AuditCon

by ACUA

Louisville Kentucky | September 14-18, 2025

ACUA

Changes from the Federal Landscape

Key Updates Impacting Higher Education

Introductions

DAVID CLARK
Practice Leader
Higher Education Advisory Services

(919) 278-1954 (Office)
(703) 862-7479 (Mobile)
dclark@bdo.com

Agenda

- ACTIVITIES OF THE TRUMP ADMINISTRATION
- ACTIONS OF THE COURTS
- ACTIVITIES OF THE DEPT OF EDUCATION
- PUBLIC LAW 119-21
- AGENCY ACTIVITIES IMPACTING RESEARCH
- ATHLETICS
- OTHER INDUSTRY CONSIDERATIONS
- QUESTIONS AND ANSWERS

Summary of Activities from the Second Trump Administration

What's Been Happening?

EXECUTIVE ORDERS

In the first seven months of his second term (through Sept. 8, 2025), President Trump has issued:

- 202 Executive Orders
  - 48 memoranda
  - 83 proclamations

ONGOING LEGAL CHALLENGES AND SETTLEMENTS

The Administration, through the Departments of Education and Justice, has targeted colleges and universities over concerns about activities related to DEI, gender identity, or antisemitism

https://hechingerreport.org/which-schools-and-colleges-are-being-investigated-by-the-trump-administration/

OTHER POINTS OF FOCUS

- Gutting of the Department of Education (~50% staff reduction, ~15% budget cut)
- Elimination or suspension of grants and other funding streams that don't align with the Administration's priorities
- Enhanced restrictions and scrutiny over international students
- Accreditation standards

The Shot Heard ‘Round Higher Ed

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

January 27, 2025

M-25-13

MEMORANDUM FOR HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: Matthew J. Vaeth, Acting Director, Office of Management and Budget

SUBJECT: Temporary Pause of Agency Grant, Loan, and Other Financial Assistance Programs

The American people elected Donald J. Trump to be President of the United States and gave him a mandate to increase the impact of every federal taxpayer dollar. In Fiscal Year 2024, of the nearly $10 trillion that the Federal Government spent, more than $3 trillion was Federal financial assistance, such as grants and loans. Career and political appointees in the Executive Branch have a duty to align Federal spending and action with the will of the American people as expressed through Presidential priorities. Financial assistance should be dedicated to advancing Administration priorities, focusing taxpayer dollars to advance a stronger and safer America, eliminating the financial burden of inflation for citizens, unleashing American energy and manufacturing, ending “wokeness” and the weaponization of government, promoting efficiency in government, and Making America Healthy Again. The use of Federal resources to advance Marxist equity, transgenderism, and green new deal social engineering policies is a waste of taxpayer dollars that does not improve the day-to-day lives of those we serve.

This memorandum requires Federal agencies to identify and review all Federal financial assistance[1] programs and supporting activities consistent with the President’s policies and requirements.[2] For example, during the initial days of his Administration, President Donald J. Trump issued a series of executive orders to protect the American people and safeguard valuable taxpayer resources, including *Protecting the American People Against Invasion* (Jan. 20, 2025), *Reevaluating and Realigning United States Foreign Aid* (Jan. 20, 2025), *Putting America First in International Environmental Agreements* (Jan. 20, 2025), *Unleashing American Energy* (Jan. 20, 2025), *Ending Radical and Wasteful Government DEI Programs and Preferencing* (Jan. 20,

[1] 2 CFR 200.1 defines Federal financial assistance to mean “[a]ssistance that recipients or subrecipients receive or administer” in various forms, but this term does not include assistance provided directly to individuals. For the purposes of this memorandum, Federal financial assistance includes: (i) all forms of assistance listed in paragraphs (1) and (2) of the definition of this term at 2 CFR 200.1; and (ii) assistance received or administered by recipients or subrecipients of any type except for assistance received directly by individuals.
[2] Nothing in this memo should be construed to impact Medicare or Social Security benefits.

