

CREATING A NEW COMPACT FOR ACADEMIC EXCELLENCE IN HIGHER EDUCATION

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THE TRUMP ADMINISTRATION CLARIFIES THE FEDERAL GOVERNMENT'S PRIORITIES FOR ITS INVESTMENT IN HIGHER EDUCATION

On October 1, 2025, the United States Department of Education (ED) set a new standard for transparency in government by presenting its *Compact for Academic Excellence in Higher Education* (Compact). The draft document, shared with the presidents of nine of America's leading universities,¹ outlines the federal government's priorities and expectations for higher education in return for the more than \$200 billion that taxpayers invest in America's colleges and universities. For those who commit to and demonstrate their commitment to these public interests, the ED proposes some possible prospective benefits.

THE PROVISIONS OF THE COMPACT

The Compact was presented in 10 bullet points, each clarifying an area of federal priority:

1. **Equality in Admissions:** Institutions would commit to not consider sex, ethnicity, race, nationality, political views, sexual orientation, or religious affiliation in admissions or financial aid decisions—operationalizing the landmark 2023 Supreme Court ruling *Students for Fair Admissions v. Harvard*. Instead, they would use “objective” criteria and publish admissions standards and data to ensure public accountability. This priority largely amounts to implementing current federal law.
2. **Marketplace of Ideas and Civil Discourse:** Institutions would commit to “maintain a vibrant marketplace of ideas where different views can be explored, debated, and challenged,” and to create a safe campus environment where students of *all* ideologies and persuasions can freely *and safely* propose and discuss ideas. It also calls for institutions to commit to academic freedom and civility. This priority reflects the government's original core purposes in investing in higher education: the creation of an educated electorate.
3. **Nondiscrimination in Faculty and Administrative Hiring:** Institutions would commit to not consider sex, ethnicity, race, national origin, disability, or religion in promotion, advancement, or reappointment decisions for academic, administrative, or support staff except as allowed under federal employment discrimination statutes. This priority restates current federal law.
4. **Institutional Neutrality:** Institutions would commit to “abstain(ing) from actions or speech relating to societal and political events except in cases in which external events have a direct impact upon the university.” Individuals are encouraged to express *personal* views but cannot purport to do so on behalf of their institution. This priority reflects positions already taken by many universities through their adoption of the principles of the [Kalven Report](#).
5. **Student Learning:** Institutions would commit to preserving rigor by resisting grade inflation and providing accountability through the publication of grade-related data. This priority addresses a growing trend toward all “A” grade distributions, the higher education equivalent of social promotion.

¹ These universities included Brown University, Dartmouth College, the Massachusetts Institute of Technology, the University of Arizona, the University of Pennsylvania, the University of Southern California, the University of Texas at Austin, the University of Virginia, and Vanderbilt University.

6. **Student Equality:** Institutions would commit to treating all students equally and not based on immutable characteristics, excluding matters of privacy, safety, and fairness. They would also adopt the biological understanding of male and female. This priority restates the current application of federal law.
7. **Financial Responsibility:** Institutions would commit to freezing tuition levels for five years. Institutions with very large endowments (currently taxed at a very low rate) would additionally commit to using their endowment proceeds to fund tuition for students in the hard sciences. Institutions would additionally publish labor market outcome data for alumni and refund tuition to students who drop out during their first undergraduate term.
8. **Foreign Entanglements:** Institutions would commit to complying with federal reporting requirements pertaining to money laundering and foreign gift disclosure. They would also collaborate with the federal government to identify and exclude students who represent threats to U.S. national security, and work to promote U.S. values abroad. Further, institutions would prioritize access for American students and limit foreign student enrollment to 15% of undergraduates overall and no more than 5% from any one country.
9. **Exceptions:** Institutions would retain existing flexibilities under federal law relating to religious and single-sex accommodations. This clause restates current federal law.
10. **Enforcement:** Institutions would commit to (1) certifying compliance with the provisions of the compact; (2) conducting an annual poll of faculty students, and staff evaluating the institution's compliance with the compact; and (3) periodic reviews by the Department of Justice. Penalties could include the loss of federal monies during years they are found in violation and the possibility that they could be compelled to return any private contributions received upon donor request.

BENEFITS FOR PARTICIPATION

The cover letter accompanying the Compact described three sets of prospective benefits:

1. signaling that learning and equality are institutional priorities;
2. providing assurances of compliance with civil rights laws and pursuing federal higher education priorities with vigor; and
3. facilitating possible increased overhead payments (when feasible), access to substantial and meaningful federal grants, and the possibility of other federal partnerships.

RESPONSE TO THE COMPACT

Seven of the original nine institutions provided a variety of reasons for declining to sign on to the Compact. In response to these initial rejections of the Compact in its current form, President Trump extended the Compact offer to any institution of higher education. Today, two have accepted (New College of Florida and Valley Forge Military College) while another (Grand Canyon University) has expressed interest while awaiting the Compact's final form.

The Trump Administration continues to work with higher education institutions to forge a meaningful proposal by convening a series of meetings and roundtables at the White House, including a feedback meeting on October 17, 2025, with representatives from leading research universities on the overall proposal, a November 19, 2025, Roundtable on "Administrative Bloat and Low-value Programs," and a [December 3, 2025 Roundtable](#) on viewpoint diversity and open discourse on campus.

While a timeline has yet to be publicly specified, it is expected that the ED will release a revised *Compact for Academic Excellence in Higher Education* in the months ahead.



THE TRUMP ADMINISTRATION'S CREATION OF A COMPACT WITH HIGHER EDUCATION WILL RESTORE PUBLIC TRUST IN ITS UNIVERSITIES, MAKE COLLEGE MORE ACCESSIBLE AND AFFORDABLE, AND CREATE CLARITY AND ACCOUNTABILITY FOR THE PUBLIC'S MASSIVE INVESTMENT IN ITS UNIVERSITIES AND COLLEGES.

