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8th Annual Higher Ed Virtual Conference

February 18, 2026



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CPE Qualifications

To qualify for the full *4 CPE credits*, the following requirements must be met:

- Attend 200 minutes of this session
- 14 polling questions and 2 attendance markers will be sent. (You must respond to a minimum of 12 out of those 16 to qualify for CPE)



Agenda

- Welcome / introduction
- Financial sustainability in uncertain times
- AI and digital transformation in higher education
- Evolution of risk management
- College athletics in transition – house settlement and NIL
- Closing





Financial Sustainability in Uncertain Times



Introductions



Anthony Pember

Engagement Director,
Higher Education

CLA



Leah Lindstrom

Consulting Manager,
Higher Education

CLA



Paul Dworkis

Executive Vice
President and Chief
Financial Officer

*Berklee College
of Music*



Dr. Tim Borchers

President

West Liberty University



Learning Objectives

1

Identify key drivers of tuition dependency and financial vulnerability

2

Identify auxiliary revenue opportunities to strengthen financial performance

3

Discuss scenario planning to support long-term financial resilience

4

Recall program-level data to guide portfolio and resource decisions

5

Recognize leadership approaches for navigating financial stress





Revenue and Enrollment Trends in Higher Education



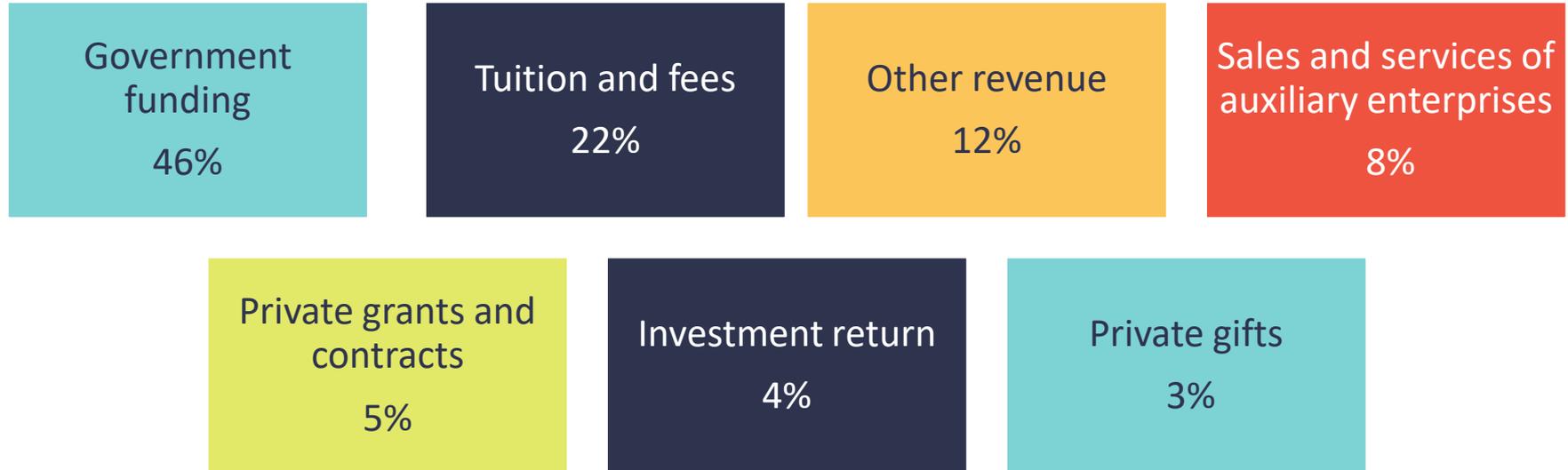
Moody's estimates...3.5% growth overall in revenue. Expenses, on the other hand, will grow 4.4%... and will eat into institutions' margins

“Given the strained revenue forecast, management's ability to control costs and identify creative operational efficiencies will take on even greater importance even at the largest and wealthiest institutions”



[Higher education outlook remains negative for 2026, Moody's says | Higher Ed Dive](#)