Select Relevant Presidential Actions

PRESIDENTIAL ACTIONS

Additional Measures to Combat Anti-Semitism

The White House | January 29, 2025

PRESIDENTIAL ACTIONS

DEFENDING WOMEN FROM GENDER IDEOLOGY EXTREMISM AND RESTORING BIOLOGICAL TRUTH TO THE FEDERAL GOVERNMENT

The White House | January 20, 2025

PRESIDENTIAL ACTIONS

ENDING ILLEGAL DISCRIMINATION AND RESTORING MERIT-BASED OPPORTUNITY

The White House | January 21, 2025

PRESIDENTIAL ACTIONS

Keeping Men Out of Women's Sports

The White House | February 5, 2025

PRESIDENTIAL ACTIONS

Improving Education Outcomes by Empowering Parents, States, and Communities

Executive Orders | March 20, 2025

PRESIDENTIAL ACTIONS

RESTORING COMMON SENSE TO FEDERAL PROCUREMENT

Executive Orders | April 15, 2025

PRESIDENTIAL ACTIONS

WHITE HOUSE INITIATIVE TO PROMOTE EXCELLENCE AND INNOVATION AT HISTORICALLY BLACK COLLEGES AND UNIVERSITIES

Executive Orders | April 23, 2025

PRESIDENTIAL ACTIONS

REFORMING ACCREDITATION TO STRENGTHEN HIGHER EDUCATION

Executive Orders | April 23, 2025

PRESIDENTIAL ACTIONS

TRANSPARENCY REGARDING FOREIGN INFLUENCE AT AMERICAN UNIVERSITIES

Executive Orders | April 23, 2025

DOJ Guidance for Federal Funding Recipients

Office of the Attorney General
Washington, D. C. 20530

July 29, 2025

MEMORANDUM FOR ALL FEDERAL AGENCIES

FROM: THE ATTORNEY GENERAL

SUBJECT: GUIDANCE FOR RECIPIENTS OF FEDERAL FUNDING REGARDING UNLAWFUL DISCRIMINATION

I. INTRODUCTION

One of our Nation's bedrock principles is that all Americans must be treated equally. Not only is discrimination based on protected characteristics illegal under federal law, but it is also dangerous, demeaning, and immoral. Yet in recent years, the federal government has turned a blind eye toward, or even encouraged, various discriminatory practices, seemingly because of their purportedly benign labels, objectives, or intentions. No longer. Going forward, the federal government will not stand by while recipients of federal funds engage in discrimination.

This guidance clarifies the application of federal antidiscrimination laws to programs or initiatives that may involve discriminatory practices, including those labeled as Diversity, Equity, and Inclusion ("DEI") programs.[1] Entities receiving federal funds, like all other entities subject to federal antidiscrimination laws, must ensure that their programs and activities comply with federal law and do not discriminate on the basis of race, color, national origin, sex, religion, or other protected characteristics—no matter the program's labels, objectives, or intentions. In furtherance of that requirement, this guidance identifies "Best Practices" as non-binding suggestions to help entities comply with federal antidiscrimination laws and avoid legal pitfalls; these are not mandatory requirements but rather practical recommendations to minimize the risk of violations.

Entities that receive federal financial assistance or that are otherwise subject to federal anti-discrimination laws, including educational institutions, state and local governments, and public and private employers, should review this guidance carefully to ensure all programs comply with their legal obligations.

Select Relevant Presidential Actions (cont.)

PRESIDENTIAL ACTIONS

IMPROVING THE SAFETY AND SECURITY OF BIOLOGICAL RESEARCH

Executive Orders | May 5, 2025

PRESIDENTIAL ACTIONS

Restoring Gold Standard Science

Executive Orders | May 23, 2025

PRESIDENTIAL ACTIONS

RESTRICTING THE ENTRY OF FOREIGN NATIONALS TO PROTECT THE UNITED STATES FROM FOREIGN TERRORISTS AND OTHER NATIONAL SECURITY AND PUBLIC SAFETY THREATS

