expressly approved by the awarding agency and included in award terms. Proposed § 200.461 would make publication costs — including page charges, article processing charges, and open access fees for peer-reviewed publications — unallowable unless required by statute or approved in advance on a case-by-case basis; a general public-availability requirement would not suffice. Proposed § 200.454 would make memberships in professional, civic, business, and technical organizations allowable only if necessary and pre-approved by the agency, and would render subscriptions to business, professional, academic, and technical periodicals unallowable.

Brown researchers do not complete federally funded research by finishing a dataset and leaving it on a server. They test new findings against results from past studies and peer critique, present findings at conferences where work is scrutinized and advanced, publish in peer-reviewed journals across the scientific disciplines, and make data available for replication and use — and federal awards include requirements for dissemination of data as an objective or deliverable. Further, attending conferences is a foundational aspect of professional development for the nation's next generation of scholars. Overall, we risk losing ground in all fields by adding additional roadblocks to attending conferences and publishing research. Conferences are also part of the lifeblood of local economies, with cities having invested in infrastructure and business to support the vast array of fields for which attending conferences is a critical component of the research enterprise. The added compliance actions required to follow §§ 200.432, 200.454, and 200.461 would generate numerous approval requests on an award-by-award and event-by-event basis; each would require agency review, even where the cost is already subject to existing review, allocability, budget, and closeout control. These proposals would add administrative burden to our researchers, administrative staff, and the federal agencies as well, and thus make dissemination of federally funded research slower, more expensive, and less predictable.

OMB has not outlined a concrete failure that would justify converting ordinary dissemination activities into case-by-case prior-approval events for both recipients and agencies. At face value, the proposal adds administrative burden while weakening the very dissemination practices that make federally funded research transparent, reproducible, and useful to the public.

Brown requests that OMB: (1) restore publication costs — including page charges, APCs, and open access fees for peer-reviewed publications of federally funded research — as allowable costs without case-by-case prior approval, consistent with longstanding federal policy favoring open dissemination; (2) restore conference attendance as an allowable cost when related to the funded project, subject to existing reasonableness and allocability standards rather than express per-event agency approval; (3) retain memberships in professional and technical organizations as allowable when directly related to the funded research; and (4) retain subscriptions to academic and technical periodicals as allowable costs necessary for conducting federally funded research.

Preserving Oversight while Reducing Barriers to High-Impact Research

As noted above, we submit this comment as the University's chief academic officer and vice president for research — the individuals responsible, respectively, for advancing Brown's academic mission and for stewarding the federally supported research enterprise through which that mission is realized. The University maintains a Division of Research that supports investigators across the full life of a research project — from developing a research strategy and identifying funding through proposal submission, award management and closeout. Among its core functions, the Division works to maintain compliance with federal and state regulations, ensure the integrity of research, manage conflicts of interest, and protect intellectual property, while reducing the administrative workload that would otherwise fall upon researchers. Through this structure, compliance and accountability are built into how Brown conducts research — staffed, resourced, and run as a professional function — rather than improvised award by award.

In regard to federal research funds in support of projects at Brown, the University does not ask for freedom from accountability. It asks for rules that researchers can understand, administrators can implement, and agencies can apply consistently. The revisions requested in the comments presented above would preserve oversight while removing provisions that would add administration without a matching gain in stewardship, chill lawful research, or leave recipients without a fair opportunity to be heard before funded work is stopped.

Brown's faculty, students, and staff — and the patients, communities, and public they serve through their research — depend on a federal research funding system that values scientific merit, honors commitments, and operates with fairness and transparency. Brown urges OMB to revise the proposed rule consistent with these principles.

Respectfully submitted,

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