

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1402

Session of
1971

INTRODUCED BY MR. M. P. MULLEN, JULY 28, 1971

AS RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF
REPRESENTATIVES, AS AMENDED, AUGUST 17, 1971

A SUPPLEMENT

1 To the act of April 1, 1863 (P.L.213), entitled "An act to
2 accept the grant of Public Lands, by the United States, to
3 the several states, for the endowment of Agricultural
4 Colleges," making appropriations for carrying the same into
5 effect, providing for a basis for payments of such
6 appropriations and providing a method of accounting for the
7 funds appropriated.

8 The General Assembly of the Commonwealth of Pennsylvania
9 hereby enacts as follows:

10 Section 1. In order to carry into effect the act of
11 Congress, approved July 2, 1862, granting public land to the
12 several states for educational purposes, and subsequent acts of
13 Congress related thereto, and the act of the General Assembly of
14 Pennsylvania accepting the provisions and conditions of said
15 acts of Congress and pledging the faith of the State to carry
16 the same into effect, the following sums or as much thereof as
17 may be necessary are hereby specifically appropriated to the
18 Trustees of the Pennsylvania State University for the fiscal
19 year July 1, 1971 to June 30, 1972, for the purposes and in the
20 amounts as shown:

1	(1) For Resident Education-Undergraduate		
2	Programs.....	\$34,114,000	<—
3		\$31,068,000	
4	(2) For Resident Education-Graduate Programs.....	19,188,000	<—
5		17,696,000	
6	(3) For Resident Education-Medical Programs.....	2,358,000	
7	(4) For Continuing Education.....	4,710,000	
8	(5) For Extension Services.....	3,142,000	
9	(6) For Organized Research.....	14,340,000	<—
10		14,036,000	
11	(7) For Special Departmental Research.....	3,353,000	

12 Section 2. Payments to Pennsylvania State University on
13 account of the appropriations for resident education, as
14 provided in section 1 of this act, shall be made on the basis of
15 the number of credit hours or equivalent credit hours produced
16 during the fiscal year, except payments for medical programs
17 which shall be made on the basis of full-time equivalent
18 enrollment. The following rates shall be used in the
19 determinations of such payments:

20	(1) Undergraduate Programs.....	\$	28.00	per credit hour	<—
21			25.50		
22				or equivalent hour	
23	(2) Graduate Programs.....		135.00	per credit hour	<—
24			124.50		
25	(3) Medical Programs.....		7,465.00	per full-time	
26				equivalent medical student	

27 Section 3. Payments to Pennsylvania State University on
28 account of the appropriations for continuing education,
29 extension services, organized research and special departmental
30 research as provided in section 1 of this act, shall be made on

1 the basis of the net costs of such programs. The net cost of
2 each such program shall be the excess of the expenditures made
3 over the income received.

4 Section 4. Payments to Pennsylvania State University of the
5 appropriations herein provided shall be made quarterly during
6 the fiscal year as follows:

7 (1) First payment on September 30, 1971.

8 (2) Second payment on December 31, 1971.

9 (3) Third payment on March 31, 1972.

10 (4) Final payment on June 30, 1972.

11 Such quarterly payments shall be made in accordance with the
12 provisions of sections 2 and 3 of this act on the basis of
13 estimates of such credit hours or equivalent credit hours and
14 net costs as submitted by Pennsylvania State University to the
15 General Assembly and to the Treasurer not later than thirty days
16 prior to the date on which such payment is to be made.

17 Section 5. The Pennsylvania State University shall apply the
18 moneys appropriated by this act only for such purposes as are
19 permitted in this act and shall at all times maintain proper
20 records showing the application of such moneys. Not later than
21 one hundred twenty days after the close of the fiscal year to
22 which this act relates, the Pennsylvania State University shall
23 file with the General Assembly and with the Auditor General of
24 the Commonwealth, a statement setting forth the amounts and
25 purposes of all expenditures made from moneys appropriated by
26 this act and other university accounts during said fiscal year
27 and the actual credit hours or equivalent credit hours and net
28 costs, as provided in sections 2 and 3 of this act, used as a
29 basis for receipt of any appropriations during said fiscal year.
30 Such statement of expenditures shall be reviewed by the Auditor

1 General of the Commonwealth, and he shall have the right, in
2 respect to the money appropriated by this act, to audit and
3 disallow expenditures made for purposes not permitted by this
4 act and to cause such sums to be recovered and paid by the
5 Pennsylvania State University to the Treasurer of the
6 Commonwealth. The Auditor General shall also make a
7 determination of such actual credit hours or equivalent credit
8 hours and net costs and make certification as to their
9 correctness. In respect to expenditures made by the university
10 from moneys other than those appropriated by this act, the
11 Auditor General shall have the right of review only and he shall
12 file annually with the General Assembly such information
13 concerning said expenditures as the General Assembly or any of
14 its committees may require.

15 SECTION 6. THE UNIVERSITY SHALL FILE ON OR BEFORE MARCH 1, <—
16 1972 WITH THE APPROPRIATION COMMITTEES OF THE GENERAL ASSEMBLY
17 AND WITH THE AUDITOR GENERAL OF THE COMMONWEALTH IN SUCH DETAIL
18 AND FORM AS PRESCRIBED BY THE RESPECTIVE APPROPRIATION
19 COMMITTEES OF THE GENERAL ASSEMBLY AND THE AUDITOR GENERAL:

20 (1) A STATEMENT LISTING ALL RESEARCH PROJECTS UNDERTAKEN
21 WITH STATE FUNDS PROVIDED FOR FROM MONEYS APPROPRIATED BY THIS
22 ACT. EACH DESIGNATED RESEARCH PROJECT SHALL BE ACCOUNTED FOR
23 SEPARATELY.

24 (2) PROGRESS REPORTS ON ALL PROJECTS INVOLVING STATE FUNDS
25 APPROPRIATED UNDER THE PROVISIONS OF THIS ACT.

26 (3) A LISTING OF ALL CONTRACTS WITH THE COMMONWEALTH, AND
27 THE STATUS THEREOF, AS PART OF THEIR ANNUAL FISCAL REPORT.

28 SECTION 7. THE UNIVERSITY SHALL PRESENT ITS FINANCIAL
29 STATEMENTS REQUIRED UNDER THE PROVISIONS OF THIS ACT IN
30 ACCORDANCE WITH THE GENERALLY ACCEPTED ACCOUNTING PRINCIPLES FOR

1 EDUCATIONAL INSTITUTIONS AS SET FORTH IN COLLEGE AND UNIVERSITY

2 BUSINESS ADMINISTRATION REVISED EDITION, 1968.

3 Section ~~6~~. 8. This act shall take effect July 1, 1971.

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