

UNIVERSITY GOVERNANCE
THE UNIVERSITY OF NEW MEXICO

Report 2005-15
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ABBREVIATIONS

AGB.....	Association of Governing Boards
CHE.....	State of New Mexico Commission on Higher Education of New Mexico
HED.....	State of New Mexico Higher Education Department
IA.....	Internal Audit Department
IIA.....	Institute of Internal Auditors
NMSA 1978.....	New Mexico Statutes Annotated 1978
Respondent.....	Interviewee
UBP.....	University Business Policies and Procedures Manual
University.....	The University of New Mexico
UNM.....	The University of New Mexico

EXECUTIVE SUMMARY

The University of New Mexico (UNM) governance audit is included in the Internal Audit Department's audit plan for fiscal year 2005. According to the Institute of Internal Auditors (IIA) standards, the internal audit activity should assess and make appropriate recommendations for improving the governance process.

The purpose of the audit is to document the current state of governance at the University of New Mexico (University), identify stakeholders' perceptions of the current governance, identify best practices for governance, and make recommendations to improve the governance of the University. We interviewed a sample of individuals associated with the University (respondents), including Regents, University and hospital administrators, faculty representatives, staff council, and student leaders. All were asked to answer the same 23 questions about governance at the University. Based on their personal knowledge or perceptions about governance at the University, the responses to the questions were analyzed for similarity and divergence between types of stakeholders.

The Constitution of the State of New Mexico, Article XII, Section 11, Section 21-7-3, NMSA 1978, and Section 21-1-10, NMSA 1978 defines the governance structure at the University but the structure is not well communicated to the University community. Based upon the results of the audit, communication issues were a common concern for all areas covered in the questionnaire. The following recommendations will help strengthen and improve the governance structure at the University.

- Develop a formalized Regents orientation and training program using Association of Governing Boards (AGB) guidelines.
- Develop systems of communication incorporating a definition of governance.
- Develop and implement a coordinated University-wide compliance program including training for the updated Conflicts of Interest policy.
- Once the new President is named, update the strategic plan of the University.
- Develop links to change management guidelines for use by all segments of the University.

We reviewed the Regents' goals and evaluation criteria for the University President, and the corresponding tactics and milestones. These goals are in line with the recommendations contained in this report with some already implemented and others in process. The tactics and milestones will address and clear the recommendations.

INTRODUCTION

BACKGROUND

The University's Mission Statement states, "The University will engage students, faculty, and staff in its comprehensive educational, research, and service programs. University will provide students the values, habits of mind, knowledge, and skills that they need to be enlightened citizens, to contribute to the state and national economies, and to lead satisfying lives. Faculty, staff, and students create, apply, and disseminate new knowledge and creative works; they provide services that enhance New Mexicans' quality of life and promote economic development; and they advance our understanding of the world, its peoples, and cultures. Building on its educational, research, and creative resources, the University provides services directly to the City and State, including health care, social services, policy studies, commercialization of inventions, and cultural events."

The University Governance audit is included in the Internal Audit Department's audit plan for fiscal year 2005. We used the framework from the IIA to develop our scope and methodology. Standards for the Professional Practice of Internal Auditing, Performance Standard 2130, Governance states:

The internal audit activity should assess and make appropriate recommendations for improving the governance process in its accomplishment of the following objectives:

- Promoting appropriate ethics and values within the organization.
- Ensuring effective organizational performance management and accountability.
- Effectively communicating risk and control information to appropriate areas of the organization.
- Effectively coordinating the activities of and communicating information among the board, external and internal auditors and management.

Performance Standard 2130.A1 states: "The internal audit activity should evaluate the design, implementation, and effectiveness of the organization's ethics-related objectives, programs and activities."

