

Compliance 101: A Guide to Thinking About Compliance Responsibilities in Higher Education

Elliot Young

Director, Institutional Compliance & Equal Opportunity
Kansas City University

Kristin Roberts

Assistant VP, Institutional Compliance & Privacy
Auburn University

Compliance in Higher Education

“Colleges and universities today are probably the most heavily regulated organizations in the United States in terms of the number and types of statutes and judicial precedents with which they must comply.”

Barbara A. Lee, Fifty Years of Higher Education Law: Turning the Kaleidoscope,
Journal of College and University Law

Compliance in Higher Education (cont.)

“Higher education institutions are subject to a massive amount of federal statutory, regulatory, and sub-regulatory requirements, stemming from virtually every federal agency and totaling thousands of pages.”

Recalibrating Regulation of Colleges and Universities: Report of the Task Force on Federal Regulation of Higher Education, February 2015

What is Compliance?

Compliance is a comprehensive program that helps institutions and their employees:

- Conduct operations ethically
- Uphold the highest standards of integrity
- Follow all legal, regulatory and policy requirements



Compliance Obligations

Compliance Includes:

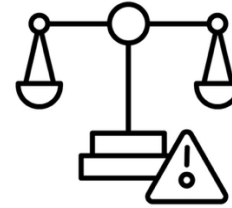
- Federal and state laws and regulations
- U.S. Department of Education “Dear Colleague Letters”
- Executive Orders/Executive Action
- Accreditation standards
- Case law affecting higher education
- Institution’s own internal rules, policies and procedures
- Contractual obligations (e.g., grant and contract agreements, employment and union contracts)

“Compliance is not just about avoiding violations — it's about fostering a culture of accountability and ethical behavior.” ~ *Vera Cherepanova*

Significance to the Education Sector

Consequences of non-compliance

- Legal risk
- Reputational risk
- Financial risk



Organizational Structure

- Centralized vs. Decentralized
- Assignment of Authority and Responsibility



Interactive Discussion

Activity: Find two or three people to talk to for 5 minutes about compliance at your institutions.

Is your institution's structure centralized, decentralized or hybrid?

Is compliance managed by one office or multiple offices?

Does your role include compliance responsibilities?

High-Profile Higher Ed Compliance Fines

Institution	Year	Issue	Agency	Fine/Settlement Amount	Other Damages
Penn State University	2012	Clery Act violations (Jerry Sandusky case)	U.S. Dept. of Education	\$2.4 million	Penn made \$116M settlement payment to survivors fund NCAA fine \$60M Big Ten fine \$13M
Columbia University	2016	Improper handling of federal research funds	U.S. Department of Justice (DOJ)	\$9.5 million	
Michigan State University	2019	Failure to protect students from abuse (Larry Nassar case)	U.S. Dept. of Education, OCR	\$4.5 million	MSU \$500M settlement payment to survivors' fund. DOJ Settles \$138M to the victims for the FBI's alleged mishandling of the investigation

High-Profile Higher Ed Compliance Fines (Cont.,)

Institution	Year	Issue	Agency	Fine/Settlement Amount	Other Damages
University of Phoenix	2019	Deceptive advertising to students	Federal Trade Commission (FTC)	\$191 million (settlement)	
Duke University	2019	Research misconduct/falsified data	DOJ (False Claims Act)	\$112.5 million	
USC	2021	Sexual misconduct and Clery Act violations (George Tyndall case)	U.S. Dept. of Education	\$1.3 million	USC made \$852M settlement payment to survivors fund. USC paid \$215 million to settle class-action suit
Liberty University	2024	Clery Act violations	U.S. Dept. of Education	\$14 Million	

Recent High-Profile Federal Actions

Institution	Year	Reason(s) for Funding Action	Funding Impact
Harvard	2025	Refused to comply with demands regarding DEI policies and curriculum changes; filed a lawsuit against the administration. (Civil Rights)	\$2.3 billion frozen
Columbia University	2025	Alleged failure to address antisemitism; agreed to federal demands including disciplinary actions and policy changes. (Civil Rights)	\$400 million canceled
Cornell University	2025	Accused of insufficient action against antisemitism and non-compliance with federal directives. (Civil Rights)	\$1 billion frozen
Northwestern University	2025	Similar reasons as Cornell; under investigation for campus climate and DEI policies. (Civil Rights)	\$790 million frozen

