

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

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**HOUSE BILL****No. 891**      Session of  
1997

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INTRODUCED BY BARLEY, MARCH 12, 1997

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AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,  
APRIL 2, 1997

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## 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; and providing for a basis for payments of such  
6 appropriations, for a method of accounting for the funds  
7 appropriated and for certain fiscal information disclosure.

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 appropriated to the Trustees of The  
18 Pennsylvania State University for the fiscal year July 1, 1997,  
19 to June 30, 1998, for the purposes and in the amounts as shown:

1	<del>(1) For educational and general expenses.....</del>	<del>\$218,984,000</del>	<—
2	(1) FOR EDUCATIONAL AND GENERAL EXPENSES. NO		<—
3	FUNDS MAY BE ALLOCATED FROM THIS APPROPRIATION		
4	UNLESS ANY TUITION INCREASE FOR THE 1997-1998		
5	SCHOOL YEAR REMAINS UNDER 4.5% FOR PENNSYLVANIA		
6	RESIDENT STUDENTS.....	\$218,984,000	
7	(2) For medical education.....	4,514,000	
8	(3) For children's hospital.....	4,752,000	
9	(4) For the Central Pennsylvania Psychiatric		
10	Institute.....	1,599,000	
11	<del>(5) For the cost of agricultural research.....</del>	<del>20,886,000</del>	<—
12	(5) FOR THE COST OF AGRICULTURAL RESEARCH.....	22,141,000	<—
13	(6) For THE cost of agricultural extension		<—
14	<del>services.....</del>	<del>22,543,000</del>	<—
15	SERVICES.....	23,940,000	<—
16	(7) To enhance the recruitment and retention		
17	of disadvantaged students.....	327,000	
18	(8) For the Pennsylvania College of		
19	Technology.....	11,521,000	
20	(9) For debt service related to the former		
21	Williamsport Area Community College.....	1,530,000	

22 Section 2. Payments to The Pennsylvania State University on  
23 account of the appropriations for all items as provided in  
24 section 1 shall be made on the basis of costs during the fiscal  
25 year.

26 Section 3. If necessary, The Pennsylvania State University  
27 may transfer funds among the appropriations listed in section  
28 1(1), (3) and (4), provided that the aggregate amount  
29 transferred into or out of each appropriation during the fiscal  
30 year shall not exceed 5% of the amount specifically appropriated

1 for that purpose.

2 Section 4. (a) Payments to The Pennsylvania State  
3 University of the appropriations provided in section 1 shall be  
4 made monthly during the fiscal year.

5 (b) Such monthly payments shall be made in accordance with  
6 the provisions of section 2 on the basis of estimated costs. The  
7 estimate of costs shall be submitted by The Pennsylvania State  
8 University to the Secretary of Education, the General Assembly  
9 and the State Treasurer not later than 30 days prior to the date  
10 on which such payment is to be made.

11 Section 5. Notwithstanding any provision of the General  
12 Appropriation Act of 1997 relating to the payment of retirement  
13 expenses, the Trustees of The Pennsylvania State University  
14 shall make all required payments to the State Employees'  
15 Retirement Fund from the funds appropriated pursuant to this  
16 act.

17 Section 6. (a) The Pennsylvania State University shall  
18 apply the moneys appropriated by this act only for such purposes  
19 as are permitted in this act and shall at all times maintain  
20 proper records showing the application of such moneys. Not later  
21 than 120 days after the close of the fiscal year to which this  
22 act relates, The Pennsylvania State University shall file, with  
23 the Secretary of Education, the General Assembly and the Auditor  
24 General of the Commonwealth, a statement setting forth the  
25 amounts and purposes of all expenditures made from moneys  
26 appropriated by this act and other university accounts during  
27 said fiscal year, as provided in section 2, used as a basis for  
28 receipt of any appropriation during said fiscal year.