The IIA defines governance as follows: "Governance is the system by which organizations are directed and controlled. It includes the rules and procedures for making decisions on corporate affairs to ensure success while maintaining the right balance with the stakeholders' interest." For the purpose of the audit, we define governance as how authority and functions are distributed among the departments, schools and colleges as well as the administrative units within the University, the methods of communication and control among them, and the conduct of relationships between the University and the surrounding environment. The basic elements of governance within the University are the Regents, the executive administration, the faculty and

faculty senate, other groups and units, such as student governments and staff council, as well as the policies that govern the behavior of these bodies.

The Regents have the ultimate responsibility for the governance of the University. The Constitution of the State of New Mexico, Article XII, Section 11 authorizes the Governor and the Legislature to appoint the Regents of the University of New Mexico. The Constitution states:

The legislature shall provide for the control and management of the university of New Mexico by a board of regents consisting of seven members, six of whom shall be qualified electors of the state of New Mexico, one of whom shall be a member of the student body of the university of New Mexico and no more than four of whom at the time of their appointment shall be members of the same political party. The governor shall nominate and by and with the consent of the senate shall appoint the members of the board of regents.

Section 21-7-3, NMSA 1978 defines the authority of the Regents of the University of New Mexico as follows:

The management and control of the university of New Mexico, the care and preservation of its property, the erection and construction of all buildings necessary for its use and the disbursements and expenditures of all money shall be vested in a board of seven regents.

Section 21-1-10, NMSA 1978 states, “The boards of regents of state educational institutions may delegate authority or functions to officers or subordinate bodies within the state educational institutions as the boards deem proper for the efficient functioning of their respective educational institutions.”

PURPOSE

The purpose of the audit is to document the current state of governance at the University, identify stakeholders’ perceptions of the current state of governance, identify best practices for governance, and make recommendations for improvement.

SCOPE

We interviewed a sample of individuals associated with the University (respondents), including Regents, University and hospital administrators, faculty representatives, staff council, and student leaders. We conducted 22 interviews during the period from June to October 2005. Most interviews were with one respondent; however, a few involved two or more respondents. Each respondent or group of respondents was asked to answer the same 23 questions based on their personal knowledge or perceptions. The responses to the questions were analyzed for similarity and divergence between types of stakeholders. A copy of the questions is included in this report as Attachment A.

We searched current literature and the Internet for best practices in university governance. The results are listed in Attachment B.

The report summarizes the results of the interviews combined with best practices. Since the initial interviews, information was updated where necessary to report the current state.

OBSERVATIONS, RECOMMENDATIONS AND RESPONSES

GOVERNANCE AT THE UNIVERSITY OF NEW MEXICO

Role of the Regents

Based on our interviews, formalized training should be provided to the Regents to help them identify their roles within the governance structure, and balance the needs of the various constituencies. From the interviews, we found:

- Regents had a variety of responses to the question regarding who they represent:
 - Regents represent the students' interests only.
 - Regents represent the University as a whole, the students, the public at large, the Governor and the Commission on Higher Education/Higher Education Department (CHE/HED), plus the state taxpayers who help fund the University.
 - Regents represent all of the constituencies.
 - Regents may feel an obligation to the governor as his appointees.
- Two Regents mentioned that the Regents must stand up to the government when it is in the best interest of the University.
- Another respondent stated that there is a lack of interface between the Regents and the HED.
- Each of the four regents who participated in an interview described a different orientation process for regents. They acknowledged that a formal orientation would be beneficial.

In most cases, the Regents have not previously served as university regents and are not familiar with the management structure of a university. The Board of Regent's Policy 1.2 states:

Orientation of New Members

When a new member is appointed to the Board, the member will receive copies of the *Faculty Handbook*, the *Regents' Policy Manual*, and a compilation of current New Mexico statutes pertaining to the Regents. The President will arrange briefing sessions for newly appointed Regents.

As noted above in the comments, the orientation process for each regent interviewed was different. This can lead to Regents receiving different information which can impact their effectiveness.