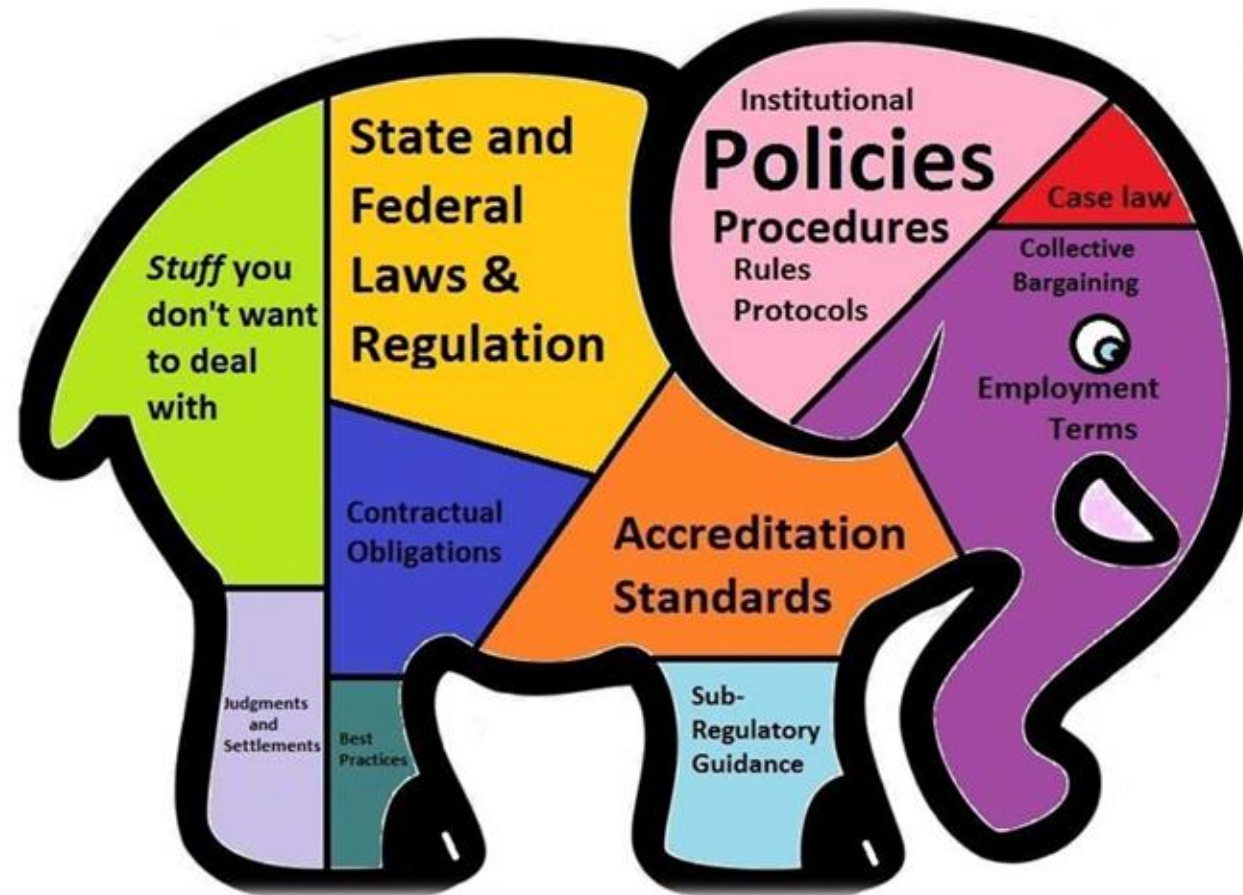
Recent High-Profile Federal Actions (cont.)

Institution	Year	Reason(s) for Funding Action	Funding Impact
D1 Institutions (Power 5 conferences)	2025	House v. NCAA antitrust settlement allowing college athletes to receive direct revenue sharing for their name, image, and likeness (NIL)	\$2.8 billion
17 elite universities	2024/25	Financial Aid “Cartel” Settlement: Brown, Columbia, Duke, Yale and others settled claims that they colluded to reduce financial aid	\$284 million
Columbia University	2025	Settled sexual abuse cases regarding Robert Hadden, a former doctor who worked at the medical center and at New York Presbyterian Hospital.	\$750 million
Michigan State University	2025	Settled with three victims injured in a campus shooting that killed three people in 2023.	\$29.7 million

