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FISCAL IMPACT REPORT

ORIGINAL DATE 03/19/09

SPONSOR Chasey LAST UPDATED _____ HM 123

SHORT TITLE State University Shared Governance SB _____

ANALYST Williams

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

Relates to SJR 8, SJR 10, SJM 25, HJR 22
 Duplicates SM 96

SOURCES OF INFORMATION

LFC Files

No Response Received From

Higher Education Department (HED)
 New Mexico Association of Community Colleges
 New Mexico Independent Community Colleges

SUMMARY

Synopsis of Bill

House Memorial 123 requests the Secretary of Higher Education to appoint a working group to develop recommendations for principles of shared governance in New Mexico universities.

The memorial discusses differences in the traditional shared governance model versus the corporate governance model for higher education. According to the memorial, there has been a movement toward the corporate governance model, which is based on running institutions of higher education like businesses.

The memorial notes the following characteristics of the corporate governance model:

- the educational mission, along with sports, entertainment, housing, health care and private corporate research and development missions, are among the multi-faceted businesses of the university; and
- permits university administrators to react to changing circumstances and maintain a competitive edge.

Among the characteristics of the shared governance model discussed in the memorial:

- allows faculty and staff to participate in the formulation of academic missions and policies and in the decision-making process of the institution;
- academic mission is paramount; and
- provides a necessary check and balance on the power of administrators and politically appointed governing boards.

The memorial requests the Secretary of Higher Education appoint a working group with representation from faculty, administration and boards of regents of the state's research and comprehensive universities. Membership should be an even number, with 50 percent of the members currently serving as faculty, 25 percent would be university presidents or high-level administrators and 25 percent regents. The group is to study higher education organization models, particularly as they relate to state-funded universities. The group should consider principles of shared governance that could be adopted by all state universities. The group's findings and recommendations would be reported to the governor, higher education department and appropriate interim legislative committees.

FISCAL IMPLICATIONS

The House memorial does not contain an appropriation.

AW/mt