

OFCCP Issues its First Opinion Letter Regarding Pell Grants



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On May 23, 2019, the OFCCP -- without fanfare -- issued its [first opinion letter](#) since its [announcement last year](#) that it would begin issuing opinions to provide guidance to the contractor community.

In its opinion letter, OFCCP concluded that Pell Grants, under which the federal government provides funds to higher education institutions as supplemental financial aid, do not qualify as government contracts because they do not acquire property or services for the direct benefit of the federal government. Accordingly, higher education institutions do not become subject to the obligations imposed on government contractors under Executive Order 11246, Section 503, or VEVRAA solely by receiving Pell Grant funds.

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