

PERFORMANCE AUDIT REPORT

University System Office
Report No. 3033

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Honorable Jack Dalrymple, Governor

Members of the North Dakota Legislative Assembly

We are pleased to submit this performance audit report on aspects of the North Dakota University System Office. This report contains the results of our review of whether the System Office is adequately staffed to perform its functions.

The audit was conducted at the request of the Legislative Audit and Fiscal Review Committee. We conducted this audit under the authority granted within North Dakota Century Code Chapter 54-10. Included in the report are the objective and scope, findings and recommendations, and management responses.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Bob Peterson".

Robert R. Peterson
State Auditor

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Executive Summary

Results and Findings Recommendations addressed in this report are listed in Appendix A. Discussions relating to individual recommendations are included in Chapters 1 and 2.

Staffing and Functions To determine whether the System Office was adequately staffed to perform its functions, we reviewed information from other states, reviewed information regarding the functions of the System Office, and interviewed selected personnel. We concluded a comparison of overall staffing levels to other states is, by itself, not reliable due to various differences in responsibilities of the system offices, the number of institutions, students included in the systems, and the differences in centralization of functions. When comparing various functional areas of the System Office to other states, it appears the staffing level may be low. However, if staffing at the campus level were to be considered in the comparison, even areas which initially appeared low were then comparable to the other states. We also identified concerns related to the lack of a plan for the System Office identifying functions or performance measures. Taking into consideration this information and other factors, we determined the System Office itself does not appear to be adequately staffed. However, resources within the entire university system may be available to adequately staff the System Office.

We conclude the System Office should be adequately staffed to perform its functions. This would include determining whether campus resources can be used by centralizing certain functions and providing support for personnel costs. A system-wide monitoring function needs to be established by the System Office. We conclude there is not a unified system of higher education. We identified improvements are needed with planning.

System Office Improvements Our review of compliance with laws, policies, and procedures identified improvements were needed. The System Office should ensure early retirement agreements only include payments authorized by policy. We identified improvements were needed with the assessment of campuses for paying the costs of System Office employees. Improvements are needed related to the internal audit function within the university system. Reviews of laws, policies, and procedures should be conducted to ensure information is up-to-date and reflective of current practices. The System Office should make improvements to ensure information provided is consistently and accurately reported.

Staffing and Functions of the System Office

Introduction

The objective of this performance audit was to answer the following question:

“Is the University System Office adequately staffed to perform its functions?”

In the work performed to answer the objective, a number of factors made it difficult to determine whether or not the University System Office (System Office) was adequately staffed. For example:

- We identified staffing levels of other states' university system offices. However, a comparison of overall staffing levels to other states, by itself, is not reliable due to various differences in responsibilities, the number of institutions, students included in the systems, and the differences in centralization of functions.
- We identified various functional areas of operations to compare with other states. In certain areas, it appears the System Office staffing level is low. However, if staffing at the campus level were to be considered in the comparison, even areas which initially appeared low were then comparable to the other states.
- We identified no plan for the System Office which documents what the functions of the office are, what the office is attempting to accomplish, or what performance measures could be used in determining if the office functions in an efficient and effective manner.
- During the time we performed our audit work, a number of significant changes were being made with the System Office including personnel changes, operational and reporting changes, and implementing new plans.

Taking into consideration the above information, we determined the System Office itself does not appear to be adequately staffed. However, resources within the entire university system may be available to adequately staff the System Office. We did not identify an amount of staffing needed due to the factors listed above.

Significant improvements related to resources, monitoring, planning, and being a unified system are included in this chapter. Improvements of less significance were communicated in a separate letter to management of the System Office.

To determine whether the System Office was adequately staffed to perform its functions, we:

- Reviewed applicable laws and policies;
- Identified System Office positions;
- Reviewed functions and responsibilities;
- Reviewed information from other states; and
- Interviewed selected personnel.

Chapter 1 Staffing and Functions of the System Office

System Office Staffing Level of 113.5

We performed a review to determine the staffing level of the System Office as of June 30, 2012. Based on a review of payroll information, organizational charts, employee directories, job descriptions, and financial information as well as discussions with System Office representatives, we identified the staffing level to be 113.5. This includes a staffing level of 30.5 directly within the System Office as well as a staffing level of 83 for the System Information Technology Services (SITS). The total staffing level was confirmed by the System Office. Information related to the staffing level of 113.5 can be seen in Appendix B.

We identified the staffing level of the System Office to be 113.5 (includes system information technology staffing level of 83). The legislatively approved FTE amount for the System Office for the 2011-2013 biennium was 23.3.

The staffing level we identified does not represent a full-time equivalent (FTE) amount for the System Office. When an FTE amount is reported by the System Office, the amount only includes positions which are paid with general fund moneys. We identified certain positions were paid with other funding sources (such as moneys from an assessment of campuses and federal funds). Also, we identified a position within the System Office (Chief Information Officer) was classified as an "independent contractor" and thus, would not have been included in an FTE amount.

The System Office had a legislatively approved amount of 23.3 FTE for the 2011-2013 biennium. However, certain positions of the System Office would not be included in this amount due to the moneys used to fund positions and the reporting relationship of a position (not considered an "employee"). Also, the FTE amount does not include the staffing level of SITS as the positions were included in the two largest universities' budget information. We conclude the SITS employees should be included in the staffing level of the System Office as they report to a position in the System Office as well as perform certain functions for the entire university system (technology, institutional research, etc.)

During our audit field work, we identified a significant amount of turnover within the System Office since June 30, 2012. Certain positions vacated have yet to be filled (for example the Director of Financial Aid). We also identified new positions have been created (such as a special assistant to the Chancellor, a compliance position, and an additional internal audit position). The System Office has the flexibility to adjust the FTE amount during a biennium and is only required to report the change to the Office of Management and Budget (OMB). We identified campuses were being assessed the cost of certain positions. The positions paid with moneys received from the campuses would not be reflected in the FTE amount and no requirement exists to identify such positions to the legislature or OMB.

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Obtaining Resources to Adequately Perform Functions

We selected eight other states to review for comparison purposes. The eight states included nine university systems, as Minnesota has both the University of Minnesota and the Minnesota State Colleges and Universities systems. See Appendix C for further information regarding the other states' systems and comparisons with the System Office. In review of the System Office and the university system offices of the eight other states, it appears the System Office does not have the necessary resources to perform certain functions. Examples identified in comparison to other states follows.

