

NAVIGATING FEDERAL DEI POLICY CHANGES: WHAT EDUCATION LEADERS SHOULD KNOW



Dudley Flood Center
for Educational Equity
and Opportunity

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CONTEXT



In January 2025 an executive order was issued to “eliminate diversity, equity, and inclusion programs and prefencing.” Subsequently, the U.S. Department of Education (US DOE) issued a “Dear Colleague” letter in February 2025. Typically, Dear Colleague Letters serve as official correspondence, used in U.S. Congress, committees, or federal agencies to communicate guidance on compliance, regulations or new policies.

The February 2025 letter stated that certain diversity, equity, and inclusion (DEI) efforts could put federal education funding at risk.

The directive emerged amid a broader set of federal actions aimed at limiting or redirecting funding associated with DEI initiatives across education and other sectors. These efforts included executive orders, agency guidance, certification requirements, and compliance reviews.

As a result, the directive created widespread uncertainty for schools, higher education institutions, nonprofits, and other organizations relying on federal funding nationwide. While the directive was clear about the intent to effectively eliminate DEI initiatives, it did not provide clear guidance on the criteria for assessing whether specific programs, practices, or instructional approaches would be considered noncompliant.

This ambiguity forced education leaders and advocates to make challenging decision to mitigate potential legal and financial risks, for many this meant:

- pausing equity-focused initiatives
- delaying professional learning related to DEI
- reassessing or eliminating programs tied to student belonging and support



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THE LEGAL CHALLENGE

Civil rights and education organizations including the National Education Association (NEA), American Civil Liberties Union (ACLU) of New Hampshire, and ACLU of Massachusetts challenged the directive in federal court on March 5, 2025 arguing the guidance was:

- vague,
- beyond the US DOE's statutory authority, and
- likely to discourage lawful educational practices.

In *National Education Association v. U.S. Department of Education* the United State District Court for the District of New Hampshire issued orders on April 24, 2025 preventing the directive and related certification requirement from being enforced.

On February 3, 2026 the Dear Colleague Letter was vacated by a final judgement in American Federation of Teachers, et. al. v. United States Department of Education, et al., On February 18, 2026 the NEA announced that the US DOE conceded the end of the directive, and the court issued a final order preventing the federal government from enforcing or reinstating that guidance.

UNDERSTANDING THE RULING

The federal ruling:

- Formally nullifies and permanently invalidates the February 2025 directive and related certification requirement.
- Prohibits the federal government from enforcing, relying on, or reviving the guidance.

The federal ruling does not:

- Prohibit future federal policy actions related to DEI.
- Prevent federal agencies from modifying funding priorities or grant criteria through other lawful mechanisms.
- Resolve ongoing political and legal debates regarding equity initiatives in education.

IMPLICATIONS FOR EDUCATORS



Educators and institutions may continue lawful instruction and programming related to diversity, equity, inclusion, and student belonging without enforcement based on the rescinded directive. Leaders remain responsible for ensuring these programs align with existing civil rights law, institutional, and local policies.



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STRATEGIC ACTIONS FOR NORTH CAROLINA



The [North Carolina Constitution](#) guarantees every child the right to access a [sound basic education](#).

Federal education funding streams, including [Title I](#), [IDEA](#) and [ESSA](#) programs, remain essential to supporting student success and meeting the obligation set forth by the constitution. During the period of uncertainty created by the February 2025 directive and lost funding, many schools, nonprofits, and education institutions paused or reassessed programming ties to student support, professional learning, and inclusive learning environments. With the directive no longer in effect, education leaders have an opportunity to review decisions made during that period and consider next steps that support students and comply with existing law.

ACTIONS FOR DISTRICTS AND EDUCATION PARTNERS

Review decisions made during the directive period

Districts and organizations should assess:

- programs that were paused or delayed
- internal compliance guidance issued during the directive period
- financial & operational impacts on students and educators

Reassess program priorities

Focus on initiatives that are:

- student-centered
- legally compliant
- supported by evidence and data

Strengthen governance and legal awareness

To reduce future disruption, education leaders should:

- ensure leadership teams understand federal civil rights protections
- document program goals and student outcomes
- align initiatives with district strategic plans and improvement frameworks

Monitor the policy landscape

Debates over diversity, equity, and inclusion in education continue at both federal and state levels.

Education leaders should:

- stay informed about policy developments
- monitor state legislation
- consult legal counsel as needed

EXAMPLE PROGRAM PRIORITY AREAS

Examples may include:

- educator recruitment and retention initiatives
- student belonging and school climate strategies
- culturally responsive instructional supports
- targeted academic interventions