One option is to require new regents to attend training provided by the Association of Governing Boards (AGB), the nation-wide association of regents. Some of the University regents have attended this training and at least one of them thought it should be mandatory. The training covers areas such as board and president relationships, board management and structure, traditional responsibilities of boards, and new works of

boards (includes instituting accountability and confronting inappropriate institution behaviors).

HED is tasked with training the Boards of Regents for higher education. Section 21-1-6, A. NMSA 1978 states, “The higher education department shall be concerned with the problems of finance of those educational institutions designated in Article 12, Section 11 of the Constitution of New Mexico and other public post-secondary educational institutions in the state. Section 21-1-6, A. (3) NMSA 1978 states the department shall: “... develop and maintain programs, on a regular basis, for the orientation and in-service education of members of the boards of regents of the various educational institutions designated in Article 12, Section 11 of the Constitution of New Mexico and the governing bodies of other public post-secondary educational institutions in the state;”

We contacted HED to ask them about any training that they provide. They responded they provide an annual meeting for all regents.

Training should lead to the Regents being more effective in governance of the University and should decrease the time it takes the Regents to learn their roles and responsibilities within the organization.

Recommendation 1

We recommend the University President work with the Regents to provide more formalized orientation and training for new regents. This training effort might include coordinating with HED.

Response from the Office of the President

The Regents have scheduled a retreat for August 13, 2007. The retreat, entitled, “Board of Regents Retreat and Workshop, a High Performing Board for a High Performing University” will include, among other items, discussion of a model for high performing boards and effective policies and practices.

Documentation and Communication of the System of Governance Including Policies and Procedures

Based on the interviewee responses and review of best practices, the University needs to improve its communication channels to make them more effective and create a coordinated message. The system of governance needs to be clearly communicated to the University community. One way this can be accomplished is by defining University governance. In addition, responsibility for the updating of policies should be centrally coordinated to identify and rectify where policies are

inconsistent campus-wide. This will help various University constituents understand their roles and responsibilities. Excerpts from the interviews follow.

- There is little to no communication about the University's governance structure. The University should find a way to communicate governance in the orientation of administrators and faculty.
- The majority of respondents said that governance is documented through a variety of policies, but the respondents sensed that it is misunderstood.
- The board and the administration need to clarify the relationship among the University and entities to which aspects of governance have been delegated, such as the Clinical Operations Board, the Health Science Center (HSC) Committee, and the Executive Vice President for the Health Sciences Center.
- Many respondents stated that policies are documented in the University Business Policies and Procedures Manual (UBP), Regents' policy manual and faculty handbook, but there is not sufficient motivation for University employees to read and understand the policies. Changes to policy are not well communicated.
- Respondents identified seventeen "keepers" of the policies and procedures across the University including the University Hospital, HSC, and faculty.
- Respondents asked for a systematic way of communicating policy.
- The University should have mandatory training each year, specific to the individual's position, so employees are knowledgeable about the compliance policies that apply to their positions. The training should be for all positions including the vice presidents and deans.

According to the Strategic Communications Toolkit, "Strategic Communications in the Digital Age, A best practices toolkit for achieving your organization's mission," *Benton Foundation*, "Effective communications is mission critical." Internal and external communications need to be coordinated. This coordinated approach would include more timely, factual, and concise communications using all media channels possible. When the communication is not coordinated, critical information for the University's mission may not be disseminated timely which could lead to financial losses to the University as well as loss of prestige.

A definition of governance will help in developing strategic goals and objectives. The definition of governance could be included in the Regents' Policy Manual. The problem of needing to define and address governance is not new. The North Central Association (NCA) of Colleges and Schools in their 1999 "The University of New Mexico NCA Accreditation Report" stated:

As is often the case with institutions of the size and complexity of the University, many individuals report problems with communication across campus and especially with the "central" administration. The difficulty of gaining approvals from more than one vice president for a common project is cited. These views suggest that administrators, faculty, students, and staff would benefit by

developing broad communication venues and a joint vision as to university governance and desired accomplishments.