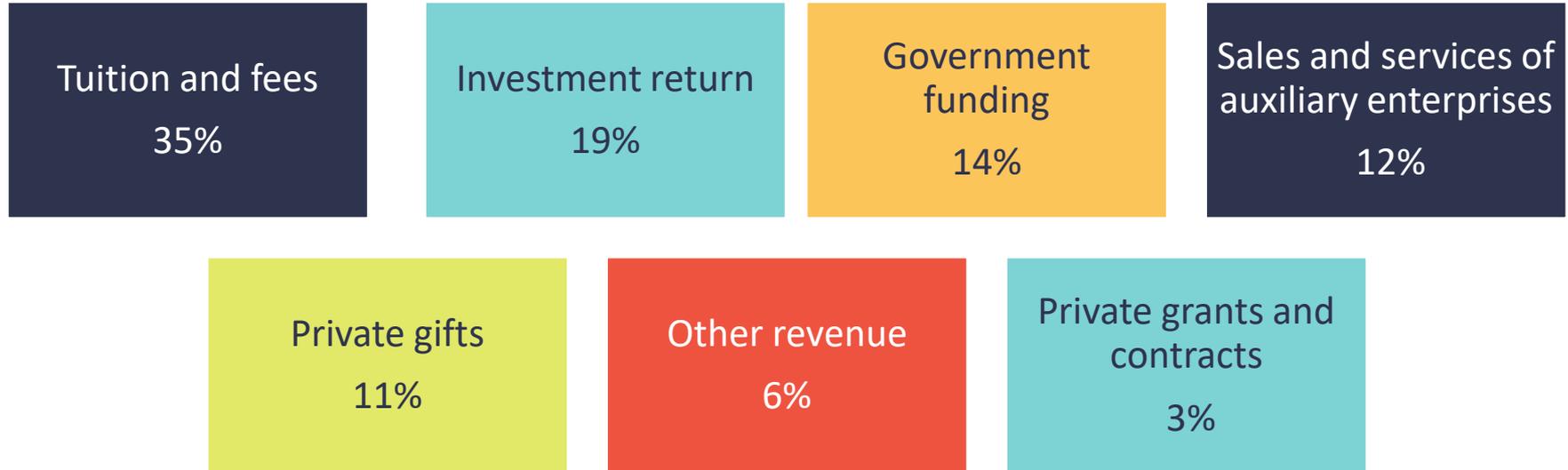
Revenue Sources of Public Colleges and Universities



Source: IPEDS Total revenue of public degree-granting postsecondary institutions, by source of revenue and level of institution: Selected fiscal years, 2012-13 through 2021-22, 10-year average



Revenue Sources of Private Colleges and Universities



Source: IPEDS Total revenue of private nonprofit degree-granting postsecondary institutions, by source of revenue and level of institution, 2012-13 through 2021-22, 10-year average



The Demographic Cliff



We've long anticipated a “*demographic cliff*” in 2025 — but what we're seeing may be better understood as a *shift* rather than a sudden drop.

What's Changing

- The number of white, traditional-age students enrolling directly from high school continues to decline.
- At the same time, other demographic groups are increasing their participation in higher education.
- These shifts are creating new opportunities for institutions prepared to serve a more diverse and non-traditional student population.



Question to Panel

What enrollment or revenue and expense trends have you observed at your college or university?



Polling Question

Where do you see the largest challenges in your institution's revenue sources?

- A. Declining enrollment
- B. Increased tuition discounting / financial aid demands
- C. Stagnant or declining state appropriations / public funding
- D. Lower auxiliary revenue (housing, dining, events, athletics)
- E. Other





Cost and Revenue Management



Concept Introduction: Cost and Revenue Management

What is it?

Cost and revenue management is the strategic process of understanding and controlling what is driving expenses and maximizing income to enhance ongoing institutional financial health and sustainability. The derivation of analytics in support of this is commonly achieved through the following activities:



Data extraction

Data is gathered from various source systems, focusing on systems that are routinely used by the institution.

Cleaning and transformation

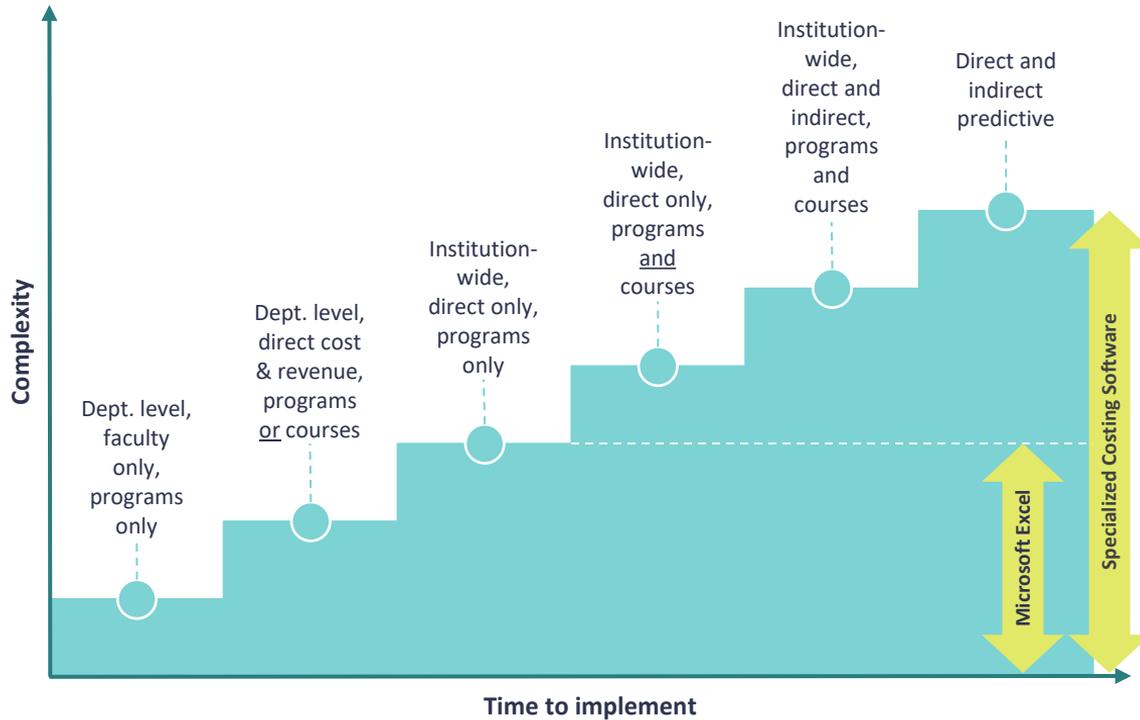
Raw data is cleaned and transformed to enhance consistency across all datasets, removing errors and duplicates.