Proclamations | June 4, 2025

PRESIDENTIAL ACTIONS

ENHANCING NATIONAL SECURITY BY ADDRESSING RISKS AT HARVARD UNIVERSITY

Proclamations | June 4, 2025

PRESIDENTIAL ACTIONS

SAVING COLLEGE SPORTS

Executive Orders | July 24, 2025

PRESIDENTIAL ACTIONS

Ensuring Transparency in Higher Education Admissions

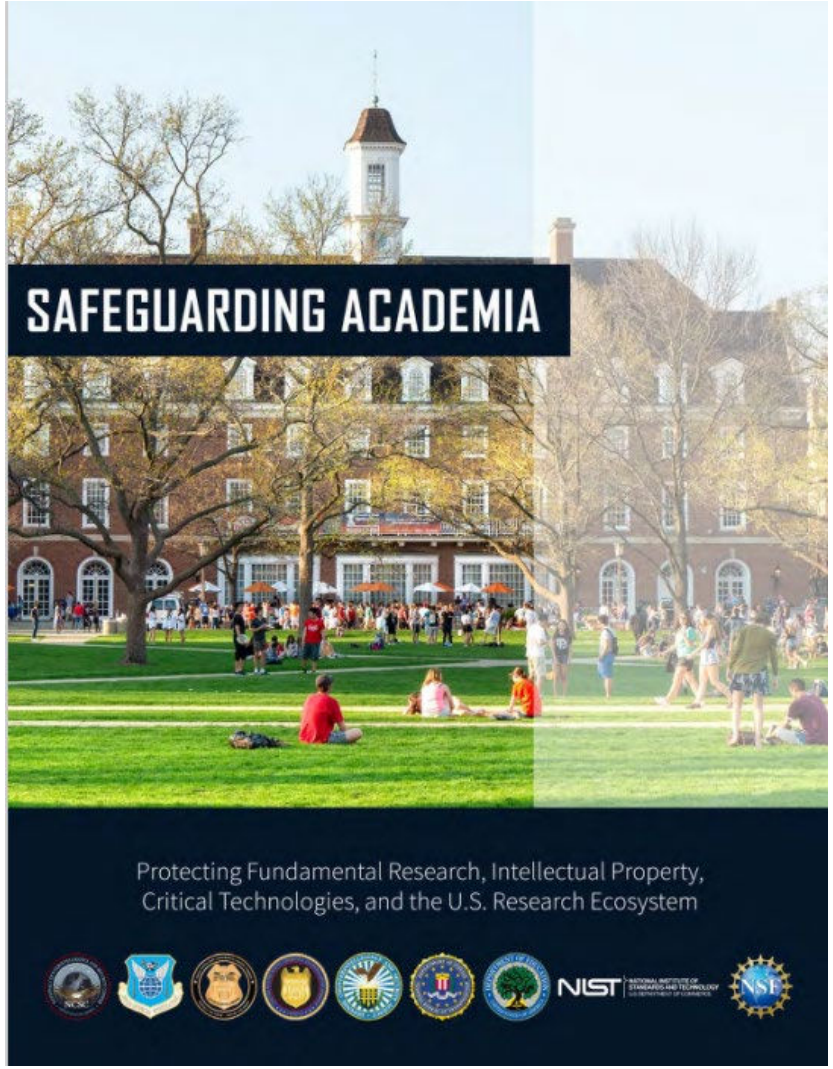
Presidential Memoranda | August 7, 2025

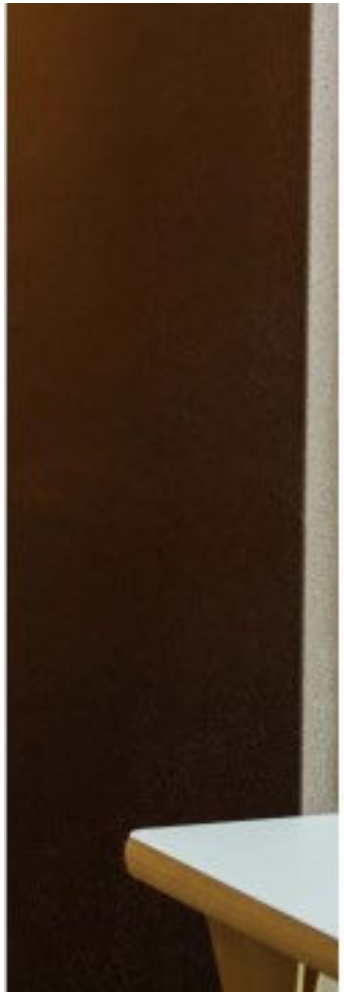
PRESIDENTIAL ACTIONS

IMPROVING OVERSIGHT OF FEDERAL GRANTMAKING

Executive Orders | August 7, 2025

Continued Focus on Foreign Influence





Safeguarding Academia

The United States (U.S.) values international collaboration as a cornerstone of academic excellence. Engaging with our global academic partners enhances the quality of research, drives scientific discovery, and fosters innovation.

At the same time, it is important that the U.S. academic community understand the increasing risks posed by foreign adversaries, specifically foreign intelligence entities and their proxies, who continue to exploit the open nature of U.S. institutions of higher education to acquire scientific and technical information to advance their own technological and innovation goals. Protecting the integrity of U.S. research—while fostering international collaboration—is critical to maintaining a robust and secure research ecosystem. Striking this balance is essential to preserving academic freedom, safeguarding researchers' lifework, and ensuring that innovation continues to thrive in a secure and principled manner.

This bulletin provides guidance for the U.S. academic community to promote a research ecosystem that balances openness, collaboration, integrity, fairness, responsibility, and security. By fostering a culture of scientific stewardship and heightened security awareness, the U.S. can better protect its scientific enterprise while sustaining its global leadership in innovation.

https://www.dni.gov/files/NCSC/documents/products/08222025_Safeguarding-Academia.pdf

The Next Wave?

The Next Wave?

