

### Federal Compliance Assessed Costs

The National Association of College and University Attorneys have published a study done by Vanderbilt University.

In 2013, a bipartisan group of U.S. senators created the Task Force on Government Regulation of Higher Education, a collection of university presidents co-chaired by Vanderbilt University, charged with understanding Department of Education regulations and suggesting improvements. One of the task force’s specific charges was to, “review and quantify the extent of all federal requirements with which institutions must comply, including estimates of the time and costs associated with specific regulations.” In February 2015, the Task Force on Government Regulation of Higher Education presented its report.

Given the need for better data on the cost of federal regulatory compliance in higher education, we were recently commissioned to conduct a comprehensive estimation of the true cost of federal regulatory compliance across postsecondary institutions as well as to estimate the cost of federal regulation to the entire U.S. higher education sector based on extrapolation of the sample institutions. Thirteen institutions across the U.S. were assessed using consistent methodology. Study findings indicate that the cost of federal compliance varied from 3 percent to 11 percent of total operating expenditures at each institution, largely driven by extent of research and scale of expenditures.

In summary, findings from the thirteen institutions in the study indicate that postsecondary education institutions spent from 3 percent to 11 percent of their operating budget in fiscal year 2014 to comply with federal regulations, with a median value of 6.4%.

Barton – Cost of Complying with Governmental regulations based on percentages published by the Task Force on Government Regulation of Higher Education:

FUNDS FLOW ACTIVITY - PERIOD ENDED JUNE 30, 2015				
		PERIOD	Cost of Compliance	
	2014-2015	ENDED	3%	6.40%
	BUDGET	06/30/15		
<b>Total Expenditures</b>	<b>31,221,719</b>	<b>29,353,048</b>	<b>\$880,591</b>	<b>\$1,878,595</b>