



Costs of Federal and State Regulatory Compliance at the University of Vermont for FY2015

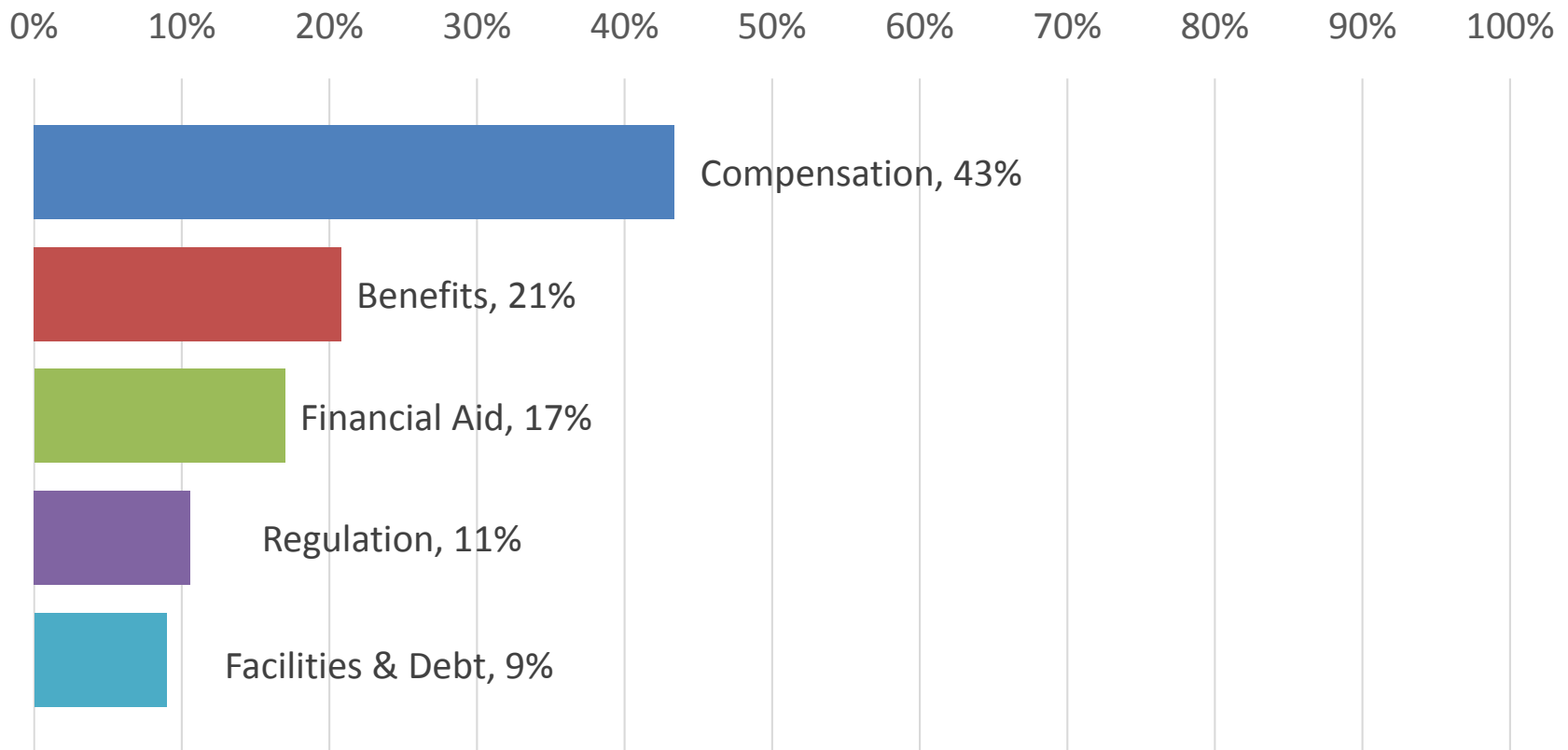
A Presentation to the UVM Board of Trustees
Committee of the Whole

May 20, 2016

Richard Cate, Vice President for Finance and Treasurer
Emily Stebbins-Wheelock, Director, Office of Operational Excellence



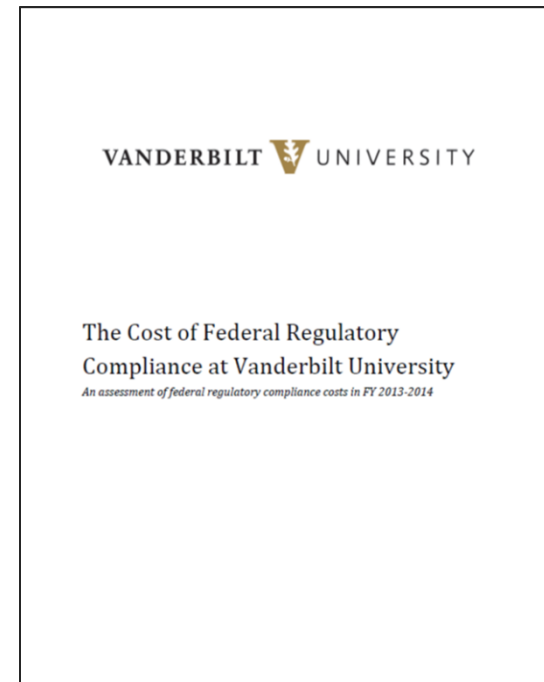
UVM Expense Categories as Percentage of FY15 Operating Budget (\$626M)





Charge from President Sullivan

Estimate the cost to UVM of complying with federal and state regulatory compliance for Fiscal Year 2015, using the FY14 Vanderbilt University study of federal* regulatory compliance costs as a guide.