We could not find a central repository or web link for policies and procedures. We also found in other audits that the University policies are not always consistent. This lack of a central repository and consistent policies can lead to individual units choosing the policy they want to follow or to developing their own policies which may be inconsistent with the “official” University-wide policy.

Recommendation 2

The Board of Regents should incorporate a definition of governance in the Regents Policy Manual to give the University a clear vision of the University governance process.

Response from the Office of the President

At the August 13, 2007, Regent’s retreat, there will be a discussion of Board of Regents’ policies. Recommendations for policy changes and governance will be considered. The concept of governance may be discussed at that time. If it is not, the Internal Audit Department, in conjunction with the University Counsel Office, should draft a proposed Regent’s policy to be discussed at a future Board of Regents’ meeting.

Recommendation 3

The University should develop a coordinated system of communication using internal and external sources such as the Benton Foundation Toolkit in developing the systems and provide training to the appropriate personnel.

Response from the Office of the President

The Office of the President has commissioned a communications audit which will involve a comprehensive review of the existing organizational setup and communications best practices, an evaluation of UNM’s strategic planning and accountability procedures, an analysis of the effectiveness of existing communications strategies and products, a review of UNM’s “rapid response” and “crisis communications” procedures and recommendations for improvement.

Recommendation 4

The University should centralize coordination for updates to various policies. This centralization should identify policy conflicts so that they can be corrected more timely.

Response from the Office of the President

The Office of the President is committed to streamlining and centralizing university policies. It will coordinate this effort with the Board of Regents, University Counsel and the University Policy Office. University Counsel has already prepared a preliminary memo in this regard which will be presented to the Regents at their August, 2007, retreat.

Creating a Compliance Structure

Interviews indicate that the University does not have a framework for coordination to assure that the University is complying with federal, state, and local governmental requirements.

Respondents' comments include:

- These [*compliance*] requirements are handled at the unit level. Compliance officers report up through their units rather than through a central independent compliance oversight office or position.
- UBP adequately addresses compliance but the University does not enforce compliance.
- Compliance issues are addressed on an exception basis, i.e. when there is identified non-compliance.
- Compliance is a support staff function.
- Several respondents identified the required training for Principal Investigators (PIs) as an example of good communication of compliance policies.
- Respondents frequently indicated either that compliance policies are not communicated or that communication of compliance policy is weak and should be improved.
- We assume that people are doing what they should be, unless someone complains.

From our review, we identified the following University compliance offices. This is not an exhaustive list of all compliance offices.

- The Health Sciences Center (HSC), Compliance Office is responsible for the HSC institutional compliance program. This office oversees compliance for University Physicians, HSC Research, University Hospital, and Cancer and Research Treatment Center. The compliance program includes a Code of Conduct, Human and Animal Research regulations, and Health Insurance Portability and Accountability Act (HIPPA) regulations. The Executive Vice President for HSC mentioned the compliance structure at HSC has been cited as a best practice.
- The Office of the Vice President for Research and Development oversees compliance for contracts and grants for the main campus. This office supports the Research Ethics and Compliance Services for the main campus.
- The Registrar Offices provides Family Educational Rights and Privacy Act (FERPA) training to gain access to the Student Information System (SIS).

- Athletics- Associate Athletics Director for Administration and Compliance-monitors compliance with National Collegiate Athletic Association (NCAA) and Mountain West Conference (MWC) rules concerning sports wagering, alumni and boosters, current athletes, and prospective athletes.