Actions to Watch in 2026

Institution	Year	Reason(s) for Funding Action	Funding Impact
All	2026	2024 Title IX Rule expanding the definition of “sex” to include sex stereotypes, sex characteristics, pregnancy or related conditions, sexual orientation, and gender identity is being challenged by 26 states and is pending	
D1 Institutions	2026	Revenue sharing, athlete compensation, eligibility restrictions, transfer challenges, etc.	\$TBD
All	2026	False Claims Act (research grants, student financial aid, Civil Rights/DEI)	\$TBD
State-specific	2026	Faculty tenure and review legislation, termination of tenured faculty, DEI/divisive concepts, role of faculty senate	

Where do you even begin? One bite at a time!



Compliance Culture

Board Responsibility

- Independent and engaged
- Tone from the Top

Institution's Philosophy and Operating Style

- Leadership Commitment
- Communicates by word and action that there is support for compliance
- Commitment to ethics
- Code of Conduct

Organizational Structure

- Centralized vs. Decentralized
- Assignment of Authority and Responsibility

Risk Culture (Appetite and Tolerance)

Factors Affecting Organizational Compliance Culture

Environmental Factors

- Economic
- Technological
- Political and legal
- Social responsibility
- Competition

Organizational Factors

- Objectives
- Policies
- Procedures
- Organizational structure
- System

Interpersonal Factors

- Authority
- Status
- Interest

Personal Factors

- Age
- Education
- Job position
- Personality
- Risk attitudes

Business Reason and Rationale for having a strong Compliance Program

Risk Mitigation

- Understand the nature of risks and potential exposures
- Stay within legal and regulatory boundaries, reducing the risk of fines, penalties or lawsuits
- Identify and manage risks that impact the institution's reputation

Ethical Conduct

- Fosters a culture of ethics & compliance central to the institution's operations and activities

Accountability

- Shifting from reactive to proactive by implementing policies, procedures and training
- Regular monitoring for updates and new requirements
- Internal and external oversight

Operational Efficiency

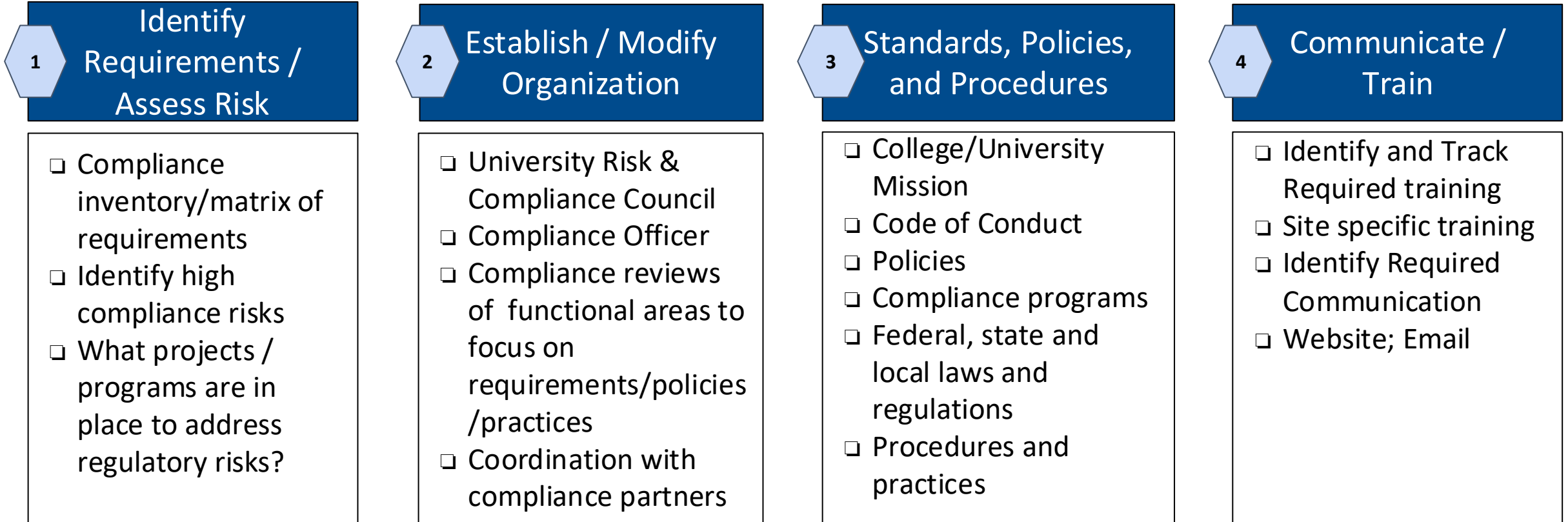
- Integrate the compliance program into Enterprise Risk Management Framework

