

THE GENERAL ASSEMBLY OF PENNSYLVANIA

**HOUSE BILL**  
**No. 1252** Session of  
1977

INTRODUCED BY WISE, JUNE 6, 1977

REFERRED TO COMMITTEE ON APPROPRIATIONS, JUNE 6, 1977

A SUPPLEMENT

1 To the act of April 1, 1863 (P.L.213, No.227), entitled "An act  
2 to 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, 1977 to June 30, 1978, for the purposes and in the  
20 amounts as shown:

21 (1) For educational and general expenses..... \$82,359,000

1	(2) For cost of student aid.....	1,760,000
2	(3) For cost of agricultural research and	
3	extension.....	15,443,000
4	(4) For cost of research.....	7,415,000
5	(5) For cost of conservation and education	
6	camp.....	30,000
7	(6) For instruction - Doctor of Medicine only	2,784,000

8 Section 2. Payments to Pennsylvania State University on  
9 account of the appropriations for all items as provided in  
10 section 1 except for instruction - Doctor of Medicine shall be  
11 made on the basis of costs during the fiscal year.

12 Payments for instruction - Doctor of Medicine shall be made  
13 on the basis of full-time students enrollment at the rate of  
14 \$7,465 per student.

15 Section 3. If necessary, the Pennsylvania State University  
16 may transfer funds among the appropriations listed in section 1,  
17 clauses (1), (2), (3) and (4): Provided, That the aggregate  
18 amount transferred into or out of each appropriation during the  
19 fiscal year shall not exceed 5% of the amount specifically  
20 appropriated for that purpose.

21 Section 4. Payments to the Pennsylvania State University of  
22 the appropriations herein provided shall be made monthly during  
23 the fiscal year.

24 Such monthly payments shall be made in accordance with the  
25 provisions of sections 2 and 3, on the basis of estimated costs  
26 and full-time students enrolled in the Doctor of Medicine  
27 program. The estimate of costs shall be submitted by the  
28 Pennsylvania State University to the Secretary of Education, the  
29 General Assembly and to the State Treasurer not later than 30  
30 days prior to the date on which such payment is to be made.

1       Section 5. The Pennsylvania State University shall apply the  
2 moneys appropriated by this act only for such purposes as are  
3 permitted in this act and shall at all times maintain proper  
4 records showing the application of such moneys. Not later than  
5 120 days after the close of the fiscal year to which this act  
6 relates, the Pennsylvania State University shall file with the  
7 Secretary of Education, the General Assembly, and with the  
8 Auditor General of the Commonwealth, a statement setting forth  
9 the amounts and purposes of all expenditures made from moneys  
10 appropriated by this act and other university accounts during  
11 said fiscal year, the number of full-time students enrolled in  
12 the Doctor of Medicine program and costs, as provided in  
13 sections 2 and 3, used as a basis for receipt of any  
14 appropriation during said fiscal year.

15       Such statement of expenditures and number of full-time  
16 students enrolled in the Doctor of Medicine program and costs  
17 shall be reviewed by the Auditor General of the Commonwealth,  
18 and he shall have the right, in respect to the moneys  
19 appropriated by this act, to audit and disallow expenditures  
20 made for purposes not permitted by this act and to cause such  
21 sums to be recovered and paid by the Pennsylvania State  
22 University to the Treasurer of the Commonwealth. The Auditor  
23 General shall also make a determination of full-time students  
24 enrolled in the Doctor of Medicine program and costs and make a  
25 certification as to their correctness. In respect to  
26 expenditures made by the university from moneys other than those  
27 appropriated by this act, the Auditor General shall have the  
28 right to review only and he shall file annually with the General  
29 Assembly such information concerning such expenditures as the  
30 General Assembly or any of its committees may require.

1       Section 6. A report shall be submitted to the Governor, the  
2 Secretary of Education and the Appropriations and Education  
3 Committees of the Senate and House of Representatives and shall  
4 include data for all programs of the university except the  
5 Doctor of Medicine program. The report, to be submitted prior to  
6 October 1, 1977, shall cover the twelve-month period beginning  
7 July 1, 1976 and ending June 30, 1977. The report shall  
8 include:

9       (1) For each term during the period, the following counts  
10 and distributions:

11       (i) The definitions and numbers of full-time faculty  
12 members, of part-time faculty members, of full-time graduate  
13 students, of part-time graduate students, of full-time  
14 undergraduate students, and of part-time undergraduate students.

15       (ii) A distribution of part-time faculty members by the  
16 percentage of full-time employment.

17       (iii) Definitions of course levels of instruction and the  
18 number of different courses scheduled by course level,  
19 distributed by the number of sections scheduled in each course  
20 and the sections distributed by the number of students enrolled  
21 in each section.

22       (iv) Number of terms scheduled and the dates thereof.

23       (2) For the twelve-month period, the following, distributed  
24 by student level: lower division undergraduate, upper division  
25 undergraduate, graduate, and first professional (excluding  
26 Doctor of Medicine) within HEGIS discipline division (as defined  
27 by "A Taxonomy of Instructional Programs in Higher Education,"  
28 U. S. Department of Health, Education, and Welfare, Office of  
29 Education, 1970):

30       (i) The number of equivalent full-time students (EFTS)

1 taught.