Internal Audit

Of the 9 other state university systems reviewed, we identified 7 had an internal audit function or equivalent within the system office. Of the 7, 6 appeared to have a higher internal audit staffing level than the System Office (staffing size ranged from one to 17.5). To factor in the size of university systems, a comparison of student headcount per internal audit staffing level was done. The System Office had one internal auditor and a student headcount of approximately 49,000. Larger ratios identified included 36,000 to one (South Dakota system) and approximately 29,000 to one (Minnesota State Colleges and Universities system). Lower ratios identified included approximately 4,000 to one (University of Minnesota system) and 7,000 to one (Alaska system).

In comparison with other state university systems, we identified the staffing level for internal audit within the System Office was low. If the campus internal audit positions and newly created System Office internal audit position were included, the System Office internal audit function would be comparable to other state university systems.

North Dakota had one internal audit position in the System Office as of June 30, 2012. An additional internal audit position was approved by the State Board of Higher Education (SBHE) in July 2012 and the position has yet to be filled as of the end of January 2013. We identified three internal audit positions within North Dakota State University (NDSU) and the University of North Dakota (UND). These positions do not report to the System Office (see Chapter 2, subsection entitled *Establishing an Appropriate Reporting Structure* for additional information). If the additional internal audit position is hired and the three campus internal auditors were to report to the System Office, the System Office would have a total of 5. When this number is used for comparison purposes, an internal audit staff to student headcount ratio of just under 10,000 to one would exist. This would result in the System Office being comparable to the other state university systems reviewed (as measured by student headcount). In certain cases, the System Office would have a larger internal audit staffing level than the other systems after accounting for differences in size.

Legal Counsel

All 9 of the other state university systems reviewed had a legal counsel related function. We identified 7 of the state university systems had a higher legal counsel staffing level than the System Office (staffing sizes ranged from one to 37). The System Office had two legal counsel staff. The majority of the time (65% according to the System Office) of these two legal counsel staff is spent working

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If all legal counsel positions within the university system were used for a comparison, North Dakota would be comparable to other state university systems and would have a larger legal counsel staffing level in certain cases.

with nine institutions. To factor in the size of university systems, a comparison of student headcount per general counsel staffing level was done. The System Office has a 24,500 to one ratio. In contrast, the Minnesota State Colleges and Universities system has a ratio of approximately 29,000 to one and four systems have a ratio lower than 10,000 to one (ranging from approximately 2,000 to 10,000).

At NDSU and UND, we identified 5 legal counsel positions (attorneys), 2 legal assistant positions, and a records manager assigned to the legal area (not an attorney). These positions do not report to the System Office. If these 5 attorneys and 2 legal assistant positions were to report to the System Office, the System Office would have a staffing level of 9. When this number is used for comparison purposes, a legal counsel staff to student headcount ratio of approximately 5,400 to one would exist (student headcount approximately 49,000). This would result in the System Office being comparable to the other state university systems reviewed. In certain cases, the System Office would have a larger legal counsel staffing level than the other systems after accounting for differences in size.

Capital Planning/Facilities/Land Management

For the 7 other state university systems in which we could identify information related to staffing levels for capital planning/facilities/land management, it appears 5 systems had staff dedicated to this area. There is no System Office position dedicated for capital planning. Rather, a Vice Chancellor performs certain capital planning functions as part of their duties.

Certain other states have centralized more functions and thus, have a higher staffing level than the System Office.

We identified certain states had centralized more functions and as a result, had a higher staffing level than the System Office. For example, centralized areas such as human resources, legal counsel, internal audit, and capital planning/facilities/land management were identified in other states' system offices. Limited or no dedicated positions exist within the System Office to perform similar functions. Rather, the resources to perform such functions exist at the campus level. It appears if certain functions were centralized and/or resources available at the campuses were shifted, staffing could be available to the System Office without increasing the actual number of employees within the university system.

It appears certain functions which could be performed by the System Office are not being performed. For example, the next section of this report identifies a lack of monitoring of operations for both the System Office and the campuses. Within the university system, a number of operations remain decentralized and resources are at the campus level.

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Recommendation 1-1

We recommend the University System Office take appropriate action to obtain the necessary resources to adequately perform the functions and duties of the office. This should include determining whether campus resources can be used in centralizing certain functions and providing support for personnel costs.

Management's Response

We agree. The State Board of Higher Education and the University System Office have identified the need for additional resources and worked to obtain them. We identified several positions that need to be added to our office and requested funding for them from the state legislature. As recommended, we also are exploring options for obtaining necessary resources from our campuses to ensure we can carry out our responsibilities.

Establishing a Monitoring Function

According to *Internal Control – Integrated Framework* from the Committee of Sponsoring Organizations (COSO) of the Treadway Commission, internal control consists of five interrelated components, one of which is monitoring. The report states internal control systems “need to be monitored – a process that assesses the quality of the system’s performance over time. This is accomplished through ongoing monitoring activities, separate evaluations or a combination of the two.” The report states monitoring ensures internal control continues to operate effectively.

We identified a lack of adequate monitoring of the System Office operations. We identified a number of noncompliance issues with policies and procedures and other improvements needed within the System Office which may have been identified if adequate monitoring was taking place. For example, SBHE policy requires written contracts to exist for payments for services and legal counsel is to review contracts entered into by the System Office. In review of a list of contracts provided by the System Office and expenditure data, we identified payments were made to three vendors when no written contract existed or the written contract did not contain applicable terms and conditions. Thus, the System Office was in noncompliance with Board policy. We also identified the System Office has been making grant and scholarship payments to the 11 institutions via a manual check rather than using electronic transfers for payments. This inefficient process has existed since October 2004.

A lack of monitoring exists for the operations of the System Office as well as for the operations of the institutions.

We identified a lack of an adequate review of laws, policies, and procedures. Certain laws, policies, and procedures appear to be outdated and not reflective of current practices. For example, various state laws require certain scholarships administered by the System Office to use warrant-checks prepared by OMB in making payments to the institutions. Since October 2004 when the System Office moved to PeopleSoft (new accounting system), no scholarship payments have been processed through OMB. Thus, the System Office is in noncompliance with the requirements.

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We also identified there is a lack of system-wide monitoring of operations. No monitoring, to very limited monitoring, takes place on a system-wide basis and limited monitoring of institution compliance with SBHE policies and NDUS procedures exists. While the SBHE establishes policies, there is limited assurance such policies are adhered to in a consistent manner. Previous performance audits conducted by our office identified noncompliance issues with policies. The noncompliance issues we identified were not previously known by the System Office or the SBHE.