Although the University has a variety of compliance programs, there is no umbrella organization to coordinate efforts to identify all regulatory requirements, ensure consistency among policies, and monitor the University's compliance. For example, Internal Audit identified that the University was not complying with requirements for protection of individual information as required for Payment Card Industry (PCI) security standards, Gramm-Leach Bliley Act (GLB), and the Privacy Act of 1974. The University needs to develop an infrastructure that will routinely scan the regulatory environment for changes and will have the access and authority to communicate these changes to those who need to analyze the impact and make the necessary compliance changes timely. To develop this infrastructure, the University can create an office, form a committee, or assign the responsibility to an existing office, such as the Office of University Counsel. If the University does not keep up with the dynamic regulatory environment, it may experience financial losses as well as loss of prestige to the University.

The publication Effective Compliance Systems: A Practical Guide for Educational Institutions, The Institute of Internal Auditors Research Foundations, co-authored by the Director of Audits for the University of Texas System, defines a compliance program as "...the formal effort of the institution, sanctioned by the governance function, to minimize instances of noncompliance through a permanent infrastructure that includes training, monitoring, and reporting. The Compliance Program is to minimize the instance of noncompliance with internal and external policies and procedures, laws, and rules and regulations."

Other universities that developed compliance programs did so after substantial financial losses. The University could learn from this and develop a coordinated compliance program before suffering losses. This program could include using existing personnel or by creating a compliance department.

Recommendation 5

The University should develop and implement a coordinated infrastructure to identify changes in the regulatory environment. This infrastructure would assure that the University stays abreast of regulatory changes so that compliance policies can be consistently updated timely. The first step is to develop a team to look into what particular structure would work best for the University and to identify existing compliance structures.

Response from the Office of the President

The Office of the President is aware of the duplication and overlap of the various compliance efforts at UNM. This recommendation will be shared with the Board of Regents at their August, 2007, retreat in order to obtain its recommendation concerning the advisability of creating a committee to study the matter or assigning a University office the task of implementing a global compliance strategy.

Conflicts of Interest (Ethics)

Internal Audit's questionnaire included questions regarding ethics. When we reviewed the University's manuals, we found that many of the issues related to the ethics' questions were addressed in the "Conflicts of Interest" Policy 3720, UBP. We recognize that conflicts of interest do not address all ethical issues. For this report, we are narrowing our focus to a discussion of the University's conflicts of interest policy. In our opinion, as part of the compliance program, the University should have conflict of interest training for all University employees on a periodic basis. The respondents' comments include:

- The Regent respondents believe the Board of Regents and President are ethical.
- Upper administration respondents said that the tone at the top was one of the highest ethics.
- Faculty respondents said, the tone at the top was, "pragmatic utilitarianism. If it works, do it."
- Faculty also stated, "You can't communicate values; they're lived or shared. [They are] communicate [d] by what a University does."
- Ethics vary from function to function, process to process, and certain values dominate that they are so basic that they are a given. An example was given that medical ethics are more rigid than the English department's ethics.
- The staff respondent did not know the tone at the top.
- The student respondents said that it was more of a good-old-boy network and a political climate rather than ethical.

The University recently updated the "Conflicts of Interest" Policy 3720, UBP, which includes ethical standards. However, the policy does not include a provision for mandatory training. Mandatory training would assure that all staff, administrators, and faculty of the University understand the ethical standards of the University. Regular communication should help employees understand its importance. Lack of consistent application of the updated Conflicts of Interest Policy could lead to financial losses, embarrassment, and loss of prestige to the University.

Recommendation 6

The University should update Policy 3720, UBP to include mandatory training on the policy for all employees and have documented evidence that employee received training. This training could be delivered either on-line or in person. Conflict of interest training should also be part of new employees' orientation. The administration should communicate the importance of conflicts of interest and integrity on a regular basis.

Response from the Office of the President

The Office of the President is aware of current on-line conflict of interest compliance training in the Health Sciences Department and the Employee and Organizational Development Department. The Office of the President will direct the Human Resources Department, in conjunction with the Internal Audit Department, to develop and maintain a University-wide, mandatory on-line conflict of interest training for all University employees.