Compliance Program Framework

Federal Sentencing Guidelines and Pillars



Examples of Applied Compliance Framework (1-4)



Examples of Applied Compliance Framework (5- 8)

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Implement, Promote, and Enforce

- ❑ Compliance action plans
- ❑ Visible leadership support to promote compliance
- ❑ Enforcement mechanisms
- ❑ Compliance surveys

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Monitor, Audit, and Report

- ❑ Confidential reporting-case management
- ❑ Unit self-assessments (monitor)
- ❑ Executed audits (internal or external)
- ❑ Appropriate reporting to executives and regulators
- ❑ Regular compliance program evaluations for effectiveness

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Continuous Improvement

- ❑ Appropriate changes made when gaps are identified (e.g., through confidential reports, surveys, self-assessments and/or audits)
- ❑ Audit recommendations implemented

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Leadership / Campus Culture

- ❑ Leadership that supports compliance with necessary resources and decisions
- ❑ A campus culture that supports compliance

Start a Compliance Inventory

- Regulatory Agencies
 - Department of Education (DoE)
 - Accrediting agencies
 - Office of Civil Rights
 - State Education Agencies
 - NCAA
- Relevant Laws and Regulations
 - Title IX, Title VI, Title VII
 - The Americans with Disabilities Act (ADA)
 - Family Educational Rights and Privacy Act (FERPA)
 - Higher Education Act
 - Clery Act
 - State laws*



*Can vary depending on institution's location and type (Michael Minger Act (KY), Collin's Law (OH))

Examples of Compliance Areas

Financial Compliance

- Financial regulations, including accounting standards, grant management, and tuition fee regulations
- Accurate record-keeping and financial transparency
- Roles of internal and external audits

Data Privacy and Security

- Importance of protecting student and staff data
- Compliance and data protection laws (GLBA, FERPA, GDPR, state privacy laws)
- No single “all governing law”
- Need to have strong data security measures and policies in place

Examples of Compliance Areas (Cont.,)

Campus Safety and Security

- Requirements related to campus safety and emergency preparedness
- Clery Act, which mandates reporting of campus crimes and policies
- Conducting regular safety drills and maintaining a safe environment

Title IX and Title VII

- Title IX regulations regarding gender-based discrimination and sexual harassment
- Institution's responsibility to prevent and address gender-based misconduct
- Importance of training, reporting mechanisms, and support services
- Title VII regulations prohibits employment discrimination based on race, color, religion, sex (including pregnancy, sexual orientation and gender identity), and national origin.

URMIA Compliance Community Top 10 Higher Education Compliance/Ethics Risks (2025)

1. Cyber Security
2. Title IX and Title VII
3. Data Privacy
4. Free Speech
5. Student Conduct & Campus Safety
6. Artificial Intelligence
7. Minors on Campus
8. Higher Education Act Disclosures & Title IV (Financial Aid)
9. Research Administration
10. Admissions

URMIA Compliance Community Top 10 Higher Education Compliance/Ethics Risks (2026)

1. AI Ethics and Usage
2. Cyber Security
3. Data Privacy
4. Digital Web Accessibility
5. Student Conduct & Campus Safety
6. Third Party Risk
7. Financial Aid & Loan Reform
8. Minors on Campus
9. Free Speech & Academic Freedom
10. Research Administration / Title IX

Inspiration and Resources

- [University Risk Management and Insurance Association \(URMIA\)](#)
- [Corporate Compliance Insights - Why Boards at Colleges and Universities Should Proactively Engage with Compliance](#)
- [Board Effect - Compliance in Higher Education: What is the Board's Role?](#)
- [NACUA - Compliance Matrix](#)



Elliot Young, JD, MS

Director of Institutional Compliance and Equal Opportunity

Kansas City University

EYoung@kansascity.edu

Kristin Roberts, JD, CCEP, CIPP/US

Assistant Vice President, Institutional Compliance & Privacy

Auburn University

kar0032@auburn.edu