We identified no specific requirement in law, policy, or procedure related to the System Office's responsibility for monitoring campus operations and determining compliance. However, a sound system of internal control should include a monitoring aspect. Due to the lack of monitoring, management is unable to take corrective actions in a timely manner to mitigate risks, ensure compliance with requirements, and make necessary changes to operations.

Recommendation 1-2

We recommend the University System Office establish a system-wide monitoring function for the university system. At a minimum, the monitoring function should:

- a) Ensure the System Office and the institutions are in compliance with state, federal, and university system requirements; and
- b) Review operations of the System Office and institutions to identify significant risks and areas where improvements in efficiency and effectiveness are needed.

Management's Response

We agree. In November 2012, a Chief Compliance Officer was hired to implement and administer a compliance program for the university system. Ongoing monitoring to ensure compliance and identify risk areas will be an important component of that compliance program. Additional FTEs will be necessary to fully implement the program.

Ensuring a Unified System of Higher Education Exists

In 2001, the following section was codified into state law (North Dakota Century Code Section 15-10-01.2):

"The institutions of higher education under the control of the state board of higher education are a unified system of higher education, as established by the board, and are designated as the North Dakota university system."

In previous performance audits conducted by our office, we identified concerns related to the university system not being a unified system of higher education. This audit identified additional concerns related to the lack of a unified system. While steps have been taken by the System Office to make certain areas more unified (such as transfer of credits between institutions), there are a number of areas in which a unified system does not exist. Within a unified system, certain functions could be centralized which could lead to more streamlined processes and a

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shift of resources from a campus specific function to a university system function.

Previous performance audits identified a lack of a unified system related to capital projects and with student fee establishment, monitoring, and use. During this audit, we identified additional information related to a lack of a unified system. For example, each institution has its own financial aid manual and no system-wide manual exists. While a university system accounting manual has been established, NDSU and UND are provided an exemption for the fund ranges and budget ledgers to be used. Also, admissions are not as streamlined as they could be for a student who may move from one institution to another institution within the system.

We identify a lack of a unified system for financial statements. Each institution prepares its own financial statements. To prepare consolidated financial statements for the university system, the System Office uses the information from the institutions. In past years, the System Office was unable prepare financial statements for the university system in conformity with Generally Accepted Accounting Principles (GAAP) without a substantial number of audit adjustments required by our office.

An outside vendor completed a risk assessment of the university system in 2011. The report for the System Office identified various information related to the lack of a unified system. For example:

- The report states a risk is that the “System does not consistently operate as a unified system of higher education, with the primary focus on what is in the best interest of the student and state, as opposed to the institution. In addition, there is not a collaborative mentality within some institutions and it is not productive to meeting the state’s expectations.”
- The report states a risk is that there “appears to be significant opportunities to improve effectiveness and efficiency, as a System, by focusing on consistency of approach and collaboration for both academic and administrative functions; however, it will take strong, committed leadership to do so.”
- The report states a risk is that PeopleSoft is not being utilized to its full capabilities. Also, there is a lack of consistency across institutions as it relates to the use of PeopleSoft modules, legacy systems, and other methods of housing data and information for reporting. The response from the System Office stated it is prudent an assessment be conducted to identify improvements. The response also states that “until there is recognition and commitment to moving to consistent best practice business procedures across the NDUS the potential of many improvements cannot be realized.”

We identified the lack of a unified system of higher education. The lack of a unified system was also identified in a risk assessment of the university system as well as being recognized by certain System Office representatives and SBHE members.

In interviews conducted with System Office representatives in August 2012, three senior staff and the current Chancellor indicated they did not believe North Dakota had a unified system of higher education. The

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former Chancellor stated the system was not as unified as it could/should be. In interviews conducted with SBHE board members in August and September 2012, three members indicated they did not believe North Dakota had a unified system of higher education and two others stated the university system was moving in the direction of a unified system but areas of improvement remained.

In review of SBHE policies and NDUS procedures, we identified a number of instances in which institutions are allowed to establish their own procedures or determine how to operate in certain areas. A unified system appears to be hampered when a system-wide policy is not established. Having each institution developing their own policies and procedures may not be efficient as there would need to be resources expended at the 11 institutions to do this rather than having a policy established for the entire system. Also, instances in which institutions are allowed to establish their own policies and procedures may not promote efficiency and/or ensure compliance with laws and regulations since each institution is allowed the latitude to set different and inconsistent policies/procedures. While there could be certain areas in which each institution may need their own procedure (such as routing of a purchase order for an institution), the number of instances we identified allowing such latitude appears high.

Recommendation 1-3

We recommend the University System Office take appropriate action to ensure there is a unified system of higher education. If a unified system is unattainable, appropriate action should be taken to remove unified system language in laws and make appropriate changes to higher education's organizational structure and operations.

Management's Response

We agree there is a need to take appropriate action to ensure there is a unified system of higher education. The State Board of Higher Education has directed the University System Office to ensure North Dakota has a truly unified system of higher education, and this is a priority for us. By unifying the system, we can turn a good education system into a great one and more efficiently and effectively serve the citizens of our state.

Improving Plans for the University System

In review of strategic planning information, we identified improvements were needed. We identified the lack of a documented plan establishing the functions, duties, and expectations of the System Office. We also identified improvements were needed with information contained in the strategic plan and how performance is measured.

Developing a Plan for the System Office

SBHE policy requires each institution to adopt a strategic plan and implement a strategic planning process involving faculty, staff, and institution constituents. The policy requires the institution strategic plans to define institutional priorities to carry out the institution's mission and be aligned with the university system's strategic plan and SBHE policies. However, no such requirements exist for the System Office to develop a

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Determining whether the System Office is performing well or meeting expectations is hindered by the lack of an adequate plan being developed.

plan or to involve certain parties in creating a plan. The university system's strategic plan includes no references to the System Office. We identified no plan for the System Office which documents specific requirements or what the System Office was attempting to accomplish in a given time period (whether short term or long term).

Determining whether the System Office is performing well or meeting expectations is hindered by the lack of an established benchmark or measurement. The lack of a plan also hinders reaching a conclusion as to the appropriate amount of resources needed for the System Office. A plan should exist to guide or align resources to ensure resources are used in a consistent manner with a strategy or goal.

