UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

ASSOCIATION OF AMERICAN UNIVERSITIES, et al.,	)	
Plaintiffs,	)	
v.	)	**Civil Action No. 25-11740-BEM**
DEPARTMENT OF DEFENSE, et al.,	)	
Defendants.	)	

FINAL JUDGMENT

MURPHY, J.

For the reasons stated in the Court's Memorandum and Order on Cross-Motions for Summary Judgment, Dkt. 90, it is hereby ORDERED, ADJUDGED, and DECREED:

1. Judgment is entered in favor of Plaintiffs Association of American Universities; the Association of Land-grant Universities; the American Council on Education; Arizona Board of Regents on Behalf of Arizona State University; Brown University; California Institute of Technology; The Regents of the University of California; Board of Governors of the Colorado State University System Acting by and through Colorado State University; Cornell University; The Board of Trustees of the University of Illinois; The Johns Hopkins University; University of Maryland, College Park; Massachusetts Institute of Technology; University of Pittsburgh of the Commonwealth System of Higher Education; and University of Washington on Counts I, II, III, IV (to the extent Plaintiffs' Complaint alleges that "the Rate Cap Policy is inconsistent with the statutes in which Congress conferred general grantmaking authority on DOD, [namely] 10 U.S.C. § 4001," *see* Dkt. 1 ¶ 107), and V (to the extent Plaintiffs' Complaint alleges that "terminations

required by the Rate Cap Policy violate 2 C.F.R. § 200.414 and [*id.* pt. 200, App. III(C)(7)(A)]," *see* Dkt. 1 ¶¶ 115–16).

2. Pursuant to 5 U.S.C. § 706(2), the May 14, 2025 "Hegseth Memo," Dkt. 72-5, and the June 12, 2025 "Michael Memo," Dkt. 72-6, are hereby VACATED in their entirety.

3. The Court DECLARES that the Department of Defense's Rate Cap Policy, *see* Dkt. 73 at 14: (1) is invalid; (2) was contrary to law; and (3) was arbitrary and capricious.

4. As the above-listed relief moots Plaintiffs' remaining claim, Count VI of Plaintiffs' Complaint is dismissed without prejudice.

So Ordered.

/s/ Brian E. Murphy
Brian E. Murphy
Judge, United States District Court

Dated: October 14, 2025