OFFICE of INFORMATION and REGULATORY AFFAIRS
OFFICE of MANAGEMENT and BUDGET
EXECUTIVE OFFICE OF THE PRESIDENT

Reginfo.gov

U.S. General Services Administration GSA

Search: Agenda Reg Review ICR

Go

Home | Unified Agenda | Regulatory Review | Information Collection Review | FAQs / Resources | Contact Us

Spring 2025 Unified Agenda of Regulatory and Deregulatory Actions

The Trump Administration's Unified Agenda of Regulatory and Deregulatory Actions (Agenda) reports on the actions administrative agencies plan to issue in the near and long term. Released by the Office of Information and Regulatory Affairs, the Agenda provides important public notice and transparency about proposed regulatory and deregulatory actions within the Executive Branch.

Actions of the Courts

Recent Court Decisions

Supreme Court

- *Students for Fair Admission v. Harvard/UNC*
- *Loper Bright v. Raimondo*
- *Corner Post, Inc. v. Board of Governors of the Federal Reserve System*
- *New York v. McMahon*
- *AJT v. Osseo School District*
- *Trump v. CASA*
- *Dept of Education v. California, NIH v. American Public Health Association*

District Courts

- *Tennessee, et al., v. Cardona*
- *Speech First, Inc. v. Sands**
- *American Federation of Teachers, et al., v. Department of Education*
- *United States of America v. State of Illinois*
- *Global Health Council, et al., v. Donald Trump*
- *Climate United Fund v. Citibank*
- *Harvard v. Dept of Health and Human Services, AAUP – Harvard Chapter v. Dept of Justice*

Additional items that could come before the court and have an impact on higher education include:

- First amendment and freedom of speech
- Issues involving foreign nationals (immigration status, DACA, birthright citizenship, etc.)
- Emergency Appeals

*Case was brought before Supreme Court and dismissed as moot

Activities of the Dept of Education

Impact of Changes to the Dept of Education

IN THE WAKE OF THE MARCH 20, 2025 EXECUTIVE ORDER *IMPROVING EDUCATION OUTCOMES BY EMPOWERING PARENTS, STATES, AND COMMUNITIES*, THE DEPARTMENT OF EDUCATION IS FACING SIGNIFICANT OVERHAUL AND REDUCTION

Massive reduction in funding for the Institute for Education Sciences

Funding would basically eliminate IES' ability to conduct most of its data collection, analysis, and research (including operating programs like IPEDS)

Increased State control and discretion

Many funding programs, particularly those impacting K-12, are proposed to be provided as block grants to States with increased flexibility in their ultimate use.

Staffing and Budget Cuts

The Department has lost approx. 50% of staff and faces a proposed 15% ($12B) budget reduction. Certain activities, such as student loan oversight or nutrition programs, are being moved to other agencies

Elimination of funding streams key to college access

TRIO, Gear Up, and FSEOG proposed for total elimination, while FWS would become a State program

Uncertain Oversight and Administration

Some of the more significant cuts occurred within FSA and OCR, with additional impacts to programs and staffing across the Department.

IPEDS Admissions and Consumer Transparency Supplement

The new requirements would collect additional information regarding racial data for admissions and scholarship decisions at four-year institutions utilizing “selective college admissions”. Data will be collected separately for undergraduate and graduate students, including collecting data by race-sex pair on:

Admissions

1. Count of institutions’ applied, admitted, and enrolled cohorts
    1. Admission test score quintiles
    2. GPA quintiles
    3. Ranges of family income
    4. Pell eligibility
    5. Parental education
2. Average high school GPA and admission test score quintiles for applied, admitted, and enrolled cohorts
3. Count of students admitted via early action, early decision, or regular admissions

Enrolled Students

1. Students’ average cumulative GPA at the end of the academic year
2. Average cost of attendance
    1. Admission test score quintiles
    2. Ranges of high school GPA
    3. Ranges of family income
    4. Enrollment by early action, early decision, or regular admissions
3. Graduation rates
    1. Admission test score quintiles
    2. Ranges of high school GPA
4. Graduates’ final cumulative GPA

*****First survey in 2025-2026 will seek to capture data from the prior 5 academic years as well*****

New Cuts to MSI Discretionary Grants

PRESS RELEASE

U.S. Department of Education Ends Funding to Racially Discriminatory Discretionary Grant Programs at Minority-Serving Institutions