2 (A) EFTS taught by HEGIS discipline will be determined from  
3 production student credit hours (student credit hours produced  
4 by an academic department, regardless of the student majors  
5 taking the courses).

6 (B) EFTS taught by student level within HEGIS discipline  
7 divisions will be determined by the level of the students taking  
8 the courses, regardless of the course level of instruction of  
9 the courses being taken.

10 (ii) Teaching salaries per equivalent full-time student.

11 (A) Teaching salaries will be distributed by student level  
12 based on course credits taught, with equal weight given to all  
13 course levels of instruction.

14 (B) In distributing teaching salaries, each thirty student  
15 credit hours of thesis or dissertation work equals one three-  
16 credit section.

17 (C) In distributing teaching salaries, all students engaged  
18 in independent study who are assigned to one faculty member will  
19 be considered one three-credit section.

20 (D) Teaching salaries will be distributed by student level  
21 only for those individuals budgeted for instruction as reflected  
22 in Part III, "Instruction and Departmental Research,"  
23 Commonwealth of Pennsylvania Budget Instructions for State-  
24 Related Universities, Phase I, Fiscal Year 1978-1979.

25 (iii) Total costs per equivalent full-time student.

26 (A) Direct costs other than teaching salaries will be  
27 allocated by student level within HEGIS discipline division  
28 based on institutional records.

29 (B) Indirect costs of instruction will be prorated to each  
30 student level within HEGIS discipline division as a percentage

1 of direct costs. An exception will be major organized activities  
2 (e.g., university farm operations, dental clinics). These  
3 activities will be allocated directly to the related HEGIS  
4 discipline group.

5 (iv) Costs to the Commonwealth per equivalent full-time  
6 student.

7 (A) Total costs will be offset by income for instruction to  
8 determine costs to the Commonwealth.

9 (B) Income for instruction derived from student tuition will  
10 be allocated by HEGIS discipline and by student level based on  
11 the number of equivalent full-time students and the specific  
12 tuition rates for that level.

13 (C) Income for instruction derived from other sources and  
14 related to a specific HEGIS discipline group will be allocated  
15 directly to that group.

16 (D) Income for instruction derived from other sources and  
17 not related to a specific HEGIS discipline group will be  
18 allocated as a percentage of student tuition income.

19 (v) Totals by student level for all HEGIS discipline  
20 divisions combined for:

21 (A) The number of equivalent full-time students taught.

22 (B) Teaching salaries per equivalent full-time student.

23 (C) Total costs per equivalent full-time student.

24 (D) Costs to the Commonwealth per equivalent full-time  
25 student.

26 These totals must agree with the corresponding totals in Part  
27 III, "Instruction and Departmental Research," Commonwealth of  
28 Pennsylvania Budget Instructions for State-Related Universities,  
29 Phase I, Fiscal year 1978-1979.

30 (vi) All program data will be compiled from institutional

1 records. Program data are required for each HEGIS discipline in  
2 which the institution offers instructional programs (excluding  
3 Doctor of Medicine Program). Unless otherwise specifically  
4 stated, the conventions and procedures will be the same as those  
5 specified in the Commonwealth of Pennsylvania Budget  
6 Instructions for State-Related Universities, Phase I, Fiscal  
7 Year 1978-1979.

8 Section 7. In addition to the requirements of section 6, the  
9 report covering the twelve-month period beginning July 1, 1976  
10 and ending June 30, 1977, shall include for all programs of the  
11 university, except the Doctor of Medicine program:

12 (1) Minimum number of credits required for a baccalaureate  
13 degree, and for a master's degree.

14 (2) Number of associate degrees, baccalaureate degrees,  
15 master's degrees, first-professional degrees, and doctoral  
16 degrees awarded by HEGIS discipline divisions, for 1975-1976,  
17 1976-1977 and projected for 1977-1978.

18 (3) A listing of the academic departments and instructional  
19 subject matter in each of the HEGIS discipline divisions  
20 included in the report specified in section 6.

21 Section 8. The university shall provide such information and  
22 in such form and manner as the Department of Education may  
23 prescribe.

24 Section 9. The Pennsylvania State University shall report  
25 its revenues and expenditures and present its financial  
26 statements required under the provisions of this act in  
27 accordance with generally accepted accounting principles and  
28 procedures for educational institutions as set forth in "Higher  
29 Education Finance Manual" United States Department of Health,  
30 Education and Welfare (1975) with the exceptions set forth in

1 the Commonwealth of Pennsylvania Budget Instructions for State  
2 Related Universities, Phase I, Fiscal Year 1977-1978. Credits  
3 granted for non-traditional programs such as CLEP, lifelong  
4 learning etc., including all related costs and revenues thereof  
5 shall be excluded from the function of "Instruction" and  
6 included under "Public Service."

7 Section 10. This act shall take effect July 1, 1977.