The motion passed by the Legislative Audit and Fiscal Review Committee requesting this performance audit included a review of the functions of the System Office and a review of the effectiveness of the office to provide support to campuses and address and resolve university system issues. It was unclear what functions and support were actually provided by the System Office as this had yet to be formally documented. As a result, accountability for the System Office is lacking as no expectations are established.

Based on discussions with System Office representatives, the support provided to campuses is done on a case by case basis and is affected by whether the System Office had the resources and/or expertise to be able to provide support. For example, the System Office has been able to provide budgeting support to campuses lacking the expertise or personnel due to turnover issues. However, in other areas the System Office is lacking the resources to provide support and attempts to coordinate or request assistance from other campuses. We identified dedicated staffing positions for grant writing and legal counsel within the System Office. However, these positions are mainly providing services for the smaller nine institutions (NDSU and UND have their own grant writing and legal counsel positions).

A lack of a formalized plan may also lead to a potential "disconnect" with what the System Office is attempting to accomplish and what campuses, legislators, or citizens believe is to be accomplished. For example:

- When information became public regarding cost overruns of Presidents' houses at NDSU and UND and issues at Dickinson State University, questions were raised as to why the System Office wasn't aware of such information prior to the performance audits. The System Office performs limited, to no, monitoring of the campuses. However, it is apparent there is an expectation among third parties the System Office is, or should be, monitoring operations.
- The legislative motion passed requesting this performance audit included a review of the effectiveness of the System Office to provide support to campuses and address and resolve university system issues. We identified no state laws requiring the System Office to

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provide support to campuses and limited policies and procedures related to support to be provided.

- We conducted a survey of various campus representatives to obtain information related to the System Office. Respondents were asked to identify and prioritize what they believed are the roles of the Chancellor and System Office. Of the 79 respondents who identified a #1 priority, 21 indicated it should be to advocate on behalf of institutions to the SBHE and/or the legislature. There were 20 respondents who believed the #1 priority was to carry out a vision capitalizing on the collective assets and capabilities of the individual institutions to meet the state needs. The survey results indicate the campuses have differing views of priorities for the System Office.

Recommendation 1-4

We recommend the University System Office develop a plan to establish the expectations of the office and use the plan to guide resource allocation.

Management's Response

We agree. We will review and consolidate our strategic plan into one document and more clearly identify the resources required for it.

Improving Strategic Planning and Measuring Performance Processes

North Dakota Century Code (NDCC) Section 15-10-14.2 requires the SBHE to adopt a strategic planning process and develop a strategic plan to define and prioritize university system goals and objectives. Also, the SBHE is required to provide an annual performance and accountability report regarding performance and progress toward the goals outlined in the strategic plan and accountability measures.

SBHE Policy 303.2 identifies what is to be included in the university system's strategic plan, information on the planning process, and other reporting information. The policy states, in part:

"The strategic plan shall include a vision, strategic goals and objectives to be achieved, or for which substantial progress may be made, over a period of years. Objectives shall be specific, measurable, and actionable with assigned responsibility and time frames."

A 2009-13 NDUS Strategic Plan and Objectives was established for the university system. The plan includes four goals and various objectives related to the goals. While certain objectives appear to be measurable, others do not. For example, one objective is to increase the SBHE opportunity for discussion of strategic policy topics. It is unclear how this is to be measured and what the expectation or benchmark is (increased by what amount, type of opportunity to exist – formal meeting, retreat, informal discussions, etc.). Also, another objective is to increase awareness of the System and its institutions through a common, consistent message. It is unclear what the expectation or benchmark is and how this is to be measured (awareness by who, increase by what amount, etc.).

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Rather than one report being completed to measure the performance of the university system, resources are expended to generate two similar reports.

The System Office completes an annual progress report related to the status of objectives in the strategic plan. In addition, the System Office completes an annual performance and accountability report. While certain objectives within the university system's strategic plan are included in the accountability report, other objectives are not. Also, the benchmark or what the objective is to be measured against is not always the same within the strategic plan and the accountability report.

Certain information included in the performance and accountability report was required to be reported pursuant to state law (the 2011 Legislative Session did not include such requirements). While certain legislative mandated measures were similar to the strategic plan objectives, there were differences. Also, it appears the SBHE added additional measures to the accountability report. As a result, the System Office is publishing two reports (an annual progress report and an annual performance and accountability report) in an attempt to measure performance of the university system.

Recommendation 1-5

We recommend the University System Office make improvements with the university system's strategic planning and measuring performance processes. At a minimum, the System Office should:

- a) Ensure compliance with state law and Board policy requirements: and
- b) Align resources for measuring performance to maximize efficiency.

Management's Response

We agree and will work to follow the recommendation.

System Office Improvements

Introduction

To conclude on the audit objective of whether the System Office is adequately staffed to perform its functions, we reviewed information related to operations and compliance with laws, policies, and procedures. Significant improvements are included in this chapter. Improvements of less significance were communicated in a separate letter to management of the System Office.

Early Retirement Agreement Compliance

On October 8, 2012, the Chancellor signed an early retirement agreement with the former System Office General Counsel. The agreement identified the employee's retirement date as November 5, 2012. We identified the total cost of the early retirement agreement to be approximately \$145,000. This does not include the required payout of the earned annual and sick leave while employed (over \$22,000). In review of the agreement, we identified the following information:

An early retirement agreement with a former employee of the System Office has a total cost of approximately \$145,000.

- The agreement included the payment of monthly premiums by the System Office for the employee's health insurance through June 2017 (55 months). Using current health insurance rates identified in Public Employees Retirement System information, the cost of continuing to pay insurance will total approximately \$38,000 (no adjustment for increased premium amounts).
- The agreement included provisions to grant annual and sick leave through June 30, 2013 even though the individual was no longer an employee as of November 5, 2012. The cost for the additional accrual of leave while not an employee was approximately \$7,450.
- Approximately \$90,000 of moneys received from nine campuses and the System Information Technology Services (SITS) were used to pay the early retirement installment payments (\$74,000) as well as payment for sick and annual leave earned while employed (\$16,000).

We reviewed State Board of Higher Education (SBHE) policies related to early retirement agreements and the termination of employees. If the former General Counsel was to be terminated without cause, Board policy required a 12 month notice to be provided. Based on a discussion with a representative of the System Office, it appears the 12 month notice was discussed as an alternative to the early retirement agreement. We identified the System Office provided a 12 month notice of termination in July 2012 to the Vice Chancellor for Academic Affairs. This employee retained their title and was reassigned to Bismarck State College to work on special projects. The salary for the employee remained the same (approximately \$180,000 a year). The policy related to a 12 month notice was amended in September 2012 (now a six month notice is to be provided).