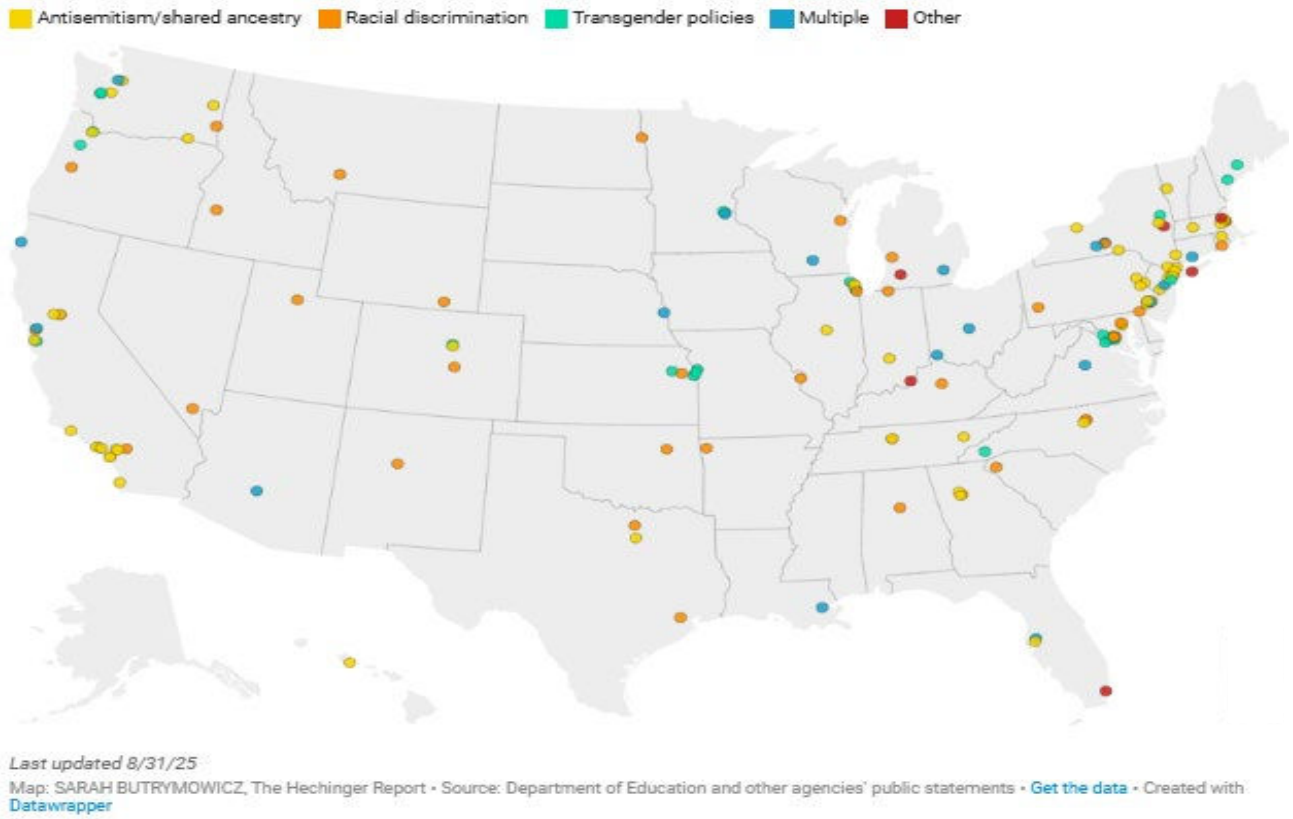
SEPTEMBER 10, 2025

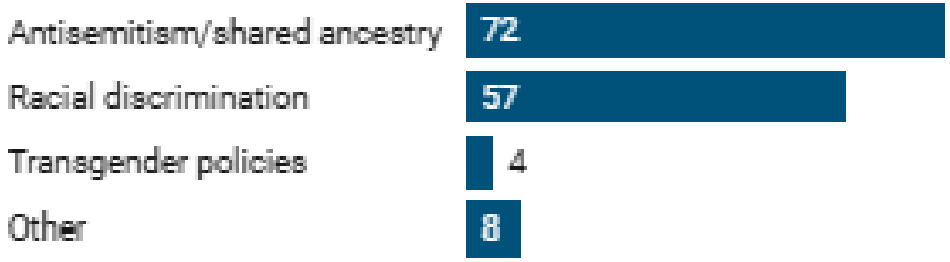
Department of Education will reprogram approx. $350M in funding that was expected to be allocated to new awards and non-competing continuations across:

- Strengthening Alaska Native and Native Hawaiian-Serving Institutions (Title III Part A)
- Strengthening Predominantly Black Institutions (Title III Part A)
- Strengthening Asian American- and Native American Pacific Islander-Serving Institutions (Title III Part A)
- Minority Science and Engineering Improvement (Title III Part E)
- Developing Hispanic-Serving Institutions (Title V Part A)
- Promoting Postbaccalaureate Opportunities for Hispanic Americans (Title V Part B)

Ongoing Investigations

Since the beginning of President Trump's second term (Jan. 20, 2025), the Departments of Education and/or Justice have opened 141 investigations against 115 colleges and universities across the country.