STRATEGIC PLAN

In our opinion, once the incoming President is named, a timeframe needs to be set to update the Strategic Plan. The Plan should include measures to determine if the University is meeting the goals and objectives of the plan and be the basis for departmental strategic plans. Respondents' comments from the interviews conducted in the fall of 2005 are:

- The Regents indicated the President and Regents should be more involved in the Plan.
- The University Planning Council and the Provost are responsible for the Strategic Plan.
- There is no linkage between the strategic plan and the operating plan [there is no operating plan].
- Some respondents [*mistakenly*] believe the development of the budget is an operating plan and others [*correctly*] believe implementation of the action plan for the strategic plan constitutes the operating plan.
- Initially, the Provost's office communicated the 2001 strategic plan using brochures, meetings, and campus news articles but the communication did not continue.

The University of Wisconsin-Madison's web site defines Strategic planning as "...a means of establishing major directions for the University, college/school or department. Through strategic planning, resources are concentrated in a limited number of major directions in order to maximize benefits to stakeholders."

The University's existing strategic plan responsibility was delegated to the Provost's office when it was being developed in 2000-2001. With the incoming president, the delegation may change. Since the interviews, the Provost's Office issued an interim report on the Strategic Plan, which was presented to the Academic/Student Affairs Committee in January 2006. This report

summarized the status of the tactics in the Plan. The Academic/Student Affairs' March 2006 minutes indicated the Planning Council would form a subcommittee to update the strategic plan. The Planning Council's Minutes of April 24, 2006, indicate the subcommittee has been formed and its mission is to "Update the Strategic Plan." The subcommittee minutes indicate the committee is to have a solid draft of an updated Strategic Plan by Spring 2007 for the new President's input.

Without an updated strategic plan, the University may allocate resources inefficiently because there is no written understanding of the direction the University is taking.

Recommendation 7

Once the new President is named, the Executive Vice President for Academic Affairs/Provost should present the Subcommittee's updated Strategic Plan to the President. Then, set a definite timeframe to complete the update to the Strategic Plan. It should include performance measures that monitor whether the University is meeting the goals and objectives of the plan and provide mechanisms for any necessary adjustments. In order to measure performance timely, the University may need to begin to develop processes to capture the information needed to effectively monitor the plan.

The incoming President and Executive Vice President for Academic Affairs/Provost should also develop a process to continue to communicate the plan to the University community. This should ensure the community understands the impact of the plan on the development of goals and objectives.

Response from the Office of the President

The Office of the President has developed a strategic plan in response to the Regents' goals as outlined in their May 8, 2007, letter to the president. This plan and its tactical timelines will be reviewed and discussed at the Regents' August, 2007, retreat

CHANGE MANAGEMENT

The University should adopt a change management process to be used when University organizations are planning major changes such as new academic and financial software, change in demographics of the student population, and political environment for higher education in New Mexico. This process should be communicated to the University community by including it in policy or publishing it using an appropriate method. Some comments from respondents are:

- One of the regents was not sure about the channels of communications [to communicate changes] available at the University.

- The respondents said that there might be change management approaches within departments but not University-wide.
- Mainly the processes are ad hoc and uncoordinated.
- One respondent said that there was no protocol for managing change.
- Faculty respondents voiced concern that there was not much input from them about changes and sometimes find out later after the fact.
- “No good process for managing or planning [it].”
- “[Change] does not happen at the faculty level, [it] happens at a higher level.”
- One respondent said that the grapevine sometimes was the quickest method of communicating changes rather than press releases.
- Not familiar with any formal written processes for managing change. It is more individually driven.
- [*Change management is accomplished through*] strategic planning and performance-process improvement system.

LaMarsh and Associates, Inc.’s web page states, “Change Management is an organized, systematic application of the knowledge, tools, and resources of change that provides organizations with a key process to achieve their business strategy.” The Change Designs web site states, “You find change difficult to manage because:

- Your organization is involved in too many changes at once,
- You feel your organization has lost its focus,
- You are facing resistance to change,
- You don’t know how to plan a change process,
- There are lots of political agendas to deal with,
- Previous change processes haven’t worked, and
- You find it difficult to sustain the excitement and energy needed to implement your changes.”