The early retirement agreement with a former employee of the System Office inappropriately included over \$10,000 of employer contributions to the employee's TIAA-CREF retirement account.

According to the agreement, over \$10,000 of employer contributions to the employee's TIAA-CREF retirement account were to be made. SBHE Policy 703.1 states early "retirement/buyout payments shall not include employer contributions to TIAA-CREF retirement accounts." Thus, the employer contributions were in noncompliance with SBHE policy. It appears the employer contribution provision was not properly identified

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in the drafting and reviewing of the agreement. The SBHE passed no motion to waive the requirement.

Recommendation 2-1

We recommend the University System Office comply with State Board of Higher Education Policy 703.1 and ensure early retirement agreements only include payments authorized by policy.

Management's Response

We agree and will ensure early retirement agreements comply with Policy 703.1.

Assessing Campuses for System Office Positions

In review of the funds used to pay the early retirement agreement of the former General Counsel, we identified information related to the campuses being assessed the costs related to certain System Office personnel. Background information we identified related to assessing campuses included:

- A special fund called "Internal Audit Campus Share" (Fund 20010) was established for the initial assessment of the campuses in fiscal year 2012 to pay the costs of the Director of Internal Audit and Risk Assessment position. This position was paid from general funds in fiscal year 2011 (new position filled in February 2011).
- On July 6 2012, the new Chancellor sent a memo to SBHE members related to the fiscal year 2013 System Office annual budget. The memo identified a proposed SBHE motion to authorize the addition of a senior level internal audit position and a senior level compliance officer position to be funded through a campus assessment. This would increase the number of positions paid using campus assessment moneys to three.
- At the July 12, 2012 SBHE meeting, the Board approved a motion to add the two positions to the System Office and fund the costs with a campus assessment. The minutes of the meeting state the Chancellor "supports the assessment of costs for audit staff to campuses and asked that the assessments be extended to include additional legal staff." We identified no SBHE motion approving campuses be assessed for legal staff.
- In an August 16, 2012 memo from the Chancellor to the Chancellor's Cabinet, a schedule was included for the campus assessment for one additional internal audit position and one new compliance position. Also, the memo stated effective October 1, 2012, nine campuses and SITS would be assessed for the cost of legal services. The memo stated for the two legal positions within the System Office, the costs of services will be paid by the System Office (30%), SITS (5%), and the nine smaller campuses (65%).
- Campuses submitted payment for their assessments in August through October. All moneys received for the assessment of the five positions within the System Office are coded using the same fund. We identified the additional internal audit position has not been filled as of the end of January 2013 and the compliance officer position was filled November 5, 2012.

Costs of certain System Office employees are being assessed to the campuses.

Chapter 2 System Office Improvements

The memo from the Chancellor in August 2012 stated nine campuses and SITS will be assessed for the cost of legal services. It appears the assessed amount for the cost of legal services was calculated based on the salary amounts of the two legal counsel positions for October 2012 through June 2013. However, the moneys received in the assessment were used to pay 70% of the early retirement agreement payments as well as the accumulated annual and sick leave balances of the former General Counsel (approximately \$90,000). Prior to October 2012, it appears salary payments for the former General Counsel were from general funds only. Due to the assessed moneys received being used for the early retirement agreement, it appears the assessed amount for legal services will not be sufficient to cover the cost of legal services for fiscal year 2013 as intended.

Recommendation 2-2

We recommend the University System Office make improvements related to the assessment of campuses for paying the costs of employees. At a minimum, the System Office should:

- a) Obtain proper State Board of Higher Education approval prior to assessing campuses;
- b) Ensure assessments are properly budgeted and accounted for at the System Office and campus level; and
- c) Ensure moneys assessed are used for the purpose for which the assessment was charged.

Management's Response

We disagree to the extent of the following. For subpart (a), the University System Office recognizes the need for good communication with the Board and accurate understanding of the Board's directives, so steps were taken to communicate with the Board regarding the assessments. There is not a Board policy requiring approval for assessments, but we recognize the inconsistency noted by the auditors.

We agree with Recommendation 2-2 (b) and will work to follow the recommendation.

We also note for Recommendation 2-2 (c) that the assessed moneys have been used to pay salaries and expenses for the Director of Internal Audit and Risk, the Chief Compliance Office, the General Counsel and Assistant General Counsel. They were also used to cover the salary and benefits included in the former General Counsel's early retirement agreement.

Improving the NDUS Internal Audit Function

In November 2010, a university system internal audit function was established. The Director of Internal Audit and Risk Assessment is to work with the 11 institutions and the System Office to develop a consistent internal audit methodology and a consultative approach for identifying potential risks and the corresponding controls throughout the university system. We identified improvements were needed with the reporting structure of internal auditors within the university system. Also, an internal audit charter should be formally documented and approved.

Chapter 2 System Office Improvements

Establishing an Appropriate Reporting Structure

Having the internal audit positions at NDSU and UND report to the respective institution presidents is not efficient or effective.

While the July 2012 SBHE meeting minutes identified a senior level internal audit position was to be filled for fiscal year 2013, as of the end of January 2013 the position had not been filled. As a result, there is one employee within the System Office's internal audit area. We identified North Dakota State University (NDSU) and the University of North Dakota (UND) have internal audit staff. The one internal auditor at NDSU and the two internal auditors at UND report to the respective institution presidents. While an attempt was made by the System Office to properly organize the institutional internal auditors under the supervision of the Director of Internal Audit and Risk Assessment, a SBHE committee denied the change in March 2012. Based on a review of information, it appears the Presidents of NDSU and UND were able to convince Board members the institutional internal audit staff were of greater value reporting within the institutions rather than reporting to the System Office.

The current reporting structure existing within the university system is not efficient or effective. In accordance with The Institute of Internal Audit (IIA) standards, the institutional internal audit staff would not be considered independent. Due to this, our office would be unable to rely on the work performed by the staff and the System Office should also not rely on the work performed. This could result in the Director of Internal Audit and Risk Assessment having to perform work in an area which had already been reviewed by the institutional internal audit staff.

Recommendation 2-3

We recommend the University System Office take appropriate action to have internal audit functions within the university system report to the appropriate System Office personnel rather than to an institution president.