Modeling and analysis

Data are loaded into a model, business rules are applied, creating a unified dataset used for analysis and informed decision-making.

Concept Introduction: Cost and Revenue Management

Spectrum of modeling options



Complexity variables

- Direct cost vs. indirect cost
- Dept. level vs. institution-wide
- Programs only vs. courses and programs
- Instruction only versus all institutional outputs
- Allocation methodologies
- Inclusion and targeted allocation of facilities and other large assets
- Extent to which non-financial data and metrics are included



Capabilities Delivered

- 1 Consolidates financial, enrollment, and operational data into *one transparent decision-making platform*.
- 2 Provide a *single source of truth* for costs and drivers across the institution.
- 3 Model the *full cost of delivery* for each program (direct + indirect).
- 4 Quantify how program changes affect *cross-subsidization* across the institution.
- 5 Support the determination of which programs to grow, merge, or sunset **based on evidence-based decisions**.
- 6 Quantify *resource needs* and *trade-offs* across *academic* and *administrative* functions.
- 7 Offers *transparency* to academic leaders, helping align resources with mission and demand.
- 8 Improve trust and transparency with leadership and faculty via *grounded conversations* with validated cost models.



Question to Panel

From your perspective, why is it important for institutions to conduct academic program analysis and understand program-level costs and revenue?



Polling Question

To what extent has your institution conducted an analysis of direct program revenues and direct program costs?

- A. We conduct full program-level revenue and cost analysis on a regular cycle
- B. We have completed a full analysis at least once
- C. We are currently developing the capability
- D. We have not done this type of analysis
- E. Not sure





Case Studies





Case Study

Berklee College of Music



Berklee College of Music

Introduction

Institutional profile

- Founded in 1945.
- World's largest independent contemporary music college.
- Merged with Boston Conservatory, strengthening dance, theater, and classical programs.
- Total students: 8,369
 - Undergraduate: 7,549
 - Graduate: 820
- 54.87% male, 45.13% female
- 1,790 exclusively online

Academic strengths

- Premier institution for contemporary music.
- Broad portfolio of undergraduate and graduate programs.
- Deep industry-embedded, interdisciplinary learning opportunities.

Global footprint

- Global community with students from 100+ countries.
- Operates a global multi-campus system:
 - Boston (Main)
 - Valencia, Spain
 - New York City
- Extensive digital reach through Berklee Online.
- Global network of partnerships.