*Data as of Aug. 31, 2025

https://hechingerreport.org/which-schools-and-colleges-are-being-investigated-by-the-trump-administration/

Significant Headlines

PRESIDENT DONALD J. TRUMP

The WHITE HOUSE

FACT SHEETS

Fact Sheet: President Donald J. Trump Secures Major Settlement with Columbia University

The White House | July 24, 2025

U.S. Department of Education

Español Data Research Contact Us Search

Higher Ed | Adult Programs | Birth to Grade 12 Education | Teaching & Admin | Grants & Programs | Laws & Policy

HOME / ABOUT US / NEWSROOM / PRESS RELEASES

PRESS RELEASE

U.S. Department of Education Announces the University of Pennsylvania Has Entered into a Resolution Agreement to Resolve its Title IX Violations

JULY 1, 2025

PRESIDENT DONALD J. TRUMP

The WHITE HOUSE

FACT SHEETS

Fact Sheet: President Donald J. Trump Secures Major Settlement with Brown University

The White House | July 30, 2025

Waiting in the Wings…

Waiting in the Wings…

Agency Rule List - Spring 2025

Department of Education

Agency	Agenda Stage of Rulemaking	Title	RIN
ED/OESE	Proposed Rule Stage	Innovative Assessment Demonstration Authority	1810-AB60
ED/OESE	Proposed Rule Stage	Impact Aid Program--Technical Corrections	1810-AB66
ED/OPE	Prerule Stage	Accreditation Issues	1840-AD82
ED/OPE	Prerule Stage	Title IV Eligibility issues	1840-AD92
ED/OPE	Proposed Rule Stage	Documentation of Foreign Source Gifts and Contracts, Section 117 of the Higher Education Act of 1965	1840-AD50
ED/OPE	Proposed Rule Stage	Public Service Loan Forgiveness	1840-AD91
ED/OCR	Proposed Rule Stage	Elimination of Disparate Impact Theory Under Title VI of the 1964 Civil Rights Act	1870-AA20
ED/OCR	Proposed Rule Stage	Procedures for Investigations and Enforcement of Title VI Violations	1870-AA21
ED/OPEPD	Proposed Rule Stage	Protection of Pupil Rights Amendments	1875-AA13
ED/OPEPD	Proposed Rule Stage	Family Educational Rights and Privacy Act	1875-AA15

P.L. 119-21
(One Big Beautiful Bill Act)

Provisions *Most* Impacting Higher Education

Officially signed on July 4, 2025, the One Big, Beautiful Bill Act includes several significant changes to higher education policy and tax changes that will directly and indirectly impact institutions and their students. Select changes impacting higher ed include:

Student Lending:

- Elimination of Grad PLUS loans
- Annual and lifetime caps on graduate/professional and Parent PLUS loans
- Elimination of Pell for students already covering COA; inclusion of accredited workforce programs
- Institutional accountability for low-earning programs
- Streamlined repayment plans:
  - *Standard, fixed-payment (10-25 year)*
  - *Repayment Assistance Plan (income-driven repayment over 30 years)*

Tax Changes:

- Endowment tax rate of up to 8%
- Elimination of energy tax credits, including Section 179D green building deduction and many IRA-driven incentives
- 1099 reporting threshold increased to $2,000 per year
- Permanence of Section 127 allowance for employer-provided tax-free amounts for student loan repayment and tuition assistance
- Expansion of excise tax for highly compensated individuals under Section 4960

Indirect Impacts

- Cuts to Medicaid
- Changes to charitable contribution deductions for corporations and individuals

While it was one of the most talked about aspects of OBBBA's impact to higher ed, only 15-20 schools are projected to pay the endowment tax

27 schools are projected to <u>save</u> on their tax bill with the new changes

Student Lending Changes

New limits for student lending under Federal programs take effect beginning July 1, 2026:

- Parent PLUS loans cannot exceed $20,000 annually and $65,000 in total, but both limits are per child.
- Overall borrowing by students cannot exceed $257,500.
- Graduate loans are capped at $20,500 per year and $100,000 lifetime.
- Professional students can borrow up to $50,000 a year and $200,000 in total.
- Federal limits on loans assume full-time enrollment; enrolling for fewer hours will further reduce borrowing caps on a pro-rated basis.
- Schools have the option to set lower limits for specific programs.

