

**September 15, 2025**  
**Office of General Counsel**

### **Department of Education to End Certain MSI Grant Programs**

On September 10, the U.S. Department of Education (ED) announced it will no longer provide \$350 million in discretionary funding that has historically supported several Minority Serving Institution (MSI) grant programs. These include initiatives for Hispanic-Serving Institutions (HSI) and Asian American and Native American Pacific Islander-Serving Institutions (AANAPISI), among others. UNC is currently designated as an HSI.

The change stems from a recent determination by the Solicitor General that HSI eligibility criteria conflict with the equal protection component of the Fifth Amendment's Due Process Clause. ED has aligned with the Department of Justice's interpretation and concluded that requirements for other MSI programs raise similar constitutional concerns. As a result, the Department will stop issuing new awards in FY2025 and discontinue non-competing continuation grants, redirecting those resources elsewhere.

It is important to note that MSI programs also receive \$132 million in mandatory funding. ED will continue distributing those funds to specific designations, including Alaska Native and Native Hawaiian Serving Institutions, Predominantly Black Institutions, AANAPISI, Native American-Serving Nontribal Institutions, and Developing HSIs in STEM fields.

UNC leadership is monitoring these developments closely and will keep the campus informed as additional details emerge.