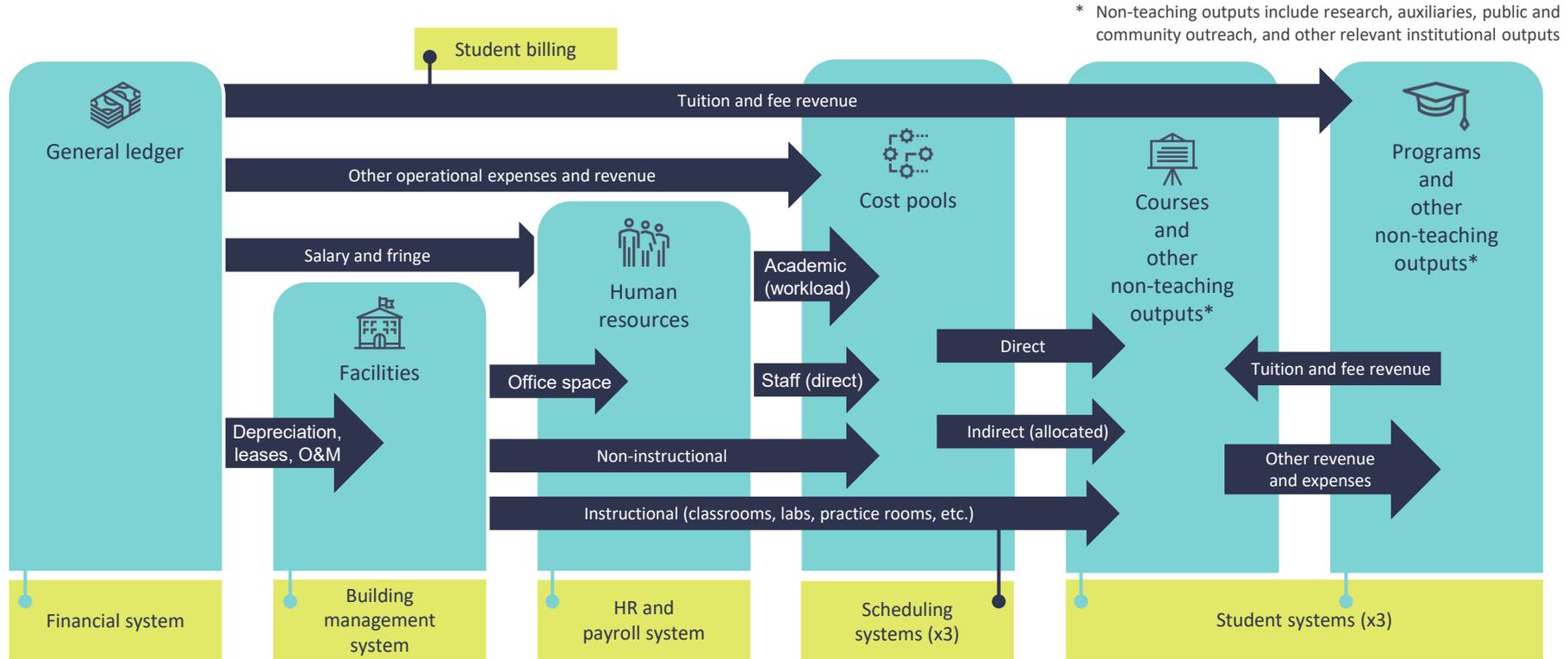
Alumni impact

- 300+ Grammy Awards.
- 118 Latin Grammy Awards.
- 54 Emmy Award winners.
- 28 Tony Awards.
- 8 Academy Awards.
- More combined music-industry awards than any other college.



Berklee College of Music

Cost and revenue model design and data sources



Berklee College of Music

Reporting capability

- Dynamic web-based reporting
- Multi-year trend analysis
- Customizable, "self-help" reports



Direct / Indirect	Ledger Class	FY2022	FY2023
Direct	4-Revenue		
	5-FinAid		
	6-SalFmg		
	7-OthExps		
	Total		
Institutional Indirect	4-Revenue		
	6-SalFmg		
	7-OthExps		
	Total		
Program Indirect	4-Revenue		
	6-SalFmg		
	7-OthExps		
	Total		
Total			

Per Student Credit Hour by Direct / Indirect

Period Name	FY2022			FY2023			Average			
	Direct / Indirect	Revenue	Expense	Margin	Revenue	Expense	Margin	Revenue	Expense	Margin
Direct										
Institutional Indirect										
Program Indirect										
Total										

Program Student Credit Hours

FY2022	276,826
FY2023	286,796



Berklee College of Music

Key challenges with building a cost and revenue model

Large amount of shared costs are expended in a single institutional entity.

High turnover of personnel in recent years with corresponding loss in institutional knowledge.

Multiple scheduling systems for scheduling classrooms and practice rooms.

Unique learning environment complicates modeling approach.

Multiple student systems (Berklee College, Boston Conservatory, Berklee Online).

Adjustments in coding of financial data over recent years makes trend reporting difficult.



Berklee College of Music

Historical and future usage of cost and revenue model



- Year-to-date position
- Program reviews
- Academic unit performance
- Space utilization
- Administrative program reviews





Case Study

West Liberty University



West Liberty University

1

Founded in 1837
(oldest university
in West Virginia)

2

Four-year public

3

About 2,200 students

4

Associate's through
Doctoral degrees

5

Faculty: 146; Staff: 170

6

State funding:
about 25%



Process





Questions Being Asked

- Which programs should we prioritize for future investment?
- What are the direct personnel costs associated with each program?
- How do specific programs compare to institutional benchmarks or to other programs?
- Are certain smaller programs operating at a financial loss for the institution?
- How do the numbers of credits students take differ across academic programs?