Management's Response

We agree and will take appropriate steps to comply with the recommendation.

Establishing an Internal Audit Charter

In November 2010, the SBHE approved a policy resulting in the establishment of an internal audit function for the university system. According to this policy, the internal audit function was to be modeled after The IIA "International Standards for the Practice of Internal Auditing" and Government Auditing Standards. The IIA standards state:

"The purpose, authority, and responsibility of the internal audit activity must be formally defined in an internal audit charter, consistent with the Definition of Internal Auditing, the Code of Ethics, and the Standards. The chief audit executive must periodically review the internal audit charter and present it to senior management and the board for approval."

As of the end of January 2013, no internal audit charter had been established for the university system internal audit function.

Chapter 2 System Office Improvements

Recommendation 2-4

We recommend the University System Office establish an internal audit charter consistent with the definition of internal audit, the Code of Ethics, and other applicable standards. At a minimum, the charter should identify the purpose, authority, and responsibilities of the internal audit function.

Management's Response

We agree. The need for a charter has been identified within our office, and the North Dakota University System audit charter is currently in draft form. It will be presented to the audit committee upon finalization, which is anticipated by the end of the fiscal year.

Making Improvements with Policies and Procedures

Performing a Comprehensive Review of Policies and Procedures

As of October 8, 2012, we identified over 160 SBHE policies and approximately 100 NDUS procedures had been established for the university system. In review of policies and procedures, we identified a comprehensive review and updating of information was needed. Also, the establishment of procedures needed to be formalized to ensure consistency.

In review of SBHE policies and NDUS procedures, we identified certain policies and procedures were outdated, inaccurate, redundant, etc. Examples include:

- SBHE policies make reference to a policy manual index and by-laws. No such index or by-laws exist.
- SBHE policies make reference to other policies which no longer exist.
- NDUS procedures make reference to SBHE policies which no longer exist.
- SBHE policies do not include appropriate references to corresponding procedures.

We identified there was no requirement for a periodic review of policies and procedures and no such review was taking place. Changes to policies and procedures appear to be made on a case by case basis when issues are identified. We conclude certain policies and procedures are not concise, accurate, up-to-date, or user friendly. This could result in inconsistencies in how campuses handle similar situations.

Recommendation 2-5

We recommend the University System Office ensure State Board of Higher Education policies and North Dakota University System procedures are concise, up to date, accurate, and user friendly. At a minimum, the System Office should:

- a) Perform a comprehensive review of current policies and procedures; and
- b) Establish a periodic comprehensive review process for policies and procedures.

Management's Response

We agree. We are in the process of a comprehensive review of the policies to ensure they are appropriate, concise, current and easily-understood. We also will establish a timeline for periodic reviews. Upon

Chapter 2 System Office Improvements

completion of our review, we will propose policy changes to the State Board of higher Education. We plan to have the policies updated by the end of calendar year 2013.

Establishing Guidelines for Procedures

In review of NDUS procedures, the majority of approvals for the establishment of new procedures and amendments to existing procedures were done by the Chancellor's Cabinet. However, we did identify instances in which the approval was not made by the Chancellor's Cabinet. For example, in September 2012, the new Chancellor approved changes. Also, we identified General Counsel approving a change to a procedure. We identified the process to be used for drafting, reviewing, and approval of new and/or amended procedures was not formally documented by the System Office.

Recommendation 2-6

We recommend the University System Office ensure a formal written policy and/or procedure is established regarding the process to be used for drafting, reviewing, and approval of new or amended North Dakota University System procedures.

Management's Response

We agree. The Chancellor has the authority to issue procedures for the university system. This will be clarified as part of our policy updates.

Improving the Indian Scholarship Program

The System Office is required by state law to administer various grant and scholarship programs. As part of this performance audit, a review was performed of information related to the Indian Scholarship Program, Scholars Program, and State Student Incentive Grants. We identified improvements were needed related to the Indian Scholarship Program.

The intent of the Indian Scholarship Program is to assist Native American students in obtaining a basic college education. Awardees were eligible to receive \$600 per semester for the 2011-2012 academic year. While the State Board for Indian Scholarships makes the necessary rules and establishes standards, the program is administered by the System Office. To review compliance with applicable requirements, we reviewed 29 applicant files (over 800 applicant files were identified for the 2010-2011 and 2011-2012 academic years).

North Dakota Administrative Code (NDAC) Chapter 42-02-02 requires awardees to notify the scholarship administrator of the student's acceptance or rejection of the award within three weeks of the date on the award notification letter. We identified no acceptance letters were being received by the System Office after the 2008-09 academic year. Representatives of the System Office stated the State Board for Indian Scholarships eliminated the requirement related to acceptance letters. However, no action was taken to modify the requirement in NDAC. We identified no amendments have been made to NDAC Chapter 42-02-02 since August 1, 2000.

Chapter 2 System Office Improvements

NDAC requirements for awards include the applicant to be a full-time student, or to be a part-time student who may need minimal credits to complete their degree requirements within one semester. In a limited review of the Indian Scholarship data, we identified an awardee who was a part-time graduate student not expected to complete their degree requirements within one semester. While NDAC eligibility requirements are for a part-time student to complete their degree requirements within one semester, System Office representatives stated the degree requirement for a part-time graduate student was one year.

Recommendation 2-7

We recommend the University System Office comply with North Dakota Administrative Code Chapter 42-02-02 requirements related to the Indian Scholarship program.

Management's Response

We agree. We will re-examine the scholarship requirements set forth in the regulations. The University System Office, working with the Indian Scholarship Board, will also examine the steps necessary to permit the Indian Scholarship Program to be administered similar to all other financial aid programs, under the policies and procedures of the State Board of Higher Education.

Recommendation 2-8

We recommend the University System Office review North Dakota Administrative Code Title 42 related to the Indian Scholarship program and take appropriate action to make changes.

Management's Response

We agree. See response to Recommendation 2-7.

Providing Consistent and Accurate Data

In a limited review of information related to bachelor degrees awarded by campuses, we identified apparent inconsistencies with the data provided in reports and information presented to a legislative interim committee. For example, in comparison of degree awarded information provided by a campus to the Integrated Postsecondary Education Data System (IPEDS) to a System Office annual report, we identified the campus reported 560 degrees were awarded while the report identified 488 degrees awarded. According to a System Office representative, the System Office only provides oversight in relation to data being completed and the institutions are responsible for the accuracy of the data reported to IPEDS. The representative also stated institutions sometimes use different methodologies when generating data for reporting purposes. The System Office appears to recognize inconsistencies caused by different methodologies is a problem. The lack of consistent reporting within the university system is also indicative of another area in which a unified system does not exist.