**Vanderbilt's study did not include costs of state regulatory compliance.*



Types of Costs Considered

- 1. Labor** – faculty, staff, and student employee time
- 2. Non-labor operating costs** – outsourcing, training, travel, materials, supplies, services, licenses, fees, registrations, etc.
- 3. Facilities (indirect costs of labor)** – depreciation, debt service, utilities, operations and maintenance, custodial services

Source: Vanderbilt University. “The Cost of Federal Regulatory Compliance at Vanderbilt University: An assessment of federal regulatory compliance costs in FY 2013-2014.” No date.



Principles to Determine if an Activity is Required to Comply with Regulation

- The institution would have been ineligible for a federal or state program if it had not performed the activity;
- The institution would have stopped receiving a federal or state benefit if it had not performed the activity;
- The institution would have risked violation or penalties under federal or state law if it had not performed the activity; or
- The institution performed the activity to determine whether any of the above items applied.



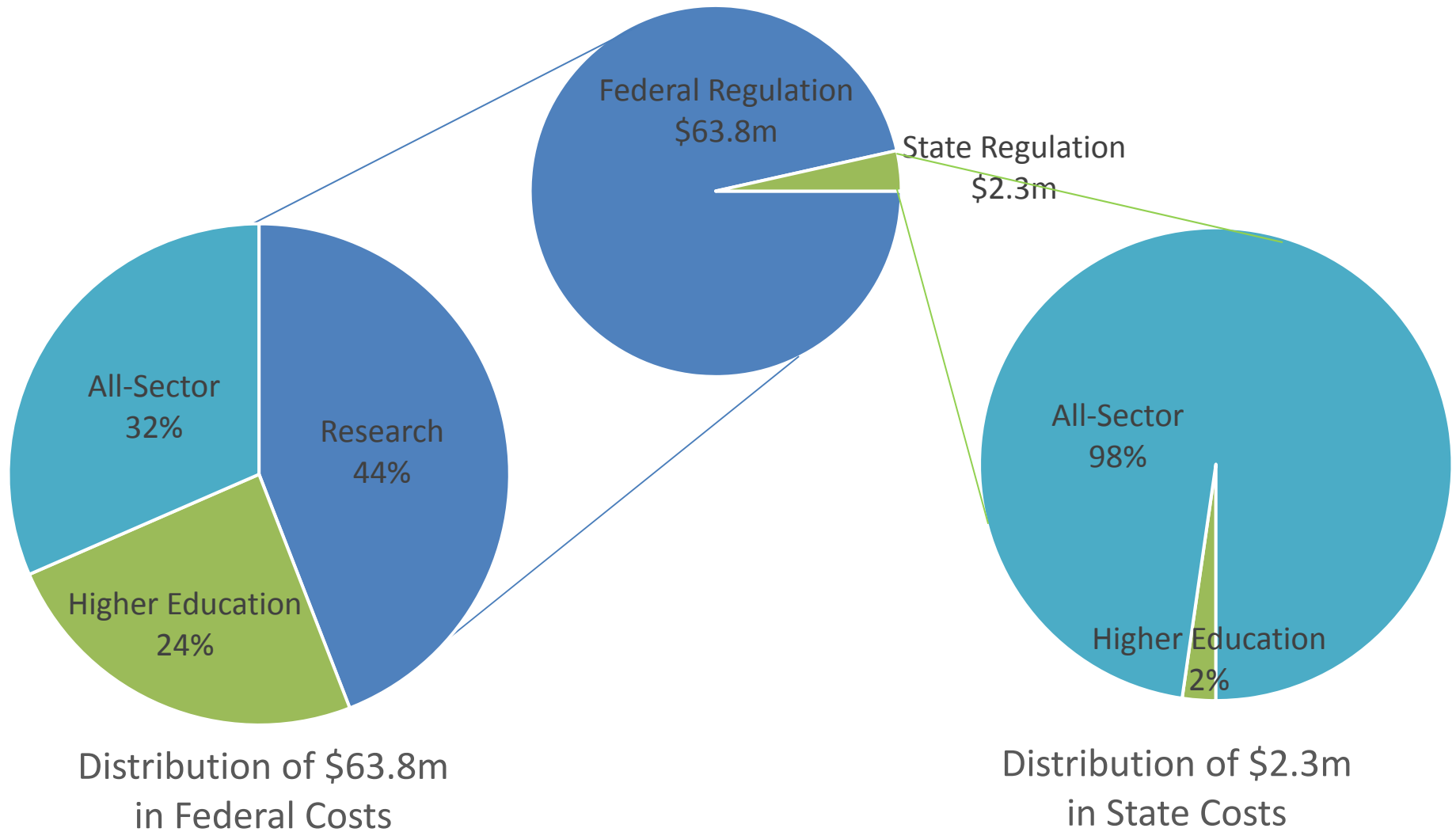
Regulatory Categories

Research	Higher Education	All-sector
<ul style="list-style-type: none">• Grants and contracts management• Human subjects' participation• Environmental health and safety• Animal research• Export controls• Conflicts of interest• Technology transfer• Research misconduct	<ul style="list-style-type: none">• Accreditation• Clery Act• Drug and alcohol prevention• Equity