Deferment options for student loan repayment are eliminated for anyone taking out loans after July 1, 2027

Agency Activities Impacting Research

Proposed Changes to Indirect Cost Recovery

Department of Health & Human Services

- Extended Salary Rate Limitation to indirect cost pool Oct 1, 2024

National Institutes of Health

- Proposed 15% flat indirect rate, including old contracts
- Temporary restraining order halted the implementation

Department of Energy

- Initially proposed 15% cap for all projects, including retroactive application
- Court struck down retroactive policy
- Revised and updated Policy Flash limits new awards to 15% of the total project budget (excludes IHEs)

National Science Foundation

- Proposed 15% cap struck down in court
- New awards include a clause that if the cap is reinstated by courts, organizations must replay excess indirect costs retroactively to May 5

Department of Defense

- Proposed 15% cap for all new awards and existing awards through renegotiation
- Temporary restraining order halted the implementation

A Modest Proposal – The FAIR Model

Expanded Option

Research Performance Costs (RPC)	
Senior Key Personnel (e.g., PIs)	$$
Other Personnel (e.g., grad students)	$$
Supplies	$$
Publication costs	$$
Etc…	$$
Essential Research Performance Support (ERPS)	
Regulatory Compliance (RC)	$$
Award Monitoring, Oversight, and Reporting (AMOR)	$$
Essential Research Performance Facilities (ERPF) (% of budget)	%
Research Information Services (RIS)	$$
General Research Operations (GRO) (% of budget)	**15%**

Base Option

Available for all institutions and especially attractive for those with insufficient administrative resources for the Expanded Option

Research Performance Costs (RPC)	
Senior Key Personnel (e.g., PIs)	$$
Other Personnel (e.g., grad students)	$$
Supplies	$$
Publication costs	$$
Etc…	$$
Essential Research Performance Support (ERPS)	
Regulatory Costs (RC)	$$
Award Monitoring, Oversight, and Reporting (AMOR)	$$
General Research Operations (GRO) (% of budget)	**15%**

10% of total Budget

https://www.cogr.edu/sites/default/files/FAIR%20Executive%20Summary%20FINAL%207.10.25a.pdf

Changes to FAR Spending Thresholds

NATIONAL ARCHIVES

FEDERAL REGISTER

The Daily Journal of the United States Government

Rule

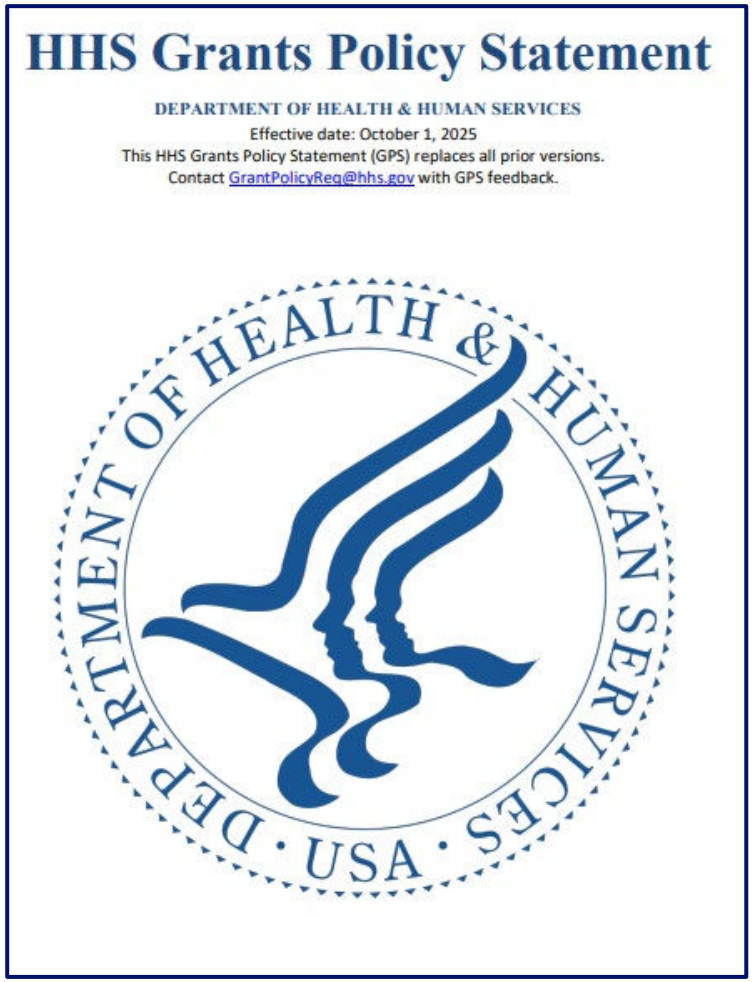
Federal Acquisition Regulation: Inflation Adjustment of Acquisition-Related Thresholds

A Rule by the Federal Procurement Policy Office, the Defense Department, the General Services Administration, and the National Aeronautics and Space Administration on 08/27/2025

PUBLISHED DOCUMENT: 2025-16412 (90 FR 41872)

Changes are effective as of Oct. 1, 2025

HHS Grants Policy Statement(s)


HHS Grants Policy Statement

DEPARTMENT OF HEALTH & HUMAN SERVICES

Effective date: October 1, 2025

This HHS Grants Policy Statement (GPS) replaces all prior versions.