Recommendation 2-9

We recommend the University System Office take appropriate action to ensure information provided is consistently and accurately reported.

Management's Response

We agree. In January 2013, we established a Research and Validation Workgroup to ensure data from our campuses and the University

Chapter 2 System Office Improvements

System Office are collected, analyzed and validated appropriately. The workgroup continues to improve the data generated and reported by the system.

Establishing and Maintaining an Appropriate Records Management Program

SBHE Policy 1912 requires the System Office to maintain a continuing program for records management as required by NDCC Chapter 54-46. In our review of information related to selected student financial assistance programs, we identified an inadequate records management system existed. For example, applications did not use a State Form Number (SFN) as required. Also, certain documents related to the scholarship programs were not appropriately identified in a record series. As a result, the System Office is in noncompliance with state law and Board policy.

Recommendation 2-10

We recommend the University System Office ensure compliance with North Dakota Century Code Chapter 54-46 and maintain an appropriate records management program. At a minimum, the System Office should ensure:

- a) State form numbers are used on applicable documents; and
- b) Appropriate record series and retention schedules are established.

Management's Response

We agree. We maintain a records management program. However, we will consult with the Information Technology Department regarding best practices and will update our practices as needed.

Audit and NDUS Background Information

Purpose and Authority of the Audit

The performance audit of the University System Office (System Office) was conducted by the Office of the State Auditor at the request of the Legislative Audit and Fiscal Review Committee. The performance audit was conducted pursuant to authority within North Dakota Century Code Chapter 54-10.

Performance audits are defined as engagements that provide assurance or conclusions based on an evaluation of sufficient, appropriate evidence against stated criteria, such as specific requirements, measures, or defined business practices. Performance audits provide objective analysis so management and those charged with governance and oversight can use the information to improve performance and operations, reduce costs, facilitate decision making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability. The purpose of this report is to provide our analysis, findings, and recommendations regarding our limited review of whether the System Office is adequately staffed to perform its functions.

Background Information

Prior to 1990, the public higher education colleges and universities operated under a “commissioner” form of governance in which the State Board of Higher Education (SBHE) and the commissioner functioned primarily in a coordinating capacity. In 1990, the SBHE took action to form the North Dakota University System and the Board went from a coordinating board to a governing board. The change included replacing the commissioner with a chancellor who was designated as the chief executive officer of the university system. In 2001, a new section was added to North Dakota Century Code stating the institutions of higher education under the control of the SBHE are a unified system of higher education and are designated as the North Dakota University System. There are 11 institutions within the university system.

The Chancellor, appointed by the SBHE, oversees the System Office. The legislatively approved full-time equivalent (FTE) amount of the System Office was 21.3 for the 2009-2011 biennium and 23.3 for the 2011-2013 biennium. This represents the positions paid with general funds and does not include positions paid by other funding sources such as grants or assessed moneys received from the campuses. As of June 30, 2012, the System Office itself had a staffing level of 30.5 as well as a staffing level of 83 associated with the System Information Technology Services or SITS (reports to a position within the System Office).

Objective of the Audit

The objective of this performance audit was:
“Is the University System Office adequately staffed to perform its functions?”

Chapter 3

Audit and NDUS Background Information

Scope and Methodology

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. Specific methodologies are identified in the respective chapters of this report.

Audit field work was conducted from the middle of September 2012 to the beginning of February 2013. The audit period for which information collected and reviewed was July 1, 2010 to September 30, 2012. In certain instances, additional information was reviewed. This was done, in part, to review information regarding positions and changes within the System Office. At the beginning of this audit, we conducted a survey of selected campus employees. Of the 130 employees surveyed, 82 completed the survey.

As part of this audit, we evaluated controls surrounding compliance with significant laws, policies, and procedures. We gained an understanding of internal control surrounding these areas. Deficiencies identified with internal controls determined to be significant are addressed in Chapters 1 and 2 of this audit report. Deficiencies of less significance were communicated in a separate letter to management of the System Office.

List of Recommendations

- Recommendation 1-1** We recommend the University System Office take appropriate action to obtain the necessary resources to adequately perform the functions and duties of the office. This should include determining whether campus resources can be used in centralizing certain functions and providing support for personnel costs.
- Recommendation 1-2** We recommend the University System Office establish a system-wide monitoring function for the university system. At a minimum, the monitoring function should:
- a) Ensure the System Office and the institutions are in compliance with state, federal, and university system requirements; and
 - b) Review operations of the System Office and institutions to identify significant risks and areas where improvements in efficiency and effectiveness are needed.
- Recommendation 1-3** We recommend the University System Office take appropriate action to ensure there is a unified system of higher education. If a unified system is unattainable, appropriate action should be taken to remove unified system language in laws and make appropriate changes to higher education's organizational structure and operations.
- Recommendation 1-4** We recommend the University System Office develop a plan to establish the expectations of the office and use the plan to guide resource allocation.
- Recommendation 1-5** We recommend the University System Office make improvements with the university system's strategic planning and measuring performance processes. At a minimum, the System Office should:
- a) Ensure compliance with state law and Board policy requirements; and
 - b) Align resources for measuring performance to maximize efficiency.
- Recommendation 2-1** We recommend the University System Office comply with State Board of Higher Education Policy 703.1 and ensure early retirement agreements only include payments authorized by policy.
- Recommendation 2-2** We recommend the University System Office make improvements related to the assessment of campuses for paying the costs of employees. At a minimum, the System Office should:
- a) Obtain proper State Board of Higher Education approval prior to assessing campuses;
 - b) Ensure assessments are properly budgeted and accounted for at the System Office and campus level; and
 - c) Ensure moneys assessed are used for the purpose for which the assessment was charged.

