3.2.2

Governance and Administration: Governing board control

The legal authority and operating control of the institution are clearly defined for the following areas within the institution's governance structure:

- 3.2.2.1 institution's mission;
- 3.2.2.2 fiscal stability of the institution;
- 3.2.2.3 institutional policy

Judgment

V	Compliant	\Box	Non-Compliant	⊐	Not Applicable
			=		

Narrative

Note: Text for all linked documents below can be increased/decreased for ease of reading by pressing your keyboard's Ctrl key while rotating the mouse wheel.

As a component institution of the Texas Tech University System (TTU System), Angelo State University is governed by the Board of Regents of the TTU System (Core Requirement 2.2, Governing board). According to the Texas Education Code (TEC), the governing board of an institution of higher education in Texas is responsible for providing the policy direction for each institution of higher education under its management and control (TEC §51.352). The Board of Regents maintains legal authority and operating control over ASU as defined in Texas law and as summarized in *The Rules and Regulations of the Board of Regents of the Texas Tech University System*, as follows:

- The Legislature, in TEC Chapters 109 and §51.352 has delegated to the Board of Regents of the Texas Tech University System the power and authority to govern, control, and direct the policies of the Texas Tech University System (Section 01.02.1.a, *Regents' Rules*).
- Section 109A.001, Texas Education Code, states that "The university [Angelo State University] is a component institution of the Texas Tech University System and is under the management and control of the board of regents of the Texas Tech University System. The board of regents has the same powers and duties concerning Angelo State University as are conferred on the board by statute concerning Texas Tech University and Texas Tech University Health Sciences Center" (Section 01.02.1.f, Regents' Rules).

The Board of Regents is subject to the authority of the Texas Higher Education Coordinating Board (THECB), which is charged with actively promoting quality education in the various regions of the state. The THECB is responsible for coordinating institutions of higher education in Texas, as detailed in TEC §61.051.

As stated in Chapter 1, Bylaws of the *Regents' Rules*, the Board of Regents accepts and adopts the role and responsibilities assigned by law to the governing boards of public institutions and systems of higher

education in the State of Texas. Copies of board minutes are posted on the Board of Regents website (Board of Regents home page, Board of Regents Minutes web page).

3.2.2.1 MISSION

Responsibilities of the Board of Regents include insisting on the clarity of focus and mission of each institution under its governance. To fulfill its role and responsibilities, the board provides policy direction for and establishes goals consistent with the role and mission of each institution under its management and control (Sections 01.01.1–01.01.2, *Regents' Rules*). The board's oversight of the institutional mission is facilitated by the Academic, Clinical, and Student Affairs Committee, a standing committee of the board that consists of three appointed members and the student regent. Considerations of this committee include "the educational mission and academic programs of the various schools and units within the TTU system" (Section 01.02.8.d.(1), *Regents' Rules*).

ASU has a clearly defined and published mission statement that is specific to the institution and appropriate for an institution of higher education (Core Requirement 2.2, Institutional mission). The current ASU mission was developed by the institution in 2008 through a collaborative process, as described in Comprehensive Standard 3.1.1, Mission. The mission was reviewed and approved by the Board of Regents in March 2009 (Board of Regents minutes March 06, 2009, section XIII.B.4).

The Texas Higher Education Coordinating Board reviews ASU's role, mission, and degree programs at least once every four years. The THECB reviewed the current mission statement during the most recent four-year review cycle, as requested in ASU's letter to the THECB December 16, 2008 and with approval documented by the THECB Mission Approval letter May 1, 2009.

3.2.2.2 FISCAL STABILITY

As defined in Chapter 7, *Regents' Rules* (Fiscal Management), the board and the principal officers of the Texas Tech University System have fiduciary responsibilities in the administration of all funds subject to the control and management of the TTU System (Section 07.01, *Regents' Rules*).

Budget Rules and Procedures

According to the Board of Regents' budget rules and procedures (Section 07.04, *Regents' Rules*), the board is required by law to approve an annual budget covering the operation of the ensuing fiscal year. This budget is prepared within the limits of revenue available from legislative appropriations and estimated local and other funds. The budget is constructed along organizational lines using appropriate fund groupings required by state law or recommended by the State Auditor's Office or the State Comptroller's Office.