With change management guidelines, these types of concerns could be addressed.

There are no University-wide guidelines for change management. We found one department with change management guidelines: Information Technology Services. The Rapid Redesign process for consolidation of the University financial services is also another example of change management at the University. Other University departments may have similar guidelines but we are unaware of them. As stated on the University of Texas Information Technology Services, Change Management Guidelines, “the purpose of these [*change*] guidelines is to manage changes in a rational and predicable manner so that staff and clients can plan accordingly.”

Having an official change management guide increases the likelihood of projects succeeding because change management models include steps to educate employees on why the change is

needed and how it will impact their jobs. This increases the likelihood that employees will work with the changes instead of developing workarounds to avoid the changes.

As a resource, the University's Anderson School and Graduate School of Management has developed a course titled "Managing the Business of Change." It covers "understanding the process of change, creating and communicating the vision, discovering your role as a change agent, creating a framework for commitment, developing key success strategies for implementation and sustaining the momentum."

Recommendation 8

The University should develop links to change management guidelines for University use to effect a successful change. These guidelines should be effectively communicated to the University community when changes are to occur. We identified several change models including Anderson School and Graduate School of Management's "Managing the Business of Change" and the University of Texas, ITS' Change Management Guidelines that could be used.

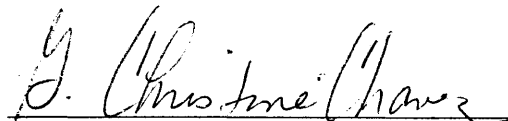
Response from the Office of the President

The Office of the President will task the Anderson School and Graduate School of Management with the development of links to change management guidelines to effect successful change in the University setting.

CONCLUSION

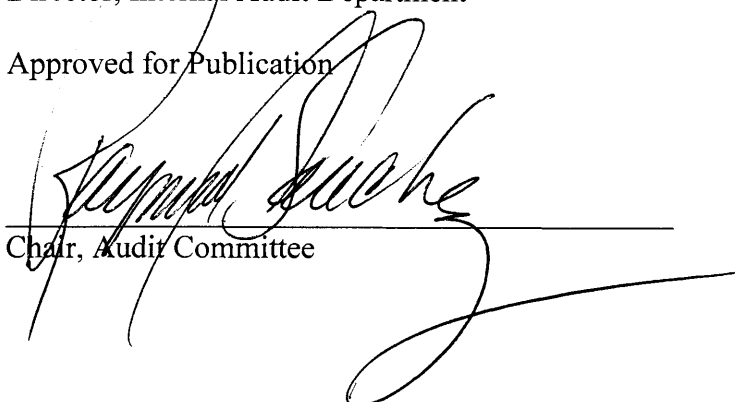
The governance structure at the University is well defined by statute but is not well communicated to the University community. We believe that improvements can be achieved by developing a formal orientation program for the regents, developing more effective external and internal communications including definition of governance, implementing a coordinated compliance program including a University-wide training program for the updated conflicts of interest policy, updating the strategic plan, and developing change management guidelines.

APPROVALS



G. Christine Chavez, CPA
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Approved for Publication



Chair, Audit Committee

ATTACHMENT A - QUESTIONNAIRE

University Governance – General

1. What are the major components of the University's governance system?
 - Board of Regents
 - President
 - Provost
 - Faculty Senate
 - Staff Council
 - Student Senate
 - Strategic Plan
 - Regent's policies
 - University Policies and Procedures Manual (Big Red)
 - Faculty Handbook
2. Is the University system of governance documented and clearly communicated?
3. How does the University ensure compliance with:
 - Federal Regulations?
 - State Statute?
 - University Policy?
 - Code of Conduct?
4. How are compliance policies communicated to the community?
5. Who maintains the policies and procedures current?
6. How is the performance of the governance system monitored? What are the measures?