Appendix A List of Recommendations

- Recommendation 2-3** We recommend the University System Office take appropriate action to have internal audit functions within the university system report to the appropriate System Office personnel rather than to an institution president.
- Recommendation 2-4** We recommend the University System Office establish an internal audit charter consistent with the definition of internal audit, the Code of Ethics, and other applicable standards. At a minimum, the charter should identify the purpose, authority, and responsibilities of the internal audit function.
- Recommendation 2-5** We recommend the University System Office ensure State Board of Higher Education policies and North Dakota University System procedures are concise, up to date, accurate, and user friendly. At a minimum, the System Office should:
- a) Perform a comprehensive review of current policies and procedures; and
 - b) Establish a periodic comprehensive review process for policies and procedures.
- Recommendation 2-6** We recommend the University System Office ensure a formal written policy and/or procedure is established regarding the process to be used for drafting, reviewing, and approval of new or amended North Dakota University System procedures.
- Recommendation 2-7** We recommend the University System Office comply with North Dakota Administrative Code Chapter 42-02-02 requirements related to the Indian Scholarship program.
- Recommendation 2-8** We recommend the University System Office review North Dakota Administrative Code Title 42 related to the Indian Scholarship program and take appropriate action to make changes.
- Recommendation 2-9** We recommend the University System Office take appropriate action to ensure information provided is consistently and accurately reported.
- Recommendation 2-10** We recommend the University System Office ensure compliance with North Dakota Century Code Chapter 54-46 and maintain an appropriate records management program. At a minimum, the System Office should ensure:
- a) State form numbers are used on applicable documents; and
 - b) Appropriate record series and retention schedules are established.

System Office Staffing Information

As part of this performance audit, we identified the staffing level of the System Office. Based on a review of payroll information, organizational charts, employee directories, job descriptions, and financial information, as well as discussions with System Office representatives, we identified the staffing level to be 113.5. The table below identifies a breakout of the staffing level for the System Office itself as well as the staffing level of the System Information Technology Services or SITS. We conclude SITS staffing levels should be considered within the System Office due to the reporting relationship of SITS as well as the functions performed by SITS. The information in the table below was confirmed by the System Office.

Table B-1	
System Office Staffing Level as of June 30, 2012	
System Office:	Staffing Level
Chancellor	1
Support Staff	6
Internal Auditor	1
Finance & Administration	7
Chief Information Officer	1
Planning	3
Academic & Student Affairs	8.5
Public Affairs	1
Legal Counsel	2
SYSTEM OFFICE TOTAL	30.5
System Information Technology Services:	
Office of the Chief Information Officer	4
ConnectND – Executive Director	1
ConnectND – Financials & HRMS	21
ConnectND – Security	3
ConnectND – Student Systems	29
On-line Dakota Information Network	9
Advanced Learning Technology	11
Academic Research & Learning Technology	2
Other	3
SITS TOTAL	83
TOTAL SYSTEM OFFICE STAFFING LEVEL	<u>113.5</u>

The staffing level we identified does not represent a full-time equivalent (FTE) amount for the System Office. When an FTE amount is reported by the System Office, the amount only includes positions which are paid with general fund moneys. We identified certain positions were paid with other funding sources (such as moneys from an assessment of campuses and federal funds). Also, we identified a position within the System Office (Chief Information Officer) was classified as an “independent contractor” and thus, would not have been included in an FTE amount. The legislatively approved FTE amount of the System Office was 21.3 for the 2009-2011 biennium and 23.3 for the 2011-2013 biennium.

Other States' University System Information

During this audit, we attempted to collect certain information from other states' university systems which appeared similar to the North Dakota University System. To compare our state to other states, we selected 8 states (total of 9 university systems identified as two systems exist in Minnesota). States/systems were selected based on proximity to North Dakota, size of the system (headcount, number of institutions, etc.), governing structure (a governing board versus a coordinating board, a chief executive of the system, etc.), and other factors. States selected for review include:

- Alaska
- Maine
- Minnesota
- Montana
- Oregon
- Pennsylvania
- South Dakota
- Wisconsin

University Systems Governing Structure & Composition

For the university systems selected, we identified the governing structure for the systems were similar to our state (governing board rather than a coordinating board, a chief executive for the system existed, and executive positions existed for the institutions within the system). The following table identifies information regarding the university systems reviewed (information provided by a representative of the respective university system or identified in reports/documents on the university systems' websites):

	Voting Board Members	Institutions			Student Headcount ²
		4 Year	Other ¹	Total	
North Dakota University System	8	6	5	11	49,000
University of Alaska System	11	3	0	3	35,000
University of Maine System	16	7	8	15	31,000
Minnesota State Colleges & Universities	15	7	24	31	205,000
University of Minnesota	12	5	0	5	69,000
Montana University System	7	6	9	15	48,000
Oregon University System	15	7	1	8	100,000
Pennsylvania State System of Higher Education	20	14	0	14	118,000
South Dakota Board of Regents	9	6	2	8	36,000 ³
University of Wisconsin System	18	13	13	26	181,000

¹ Other includes certain two year colleges, special schools, regional centers, branch campuses, etc. (additional colleges/centers/campuses may exist). Data identified via states' web sites and is provided for informational purposes only.

² Student headcount is for the Fall 2011 and numbers are rounded to the nearest thousand.

³ School for the Deaf and School for the Blind and Visually Impaired not included in headcount.

Appendix C Other States' University System Information

University System Comparison

In our review of information from other states, we identified certain states had centralized more functions and as a result, had a higher staffing level compared to our state's System Office. In an attempt to compare information, we identified various functional areas of university system offices. The following table identifies staffing level information identified in our review (information provided by a representative of the respective university system and/or identified in reports/documents on the university systems' websites). The staffing level information identifies amounts in the university system offices and does not include additional staffing levels which may exist at the institutions.

	Internal Audit	Institutional Research	Legal Counsel	Capital Planning/ Facilities/ Etc.	Human Resources	Gov't/ Public Affairs/Etc.
North Dakota University System	1	*	2	0	0	1
University of Alaska System	5	16	7	14	19	5
University of Maine System	0	1	4	5	20	5
Minnesota State Colleges & Universities	7	#	7	#	30.6	9.5
University of Minnesota	17.5	16 [^]	37 [^]	#	#	#
Montana University System	0	2.5	2	0	3	0
Oregon University System	12	7	5	2	3	5
Pennsylvania State System of Higher Education	7	11	12	11	17	3
South Dakota Board of Regents	1	3	1	0	2	2
University of Wisconsin System	8	9.75	9	10	17	6.5
<p>* Based on a review of job descriptions for the System Information Technology Services (SITS) positions, it appears approximately 20 employees are performing duties related to institutional research. Information contained in job descriptions is not specific enough to identify the percent of time spent on institutional research related functions.</p> <p>[^] Amounts do not include temporary employees.</p> <p># Staffing level amounts in these areas were not provided by other state representatives and we were unable to identify an amount based on a review of the states' website.</p>						