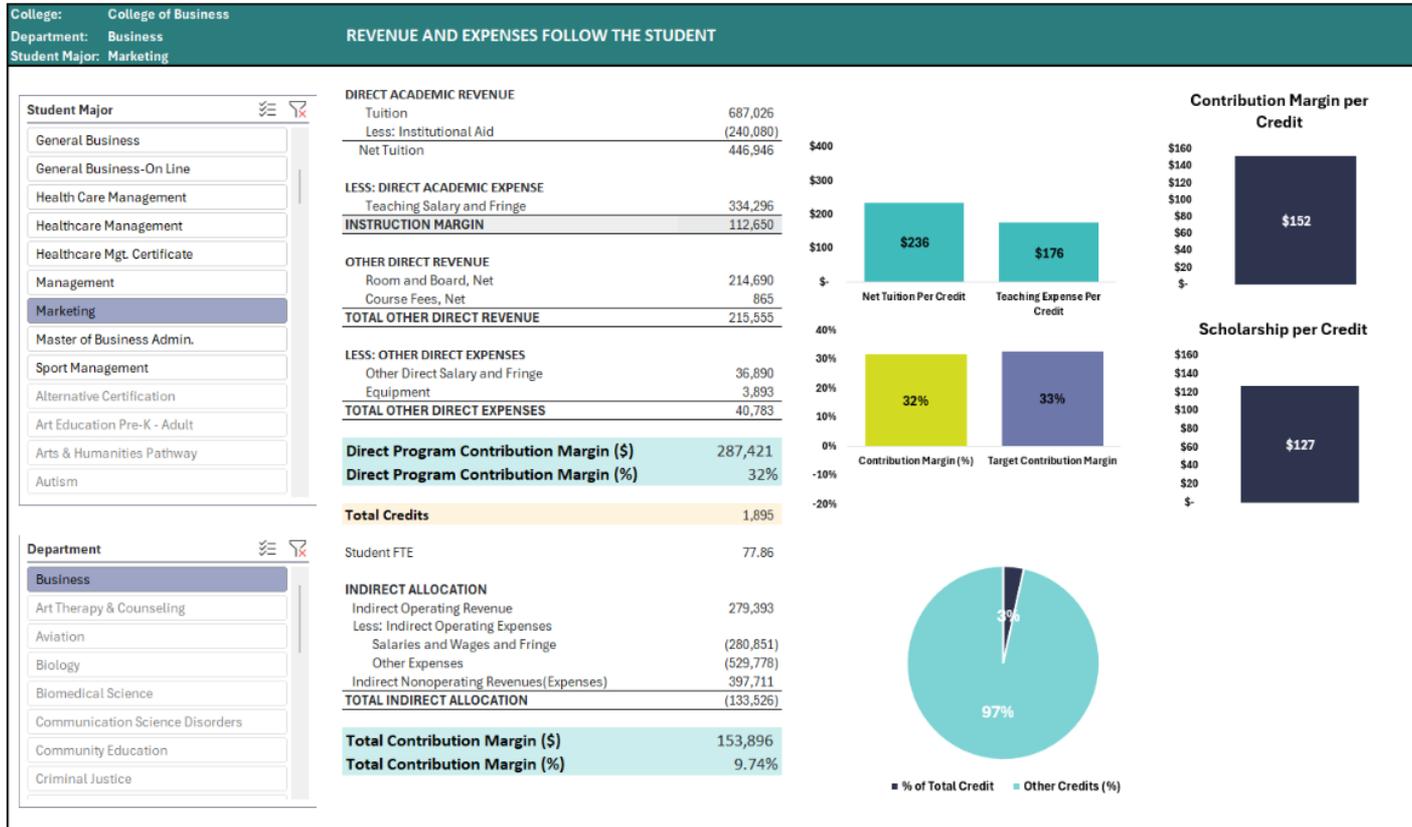


Mining the Data

- Course schedule (detailed by who is taking each course and who is teaching the course)
- Listing that shows the major or enrollment of each student
- Student billing detail
- Institutional aid disbursed by student
- Information of all faculty salaries
- Trial balance to identify other direct revenue and expenses



Building the Dashboard





Conversations With Faculty

- Understand what matters most to faculty
- Address faculty questions about cost allocations and the methodology used to calculate program margins
- Identify which programs generate higher contribution margins and which generate lower margins
- Determine the key factors driving both high and low program margins



Outcome and Next Steps

Build the model year after year

Consider what can be updated and refined

Think of the users of the model

Determine how the model can be used to inform decisions



Questions?



Contacts

Anthony Pember

Engagement Director, Higher Education

P: 571-227-9540

E: anthony.pember@CLAconnect.com

Leah Lindstrom

Consulting Manager, Higher Education

P: 612-397-3274

E: leah.lindstrom@CLAconnect.com



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Wellness Break

Noon – 12:10 p.m. CT





AI and Digital Transformation in Higher Education



Learning Objectives

1

Identify practical AI use cases across campus operations that improve efficiency and service

2

Recognize instructional AI tools to enhance learning while safeguarding academic integrity

3

Identify accessibility standards that support inclusive design in AI and digital platforms

4

Recognize core ethical considerations and governance practices for responsible AI adoption

5

Describe digital readiness maturity and prioritize investments that foster innovation



The AI Imperative in Higher Education

Today's digital-native students are ready — but are institutions keeping pace?

The Gap Is Real

Universities must actively leverage AI across operations, instruction, and student services — while upholding standards of accessibility, ethics, and academic integrity.



AI-Powered Campus Operations



Automating admin tasks

Data entry, form processing, report generation — freeing staff time and reducing errors.



Knowledge management

AI aggregates institutional knowledge to support better decision-making.



Chatbots for services

24/7 virtual assistants handling FAQs about admissions, financial aid, and more.



Enrollment and advising

ML models evaluate applications and personalize degree planning.



Facilities and safety

Predictive maintenance, energy optimization, and enhanced security systems.

Polling Question

In what areas are you currently using AI in campus operations?

- A. Administrative tasks
- B. Knowledge management
- C. Chatbots for services
- D. Enrollment and advising
- E. Facilities and safety
- F. All of the above
- G. None of the above