in athletics data report (EADA)• Financial aid• FERPA• IPEDS reporting• Gainful employment• State authorization• Title IX sexual misconduct• Title IX athletics administration	<ul style="list-style-type: none">• Anti-discrimination• Disability• Environmental health and safety• Tax and finance• Privacy and information security• Immigration• Employment/human resources

Source: Vanderbilt University. "The Cost of Federal Regulatory Compliance at Vanderbilt University: An assessment of federal regulatory compliance costs in FY 2013-2014." No date.



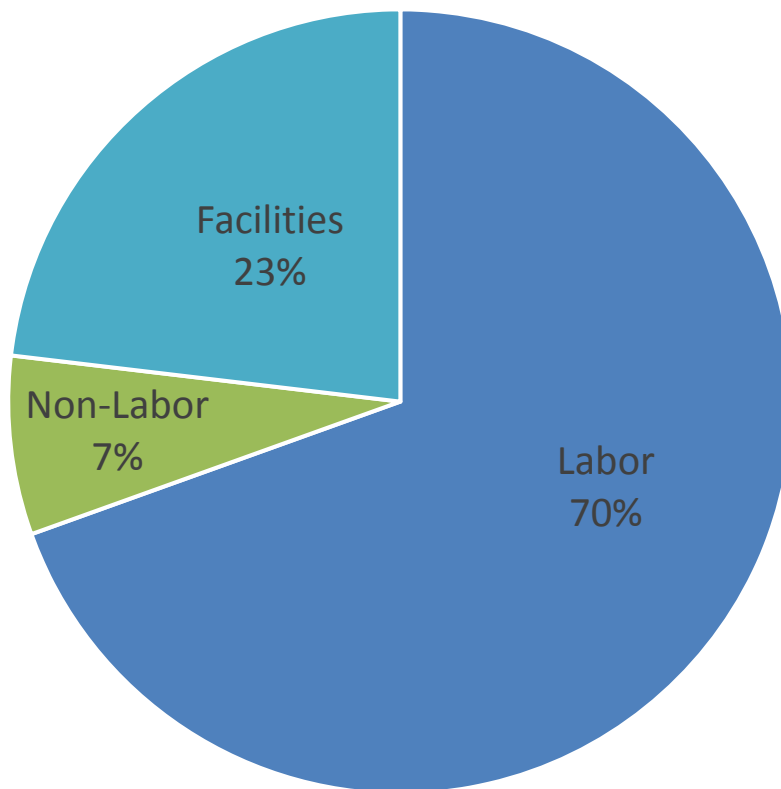
Estimated Costs for FY2015: \$66,157,000





Total Federal & State Costs by Type of Cost

Distribution of \$66.1m
by Cost Type





Estimated Costs for FY2015

	Regulatory Category			Totals
	Research	Higher Education	All-Sector	
Federal Regulation	\$28,152,000	\$15,555,000	\$20,128,000	\$63,836,000
Labor costs	\$19,406,000	\$11,527,000	\$14,177,000	\$45,110,000
Non-labor costs	\$383,000	\$1,022,000	\$2,254,000	\$3,659,000
Facilities costs	\$8,363,000	\$3,006,000	\$3,697,000	\$ 15,067,000
State Regulation	\$ -	\$53,000	\$2,267,000	\$2,321,000
Labor costs	\$ -	\$40,000	\$836,000	\$876,000
Non-labor costs	\$ -	\$3,000	\$1,213,000	\$1,216,000
Facilities costs	\$ -	\$10,000	\$218,000	\$229,000
Totals	\$28,152,000	\$15,608,000	\$22,395,000	\$66,157,000
<i>% of UVM Operating Budget</i>	<i>5%</i>	<i>2%</i>	<i>4%</i>	<i>10.6%</i>
<i>UVM Federal Cost % of Operating Budget</i>				<i>10.2%</i>
<i>Vanderbilt Federal Cost % of Operating Budget</i>				<i>11%</i>