Contact GrantPolicyReq@hhs.gov with GPS feedback.

After not making changes since January 2007, HHS has issued 4 significant updates over the past year

- **October 2024**
  - incorporated 8 modified provisions of 2 CFR 200 with updates effective Oct. 1, 2024
  - Expanded Salary-rate limitation to direct and indirect costs
- **April 2025**
  - Added DEI Compliance certification requirements
- **July 2025:**
  - Dropped recently added DEI compliance certification
- **August 2025 (effective 10/1/2025)**
  - Fully adopts and transitions to Uniform Guidance (2 CFR 200)
  - Enhanced Civil Rights Assurances
  - Reduces budget flexibility to 10% of total budget
  - NCEs must be requested at least 10 days prior
  - Termination for convenience rights

Announcement of NIH Funding Strategies

NIH National Institutes of Health
Turning Discovery Into Health

Virtual Tour | En Español

Search NIH | Search

Health Information | Grants & Funding | News & Events | Research & Training | Institutes at NIH | About NIH

Home > About NIH > The NIH Director > NIH Director Statements

- Mission and Goals
- Organization >
- **The NIH Director**
  - Director's Seminar Series

STATEMENT Friday, August 15, 2025

Advancing NIH's Mission Through a Unified Strategy

NIH Director announces 12 priorities for NIH funding decisions:

- Training
- Replication and reproducibility
- Real-world data platform
- Artificial Intelligence
- Nutrition
- Autism
- Alternative testing models
- Health outcomes
- Health disparities research
- Foreign research
- Healthcare for children and teenagers identifying as transgender
- HIV/AIDS Research

https://www.nih.gov/about-nih/nih-director/statements/advancing-nihs-mission-through-unified-strategy

Athletics

House v. NCAA Settlement

What it Covers:

- ~$2.85B settlement fund paid by the NCAA and Power 5 Conferences to athletes who participated in college athletics between June 15, 2016 and Sept. 15, 2024
- Annual revenue sharing model established going forward for schools who opt in
- Eliminates scholarship limits, establishing roster limits instead
- Reinforces continued use of NIL for **valid business purpose**
  - All NIL deals over $600 must be reported to the NIL Clearinghouse
  - Establishment of College Sports Commission to govern enforcement

What it Doesn't:

- Distribution of revenue sharing and Title IX considerations and impact
- Student-athlete employment status
- NCAA antitrust concerns

NIL by the Numbers

Between its launch on June 11, 2025 and the first publication of information about activities within NIL Go released on Aug. 31, 2025, the College Sports Commission:

- Registered over 28k students and nearly 3,200 “representatives”
- Cleared over 8,300 NIL deals worth nearly $80M
  - 332 submitted but not yet cleared
  - 75 resubmitted
  - 0 entered arbitration
- Highest single contract value of $1.8M

SCORE Act (H.R. 4312)

Introduced in the House in early July and still in negotiation (house vote expected this month), the SCORE Act could provide national standards to the foundational issues currently facing college sports

- Standardize NIL rights, with regulation powers provided to the NCAA and conferences
  - Including allowing schools to deny deals that conflict with university sponsors
- Antitrust immunity for NCAA and major conferences
- Prohibits classification of student-athletes as employees
- Provided expanded benefits to students for healthcare costs; academic, tax and legal assistance
- Require schools employing coaches with an annual base salary of $250,000+ to sponsor at least 16 varsity teams

Other Industry Considerations

Stop Campus Hazing Act

Signed into law on Dec. 23, 2024, the SCHA amends the Clery Act and now requires:

- Inclusion of hazing statistics in annual security reports
- Implementation of hazing policies
- Compilation of *Campus Hazing Transparency Report*

Implementation Timeline

- **Jan. 1** – begin collecting statistics for annual security report
- **June 23** – policy implementation deadline
- **July 1** – process for documenting violations of SOC
- **Dec. 23** – *Campus Hazing Transparency Report* must be publicly available
- **Oct. 1, 2026** – hazing statistics included in annual security report

Non-Political Challenges

BUDGETARY PRESSURE AND CUTS

Continued real and expected financial issues (declining revenues and increasing costs) leading to cuts nationwide

DEFERRED MAINTENANCE

Moody's estimated deferred maintenance of nearly $950 billion across its rated institutions in August 2024.

PUBLIC PERCEPTION

Research continues to support the value of higher education and recent surveys of public opinion have shown positive movement.

RAPID PACE OF TECHNOLOGICAL CHANGE

Emergence of AI and other tools have a drastic impact on operational and pedagogical abilities

Questions and Answers

DAVID CLARK
(919) 278-1954 (Office)
(703) 862-7479 (Mobile)
dclark@bdo.com