Real-World Impact

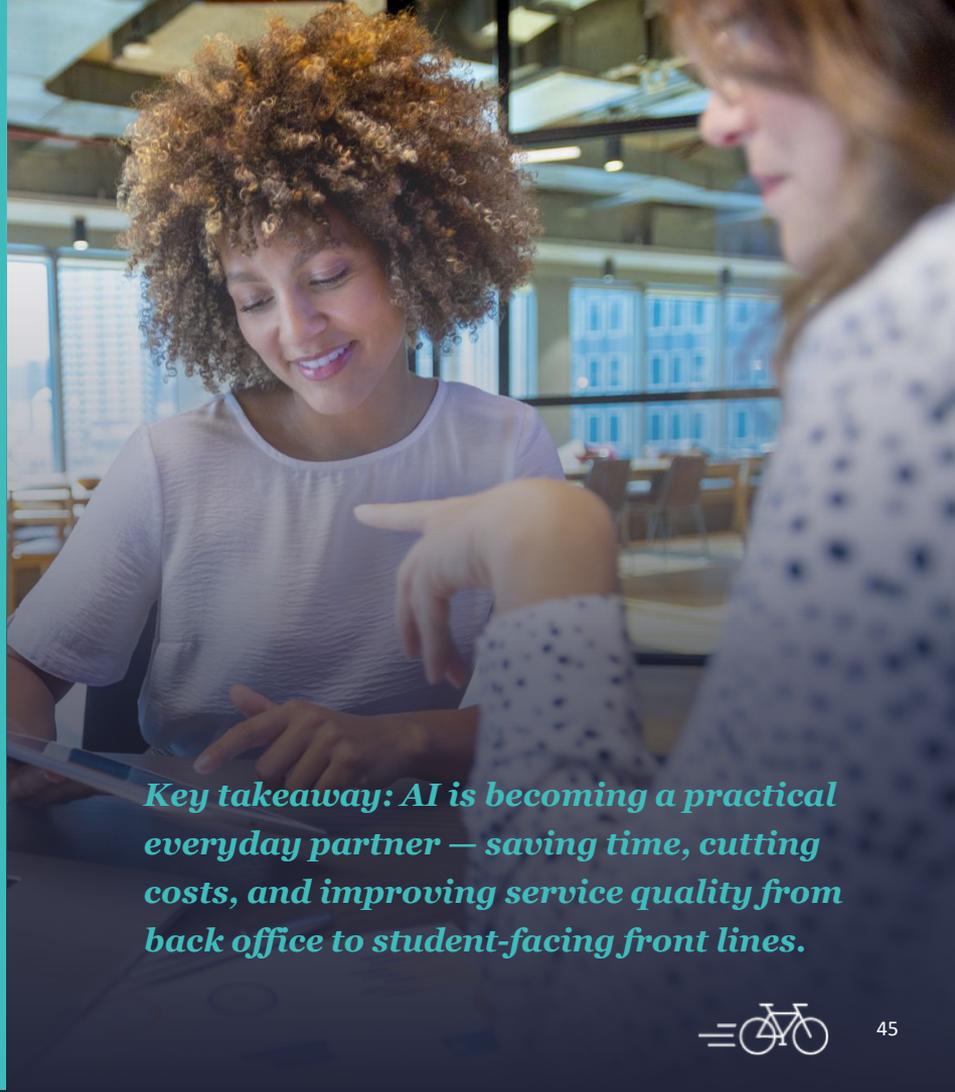
University of Nebraska–Omaha: Integrated AI into grant administration — automating data entry, document review, and report creation for improved accuracy and compliance.

Faculty Senate knowledge base: AI analyzes years of meeting minutes to create searchable databases, improving continuity and informed decision-making.

MIT Energy optimization: Used AI to optimize power distribution, cutting costs and carbon emissions through intelligent resource management.

Carnegie Mellon security: AI-enabled surveillance with facial recognition and behavior analysis for enhanced campus safety monitoring.

For illustrative purposes only



Key takeaway: AI is becoming a practical everyday partner — saving time, cutting costs, and improving service quality from back office to student-facing front lines.



Enhancing Learning With AI

Adaptive learning

AI adjusts difficulty and content in real-time for each student's needs

Automated feedback

Instant feedback on grammar, clarity, and structure

Predictive analytics

Identify at-risk students early through pattern analysis

AI-assisted assessment

Rapid grading and exam generation with quality checks



Safeguarding Academic Integrity

Strategies for the AI era

- Establish explicit guidelines on when/how students may use AI — using a 'red, yellow, green' model
- Redesign assessments to require personalized or experiential elements that generic AI can't replicate
- Teach students to cite AI-generated content when permitted and used
- Engage students in co-creating AI usage policies to build buy-in

Avoid

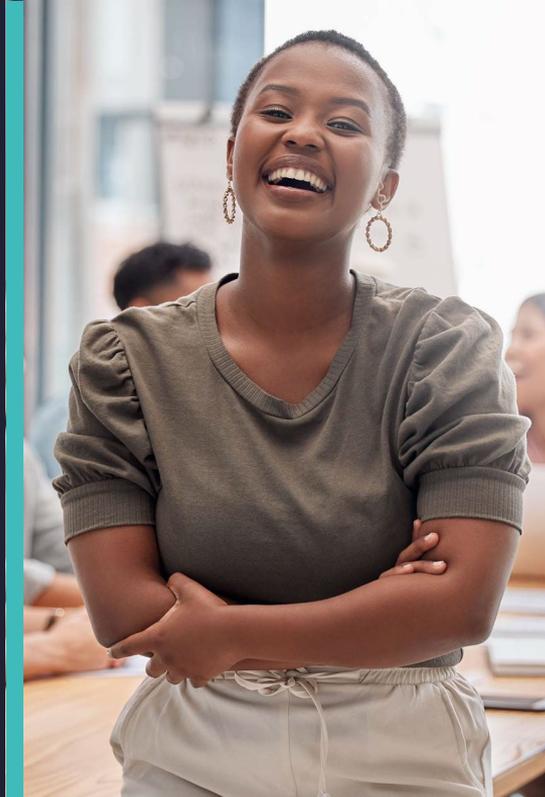
Over-reliance on AI detection tools — high false-positive rates, biased against non-native speakers

Focus on

Prevention, education, and creating environments where honesty is expected and supported



Accessibility and Inclusive Design



WCAG 2.1 level AA

DOJ regulations require public colleges to meet these standards by April 2026 for all digital content.