Regents

7. Is there any type of orientation for new Regents? If yes, describe the orientation.
8. Whose interests do the Regents represent?
 - the University as a whole;
 - students;
 - the public at large; or
 - the governor and CHE
 - selecting the President;
 - setting strategic directions and goals;
 - ensuring the University has adequate resources;
 - evaluating the performance of the President;
 - participating actively on committees;
 - monitoring the achievement of goals and objectives;
 - ensuring accountability obligations are discharged;
 - lobbying for change in government policy; and
 - acting as "watchdog" on behalf of the public interest.
9. What are the most important responsibilities of the Regents?

10. Is the authority of the Board of Regents and each of the committees clearly defined?

Strategic Plan

11. Who is responsible for developing and updating the Strategic Plan?

12. Is there a regular review of the Strategic Plan? How often is it reviewed?

13. Is the operating plan linked to the strategic plan?

14. How is the strategic plan communicated to the campus community?

Change Management

15. What processes are in place to manage change?

16. What is the planning process for change?

17. What is the communication process in change management? What methods?

18. What approaches are used to indicate the value and contribution of the individual in this process?

Ethics

19. What is the ethical climate (tone at the top) at the University?

20. How are the ethical values of the University communicated?

21. Is there a clear ethics policy?

22. Do ethics vary from location to location or department to department?

Improvement

23. How could University governance be improved?

ATTACHMENT B – ADDITIONAL INFORMATION

Attachment B-Web Site References and Additional Information

- a. Useful Web sites:
 1. <http://www.change-management.com/>, Change Management
 2. http://www.city.ac.uk/acdev/University_governance/University_governance.html, Governance at City University of London
 3. <http://president.georgetown.edu/governance.html>, Governance Georgetown University
 4. <http://www.josephsoninstitute.org/MED/MED-1makingsense.htm>, Ethics
 5. <http://www.benton.org/publibrary/toolkits/stratcommtool.html>, Communications
 6. <http://www.chancellor.wisc.edu/strategicplan/>, Strategic Plan-University of Wisconsin, Madison
 7. <http://www.agb.org/>, Association of Governing Boards, Regents
 8. <http://www.utsystem.edu/compliance/>, University of Texas System-System Wide Compliance Program
 - a. From “Effective Compliance Systems: A Practical Guide for Educational Institutions”, six key lessons learned to aid implementation of the Compliance Program effort:
 1. Obtain outside help to begin an effective compliance program.
 2. Include representatives from all facets of the institutional community (faculty, staff, administrators, students, etc.) on the committee charged with designing the compliance program.
 3. Make compliance personally relevant to each individual employee.
 4. Choose your words for describing the compliance program carefully.
 5. Obtain a board of Regent’s resolution establishing the program and its objectives to give it authority and emphasis.
 6. Set a realistic implementation timeframe; you may expect implementation to take up to five years.
 9. <http://www.iep.utm.edu/e/ethics.htm>, The Internet Encyclopedia of Philosophy- Definition of Ethics
 10. http://www.prosci.com/bpr_ph1.htm, ProSci-Change Management
 11. <http://www.utsystem.edu/ogc/ethics.htm>, University of Texas System, Ethics
 12. <http://www.lamarsh.com/approach/>, LaMarsh, Change Management
- b. Governance in the 21st Century University, Approaches to Effective Leadership and Strategic Management, Gayle, Tewarie, and White, ASHE-ERIC Higher Education Report Volume 30 Number 1, Jossey-Bass 2003
- c. Price Waterhouse Coopers, Strengthening Internal Audit’s Role in Corporate Governance-A White Paper.
- d. Chapter 10 Public Officers and Employees, Article 16 NMSA 1978, *Governmental Conduct Act*, 10-16-3, “Ethical principles of public service...”