



**Community Member Blue Ribbon Panel  
Recommendations  
Implementation Progress Report  
June 2007**

This is the second of periodic updates detailing progress in implementing the Community Member Blue Ribbon Panel recommendations that were adopted by the Governing Board earlier this year. This update focuses on select policies and regulations, either to report on some significant accomplishments or to provide more information to better understand the purpose of the new policies or regulations.

The complete list of policies and regulations may be found at the following web site:

[www.maricopa.edu/blueribbon](http://www.maricopa.edu/blueribbon)

---

---

**Public Stewardship and Ethics**

Initial day-long training was conducted by Tim Delaney of the Center for Leadership, Ethics and Public Service for Governing Board members and Chancellor's Executive Council (CEC) was held on June 4 and training for all other employees will begin in the fall. The training for most employees will be on-line. We will be using the Human Resources (HR) system to track participation and to ensure that all employees schedule and complete training.

<http://www.maricopa.edu/gvbd/policy/auxiliary.php#stewardship>

**Hiring of Relatives**

Just for FY06-07, employees were asked to complete the new disclosure form on an "exception" basis: if employees have a relative working for the District, we requested that they complete and submit the Hiring of Relatives form.

For FY07-08, all Board approved employees are required to file an annual disclosure form identifying any relatives who are employed by the district and indicating if the relative(s) are in the line of supervision.

Employees are required to file updates immediately following any personal changes.

An on-line form for this disclosure and other required disclosures or acknowledgments will be made available for use in July. Again, this is for FY07-08 reporting. We will be using the Sharepoint system; this is the same system that was just put in place to acknowledge receipt of the Blue Book. We will include access to the Hiring of Relatives policy in Sharepoint for your reference and will include a Question and Answers fact sheet.

**How is a relative defined and when should a relative working for the District be reported?**

The term “relatives” is specifically defined and includes, but is not limited to Board approved employees, temporary employees, and adjunct faculty.

It is important to carefully review the definitions of employees to determine if reporting of a relative is required. Employees must report all relatives working for the District, whether they are adjunct faculty, college work study, working under a special services contract, OYOs (one-year onlys), OSOs (one semester onlys), specially funded employees, time card or RPS employees or Board approved employees. All relatives working for the District must be identified even if they work at another college, campus, center or district division or you and your relative are not in the line of supervision.

The Vice Chancellor for Human Resources will review all disclosures that indicate a relative is employed by the district and will determine if their employment violates this policy and if there is a need to move one or both of the individuals because they are in the line of supervision.

Summary reports of the disclosures will be provided to the Governing Board.

[See the attached document.](#)

### **Internal Control**

A new Statement on Internal Control policy was adopted by the Governing Board. The statement acknowledges that the responsibility for internal control rests with the management of the

District. This includes all members of some employee groups (the Chancellor's Executive Council and the Management, Technical and Administrative groups), faculty in leadership positions such as Department and Division Chairs and certain other employees. Annual acknowledgments are required. An on-line form, utilizing the Sharepoint system, is under development and is expected to be available on or before July 1.

The following information is provided to answer some questions about this new policy.

### **What are internal controls?**

The implementation of internal controls demonstrates and communicates that integrity and high ethical standards are expected and will be enforced throughout an organization.

Internal controls are processes, carried out by our administration, faculty, and staff, designed to provide reasonable assurance organizational objectives have been achieved in the following categories:

- Compliance with applicable policies, procedures, laws and regulations
- Reliability of financial reporting
- Effectiveness and efficiency of operations

### **Who is responsible?**

Implementation of internal controls is a prime responsibility of District and College leadership. For our organization this leadership would include: the Chancellor’s Executive Council (CEC),

Management, Administrative and Technological (MAT) employees, Faculty leadership (e.g., division and department chairs), as well as members of any other employee group who serve in a supervisory or decision-making capacity.

Everyone within our organization has a role and responsibility for monitoring internal controls.

Our leadership is ultimately responsible and must assume “ownership” of the internal control system for their areas of responsibility. For example:

- The Governing Board provides important oversight of our organization and direction to the Chancellor.
- The Chancellor provides leadership and direction to the Vice Chancellors and College Presidents. Together they shape the values, principles and administrative regulations that form the foundation for our organization’s internal control system.
- Vice Chancellors and Presidents provide direction to other senior administrators responsible for a variety of major functional areas. This should include evaluation of objectives, risks, and the associated internal controls.
- Vice Presidents, Deans, Directors, Division Chairs, Department Chairs, Managers and Supervisors all have line responsibility for designing and implementing internal controls in

their areas. They are responsible for executing district-wide policies, administrative regulations and procedures as these matters apply to the work done by the department, including procedures and controls over the department budget, procurements made by the department, personnel actions made by the department, etc.

### **Conflict of Interest/Procurement of Goods and Services**

An example of a reportable potential conflict of interest would be the spouse or relative of a Maricopa employee working for any business which could do business with Maricopa. Another example of a reportable condition is the reporting of any financial interest in a private or non-profit organization.

In FY06-07, all employees were asked to file a conflict of interest form if they had an actual or potential conflict of interest. Starting in FY07-08, all Board approved and certain other employees are required annually to file a conflict of interest form to indicate any actual or potential financial conflicts of interest or to indicate that the employee has no actual or potential conflicts. Reporting no longer is on an exception basis. Employees are required to file updates immediately following any personal changes.

Like other disclosure forms, this also will be an on-line form using Sharepoint that will be in use on or before July 1.

Mandatory training is now required of all persons who must complete a conflict of interest form. An on-line course is

under development for use this fall. The HR system will be used to track completion of this training.

[http://www.maricopa.edu/gvpolicy/adminregs/fiscal/1\\_9.htm](http://www.maricopa.edu/gvpolicy/adminregs/fiscal/1_9.htm)

### **Internal Audit**

- Two new auditor positions have been filled and the new auditors are on the job.
- Five outside audit firms have been awarded contracts for audit services on an as-needed basis.

<http://www.maricopa.edu/gvpolicy/adminregs/appendices/FM-1.htm>