ADA and section 504

Digital accessibility is a civil right — not optional. Equal access to technology is mandated.

Universal design for learning

Multiple means of engagement, representation, and expression for diverse learners.



Practical Requirements

What inclusive digital design looks like



Alt text for images

Screen reader compatible



Captions and transcripts

For video and audio



Keyboard navigation

No mouse required



Clear interfaces

Cognitive accessibility

AI can enhance accessibility

AI image recognition generates preliminary alt text

Speech recognition provides real-time captions

AI tutors offer on-demand help for diverse learning needs



Ethical Considerations

Bias and fairness

AI can perpetuate biases from training data — admissions, grading, hiring all at risk

Transparency

Avoid 'black box' decisions — explainable AI for high-stakes situations

Privacy and security

Student data protected by FERPA; strict security standards required

Human oversight

Humans must remain accountable; AI informs but doesn't autonomously decide



Implementing AI Governance

Steps for responsible AI adoption

Audit current AI usage and data practices on campus

Set ethical AI principles aligned with institutional culture

Develop policies for data privacy, transparency, and acceptable uses

Establish oversight through committees or designated officers

Educate and train the campus community

Plan for continuous evaluation and agility

Key principle

Governance doesn't stifle innovation — it ensures it aligns with the institution's mission of fair and quality education. When done right, it builds trust.



Polling Question

Does your institution currently have a policy that is driving AI governance either on the academic side or the admin side?

- A. Yes
- B. No



Digital Readiness and Maturity

Strategic investments to foster innovation

What is digital maturity?

An institution's ability to strategically use technology to create value — aligned tech initiatives, strong infrastructure, and a culture that embraces innovation.



Investment Priorities

Infrastructure and data

Cloud migration, integrated data systems, quality data governance

People and skills

Faculty training, AI academies, hiring data scientists

Student-centric tech

Early alert systems, personalized advising, modern services

Cybersecurity

Updated security infrastructure, incident response planning

Governance and change

Cross-functional coordination, agile pilot programs



Polling Question

Which area do you think will take the most effort on your campus?

- A. Infrastructure and data
- B. People and skills
- C. Student-centric tech
- D. Cybersecurity
- E. Governance and change



Key Takeaways

Digital maturity is increasingly synonymous with institutional maturity. Those who invest wisely now will lead the AI-driven era of academia.

1 Operations

2 Instruction

3 Accessibility

4 Ethics

5 Digital readiness

By fostering a culture that values experimentation and investing in the foundations of innovation, universities position themselves to shape the future of education.



Contacts

Chris Blackburn

Data Scientist Manager

P: 704-749-0284

E: chris.blackburn@CLAconnect.com

Deirdre Hodgson

Managing Principal of Industry, Assurance

P: 612-397-3023

E: deirdre.hodgson@CLAconnect.com



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Wellness Break

1 – 1:10 p.m. CT





Evolution of Risk Management



Learning Objectives

1

Describe the evolution of risk management in higher education and its strategic importance

2

Identify key drivers behind the transition to enterprise risk management (ERM)

3

Recognize emerging risks and practical steps institutions can take to mitigate them

4

Identify leading practices to strengthen governance and safeguard institutional reputation



Contacts

Matthew Hoverman

Principal, VR – Business Risk Services/SOC

P: 704-816-8542

E: matthew.hoverman@CLAconnect.com



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Wellness Break

2 – 2:05 p.m. CT





College Athletics in Transition: House Settlement and NIL





Remember When.....



Remember When.....



Today's Athletes

Learning Objectives

1

Identify key changes introduced by the house settlement and their implications for athletic departments

2

Recognize how NIL policies differ across D1, D2, and D3 institutions

3

Identify institutional strategies for complying with evolving regulations

4

Recall approaches colleges are using to recruit and retain athletes amid shifting competitive pressures

5

Discuss emerging challenges and opportunities created by the new compensation landscape



Polling Question

What is your work relationship with a college athletic department?

- A. Work within the athletic department
- B. Work within the institution's finance/accounting team that supports the athletic department
- C. Other campus role that interacts with the athletic department
- D. Not connected at all; just interested



Agenda

Timeline of changes in NCAA athletics

Fireside chat

Conclusion



Introductions



Jean Bushong, Principal

Has worked with higher education institutions for almost 30 years.

Leader in NCAA agreed upon procedures.

College sports fan!