The budget is prepared in accordance with rules of the THECB. The Texas Education Code authorizes the THECB to evaluate the state's information requirements for the purposes of maintaining a uniform system of financial accounting and reporting consistent with national standards for institutions of higher education (TEC §61.065). The governing board of each institution must approve an itemized current operating

budget on or before September 1 of each year and submit copies to the THECB, the Governor's Budget and Planning Office, the Legislative Budget Board, and the Legislative Reference Library by December 1 of each fiscal year (19 TAC §13.42–§13.43).

The board fulfills its oversight responsibilities by reviewing and approving general budgeting policies and establishing general budget priorities. The board delegates detailed budgetary development and control to the chancellor, the presidents, and the chief fiscal officers of the component institutions (Section 07.04.2, *Regents' Rules*). The Finance and Administration Committee, a standing committee of the board, oversees the budgeting process and reviews all requests for budgets covering expenditures of educational and general funds, designated funds, and auxiliary programs (Section 01.02.8.d.(3), *Regents' Rules*). For more information, please see Core Requirement 2.11.1, Financial resources and Comprehensive Standard 3.10.1, Financial stability.

Debt Management

The Board of Regents is also responsible for authorizing the issuance of all TTU System indebtedness in accordance with the board's debt management policy (Section 07.05, *Regents' Rules*). All debt programs are made in accordance with applicable state and federal statutes and regulations. To the extent permitted by law, the board may grant to the chancellor the authority to issue short-term indebtedness. The short-term debt program is utilized for capital projects during construction and for equipment acquisition. All conversions to long-term or bond indebtedness are approved by the board. The Texas Tech University System Office of Investments is charged with managing the TTU System's debt. For more information, please see Comprehensive Standard 3.10.1, Financial stability.

Office of Audit Services

The system-wide Office of Audit Services has been established to assist the Board of Regents and other units of the Texas Tech University System in identifying, avoiding, and mitigating risks (Section 07.02.1, *Regents' Rules*), including financial and other types of risks. The Office of Audit Services (OAS) reports directly to the Board of Regents and functions independently of ASU and the other component institutions in the TTU System. Operating policies governing OAS are defined in Section 07.02, *Regent's Rules*. OAS prepares an Annual Audit Report as required by the Texas Internal Auditing Act (Texas Government Code §2102.009, Annual Audit Report for the Year Ended August 31, 2011). The Annual Audit Report includes a list of completed audits and other services provide by OAS during the past fiscal year, the audit plan for the upcoming year, organizational charts, a description of the risk assessment process, and documentation of external quality assurance review. For more information, please see Comprehensive Standard 3.10.3, Control of finances.

3.2.2.3 INSTITUTIONAL POLICY

The Texas Legislature has assigned to the Board of Regents responsibility for the "government, control, and direction of the policies" of all component institutions of the TTU System, of which ASU is a member (TEC §109.21 and Section 01.02.1, *Regents' Rules*). The Board of Regents delegates responsibility to the ASU president for preparing and submitting to the chancellor the operating policies, procedures, rules, and

regulations for the governance of ASU (Section 02.04.2.i, *Regents' Rules*). ASU faculty assume primary responsibility for determining good educational practice and play a role, via committee and other administrative and service obligations, in developing and reviewing the institution's academic policies (ASU OP 06.01, Academic Deans and Department Chairpersons and ASU OP 06.14, Faculty Responsibilities and Duties). See also Comprehensive Standard 3.4.5, Academic policies.

The ASU Operating Policies and Procedures (ASU OPs) are published on the ASU website. The institution has established a standard process for developing and approving ASU OPs, which is defined in ASU OP 02.04, Operating Policy and Procedure Manual for Angelo State University, and aligns with the Commission's best practices statement on "Developing Policy and Procedure Documents." Department heads or other appropriate administrators may initiate a new OP affecting their department or division by routing the proposed OP through administrative channels for evaluation and endorsement, as outlined in ASU OP 02.04.

To maintain an accurate and effective body of operating policies and procedures that conform to generally accepted practices and policies of higher education, each OP is also subject to regular review; the review cycle and responsible personnel are identified in each policy. In addition to scheduled reviews, an OP can be revised at any time, if needed. Anyone wishing to recommend revisions forwards the proposed revisions to the personnel identified in the review section of the OP, and the revision process then follows procedures outlined in ASU OP 02.04. See, for example, the routing sheets documenting the revision of an existing policy (Routing Sheet: ASU OP 52.49 Revised Policy) and the creation of a new policy (Routing Sheet: ASU OP 02.07 New Policy).