29 (b) Such statement of expenditures and costs shall be  
30 reviewed by the Auditor General of the Commonwealth, and he

1 shall have the right, in respect to the moneys appropriated by  
2 this act, to audit and disallow expenditures made for purposes  
3 not permitted by this act and to cause such sums to be recovered  
4 and paid by The Pennsylvania State University to the State  
5 Treasurer. In respect to expenditures made by the university  
6 from moneys other than those appropriated by this act, the  
7 Auditor General shall have the right to review only, and he  
8 shall file annually with the General Assembly such information  
9 concerning such expenditures as the General Assembly or any of  
10 its committees may require.

11 Section 7. A report shall be submitted to the Governor and  
12 the Appropriations and Education Committees of the Senate and  
13 House of Representatives and shall include data for all programs  
14 except the Doctor of Medicine program. The report, to be  
15 submitted prior to September 1, 1998, shall cover the 12-month  
16 period beginning with the summer term 1997 and shall include:

17 (1) The following counts and distributions for each term  
18 during the period:

19 (i) The definitions and numbers of faculty members employed  
20 full time, of faculty members employed part time, of full-time  
21 students enrolled in graduate courses, of full-time students  
22 enrolled in undergraduate courses, of part-time students  
23 enrolled in graduate courses and of part-time students enrolled  
24 in undergraduate courses.

25 (ii) The total numbers of undergraduate student credit  
26 hours, divided into lower division and upper division course  
27 levels, and of graduate student credit hours, divided into three  
28 course levels--master's, first professional and doctoral.

29 (iii) The number of different courses scheduled by level of  
30 instruction and the number of sections of individual instruction

1 scheduled by level of instruction, each further subdivided by  
2 two-digit Classification of Instructional Program (CIP)  
3 categories of instructional programs of higher education as  
4 defined by the National Center for Education Statistics, United  
5 States Department of Education.

6 (iv) The number of terms scheduled and the dates thereof.

7 (2) For the summer term and the following academic year in  
8 total and for each two-digit CIP program category, a  
9 classification of faculty members or other professional  
10 employees by title, including: professor, associate professor,  
11 assistant professor, instructor, lecturer, research associate,  
12 librarian and academic administrator; faculty members or other  
13 professional employees under each title to be subdivided by type  
14 of assignment: teaching and nonteaching; and each such set of  
15 faculty members or other professional employees to be further  
16 subdivided by type of employment: full-time or part-time; and  
17 the following aggregates for each such subdivided  
18 classification:

19 (i) The number of faculty and other professional employees  
20 and their full-time equivalence in instructional and  
21 noninstructional functions.

22 (ii) The sum of credits assigned to undergraduate classroom  
23 courses and the sum of credits assigned to graduate classroom  
24 courses taught, divided into lower division, upper division,  
25 master's, first professional and doctoral course levels.

26 (iii) The sum of credits assigned to undergraduate  
27 individual instruction courses and the sum of credits assigned  
28 to graduate individual instruction courses taught, divided into  
29 lower division, upper division, master's, first professional and  
30 doctoral course levels.

1 (iv) The sum of undergraduate classroom student credit hours  
2 and the sum of graduate classroom student credit hours  
3 generated, divided into lower division, upper division,  
4 master's, first professional and doctoral course levels.

5 (v) The sum of undergraduate individual instruction student  
6 credit hours and the sum of graduate individual instruction  
7 student credit hours generated, divided into lower division,  
8 upper division, master's, first professional and doctoral course  
9 levels.

10 (vi) The total salary paid for instructional functions and  
11 for noninstructional functions and the amount of this salary  
12 paid for each of these functions from university funds, Federal  
13 funds and other funds.

14 (3) For each term of the period covered for each faculty  
15 member employed full time identified by two-digit CIP program  
16 category and title, the report shall contain an analysis of the  
17 average hours per week spent in university-related activities,  
18 stating specifically hours spent in undergraduate classroom  
19 contact and graduate classroom contact, hours spent in  
20 preparation, hours spent in research and hours spent in public  
21 service.

22 Section 8. In addition to the requirements in section 7  
23 relative to this appropriation, the report covering the 12-month  
24 period beginning with the summer term 1997 shall include for all  
25 programs of the university:

26 (1) Minimum number of credits required for a baccalaureate  
27 degree and for a master's degree.