Our Panel



Damon Barry
Attorney
Managing Partner -
Ballard Spahr
Former NCAA Athlete



Rick George
Athletic Director
Emeritus
University of Colorado
NACDA AD of the Year
2023-2024

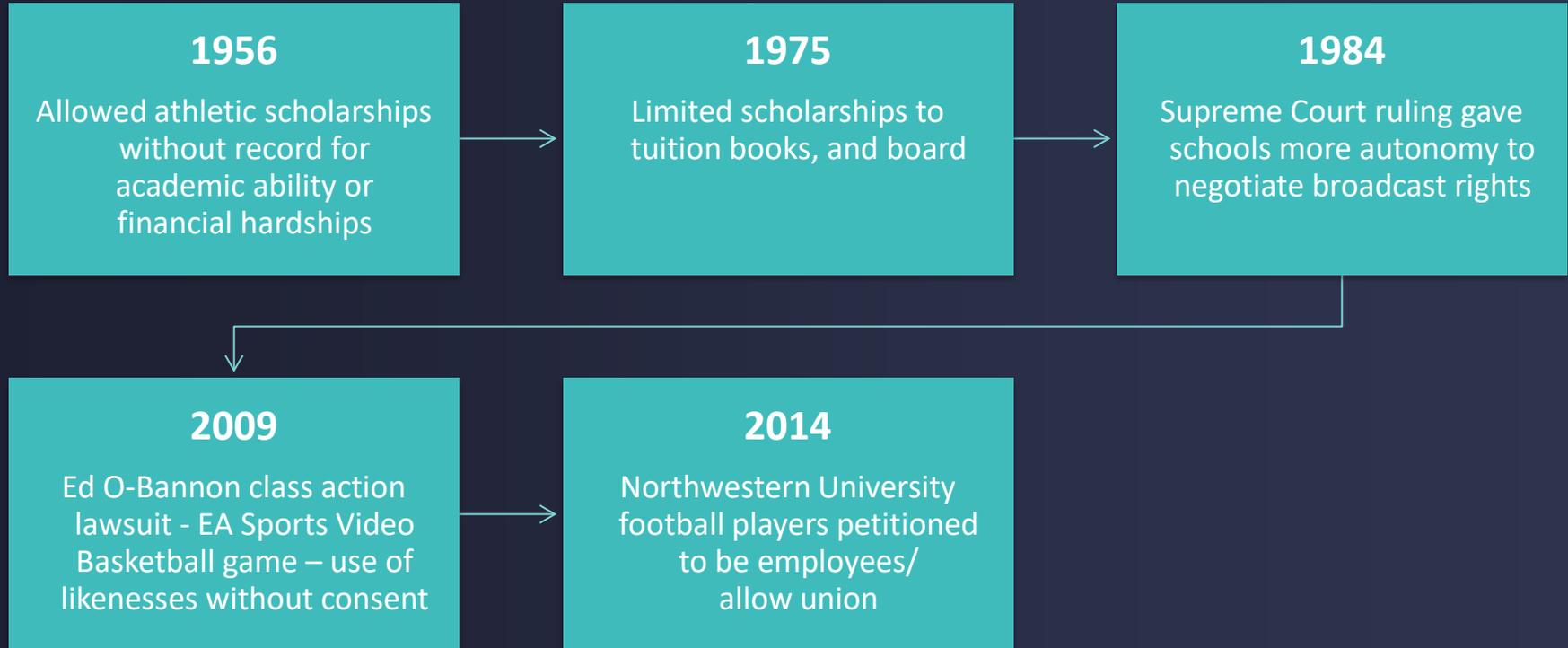




Background and Timeline



Timeline of NCAA Athletics Changes – *The Beginning*



Timeline of NCAA Athletics Changes – *Now*



NCAA v House Settlement

- Backpay of \$2.6+ billion to be paid to students competing from 2016 – 2024
- Direct athlete compensation now permitted
- Annual revenue sharing – cap
 - Permissive, not required
 - Up to \$20.5 per year
- Eliminates scholarship limits, replace by roster limits
- NIL third-party deals – new oversight



Changes = Challenges

Name, image, likeness

Students could now be paid, but many rules and tax implications.

Conference realignment

Future budgets significantly impacted. How to properly plan?

Recruiting

Creates an un-even playing field?

Transfer portal

Athlete instability; players transferring for financial incentives.

Budget constraints

Athlete payments put pressure on already strained athletic budget. How to fund?

Title IX implications

Increase legal exposure.

Roster limits

Could harm athletes who want to compete.

Various changes

Updating systems and monitoring to keep up with changes.



Polling Question

From your perspective, the House Settlement is primarily a:

- A. Financial challenge
- B. Compliance challenge
- C. Operational challenge
- D. Cultural challenge





Panel Discussion



Polling Question

How prepared is/was your athletic department for the impact of the House Settlement?

- A. Very prepared
- B. Somewhat prepared
- C. Not very prepared
- D. Who knows - I am just holding my breath and crossing my fingers





Closing Remarks



How CLA Can Help

- Educational classes
- Tax assistance
- Revenue projections
- Employee vs contractor tax compliance
- Budgeting





Questions?



Contacts

Jean Bushong
Principal, Assurance

P: 303-265-7884

E: jean.bushong@CLAconnect.com



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