

April 17, 2020

The Honorable Betsy DeVos
Secretary
U.S. Department of Education
400 Maryland Avenue SW
Washington, DC 20202

Dear Secretary DeVos:

We write to respectfully request that the U.S. Department of Education (the Department) provide hardship assistance to two American universities operating in Lebanon that are chartered and regionally accredited in the United States.

For more than 60 years, the American University of Beirut (AUB) and the Lebanese American University (LAU) have been partners with the United States government as critically important instruments of American foreign policy and public diplomacy in one of the most tumultuous regions of the world. In addition to teaching students from the region, these universities have a significant American population—AUB currently has 649 American students and 340 American staff members; LAU has 321 American students and 188 American staff members. AUB and LAU students can and do receive federal student loans.

Unfortunately, both institutions are facing extreme hardship due to the staggering financial catastrophe in Lebanon and the coronavirus response. Just in the past six months, tremendous challenges have arisen in Lebanon, including a virtual shutdown in traditional banking and the financial sector, a rise in unemployment to more than 50 percent, and a 45 percent rise in inflation. At present, roughly 40 percent of the country lives in poverty. AUB and LAU have been struggling to adapt to this new environment. At the university level, both institutions are facing liquidity issues as, due to actions of the Lebanese government, they are unable to access millions of dollars trapped in Lebanese banks. Furthermore, these universities project massive decreases in revenues due to the coronavirus and the costs associated with the response, as well as a drop in enrollment for the upcoming academic year due to fears about the stability of the country, lockdowns over coronavirus, and an increased inability of their students to pay tuition due to inflation and currency issues. This will continue to affect the universities' ability to continue to offer employment or full salaries and benefits for thousands of employees. As two of the largest employers in the country, any layoffs could have drastic impacts on stability in Lebanon.

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It is vital to keep these two institutions afloat during this very difficult time. That is why we are requesting your assistance in providing direct aid to them on the same terms being offered to other American institutions of higher education. We understand that the Department has already determined allocation levels for institutions for direct aid through the CARES Act. In the April 9 description of the methodology used in determining these allocations, the Department stated:

“There may be some currently participating and eligible schools which may be excluded from this formula. For this reason, a reserve of \$50 million has been set aside in part to address such institutions.”

Using the allocation formula identified in the CARES Act, had AUB and LAU been eligible to participate, we estimate that they would have received \$2,739,000 and \$1,765,000, respectively. Given the exceptionally difficult circumstances these institutions face, we believe that allocations at or greater than these amounts are appropriate.

We respectfully request that both institutions be considered for direct assistance through the funds the Department has reserved. In addition, we request that the Department ensure that these universities are eligible for hardship grants provided in Sec. 18004(a)(3) of the CARES Act, as well as inclusion in all future institutional aid made available to colleges and universities to respond to the coronavirus pandemic.

Sincerely,



Henry Stoeber
President and CEO
AGB

cc: Diane Jones, Principal Deputy Under Secretary
Bob King, Assistant Secretary
Michael Brickman, Senior Advisor to the Under Secretary