28 (2) Number of bachelor's degrees, master's degrees, first  
29 professional degrees and doctoral degrees awarded in 1993, 1994,  
30 1995, 1996, 1997 and estimated 1998.

1 Section 9. (a) The following words and phrases when used in  
2 this section shall have the meanings given to them in this  
3 subsection unless the context clearly indicates otherwise:

4 "Academic and administrative support units." Any  
5 organizational entity, as defined in the organizational manual  
6 of the university, that reports directly to the president of the  
7 university, chief academic officer or vice president, including  
8 the office of the president, chief academic officer and vice  
9 president.

10 "Expenditures." Disbursements of State appropriations,  
11 tuition and fees supporting educational and general categories  
12 as defined in the Higher Education Finance Manual, Department of  
13 Health, Education and Welfare, 1975, or disbursement, supported  
14 by State appropriations, tuition or fees, to support a defined  
15 project or program under subsection (b)(3).

16 "Revenue." All State appropriations and tuition and fees.

17 (b) The Pennsylvania State University shall disclose the  
18 following:

19 (1) Revenue and expenditure budgets of the university's  
20 academic and administrative support units for the current fiscal  
21 year.

22 (2) The actual revenue and expenditures for the prior year  
23 in the same format as the information reported under paragraph  
24 (1).

25 (3) For any defined project or program which is the subject  
26 of a specific line item appropriation from the General Fund, the  
27 university shall disclose the following:

28 (i) Revenue and expenditure budgets of the defined program  
29 or project for the current fiscal year.

30 (ii) The actual revenue and expenditures of the defined

1 program or project for the prior year in the same format as the  
2 information reported under paragraph (1).

3 (4) The revenue and expenditures of any auxiliary enterprise  
4 which is directly funded in whole or in part by tuition or a  
5 State appropriation for the current fiscal year.

6 (c) The university shall provide the following additional  
7 information for the prior fiscal year for each academic or  
8 administrative support unit, for each defined project or program  
9 and for any auxiliary enterprise:

10 (1) The number of employees by academic rank and by  
11 classification the number of administrators, staff, clerical and  
12 technical service employees.

13 (2) Median and mean salary by academic rank and by  
14 classification the median and mean salaries of administrators,  
15 staff, clerical and technical service employees.

16 (3) Nonsalary compensation as a percentage of salary.  
17 Nonsalary compensation shall include, but not be limited to,  
18 medical benefits, life insurance benefits, pension benefits,  
19 leave benefits, employer Social Security payments and workers'  
20 compensation benefits.

21 (4) A statement of the university's retirement policies.

22 (5) A policy statement relating to a reduction of tuition  
23 for employees' family members.

24 (6) A list of purchase of service contracts which exceed  
25 \$1,000 by category of service, including, but not limited to,  
26 legal, instructional, management, accounting, architecture,  
27 public relations and maintenance. The list shall contain the  
28 name and address of the contractor, a statement of the nature of  
29 the duties of the contractor and the academic and administrative  
30 support unit for which the duties are performed. If a purchase



1 of service contract exceeds 10% of the total aggregate  
2 expenditure of the contract category per academic or  
3 administrative support unit, then the contracted amount shall  
4 also be listed.

5 (7) A list of purchase of goods contracts which exceed  
6 \$1,000. The list shall contain the name and address of the  
7 contractor and a list of the goods purchased and the academic or  
8 administrative support unit for which such goods were  
9 contracted. If a purchase of goods contract exceeds 10% of the  
10 total aggregate expenditure per academic or administrative  
11 support unit, then the contracted amount shall also be listed.

12 (8) A list by academic or administrative support unit in the  
13 aggregate, of the expenses of travel, subsistence and lodging,  
14 whether provided or reimbursed.

15 (d) The university shall submit a report of the information  
16 under subsections (b) and (c) to the Education Committee of the  
17 Senate and the Appropriations Committee of the Senate and the  
18 Education Committee of the House of Representatives and the  
19 Appropriations Committee of the House of Representatives. In  
20 addition, the university shall submit a copy of the report to  
21 each of the following:

- 22 (1) Governor's Office.
- 23 (2) Secretary of Education.
- 24 (3) State Treasurer.
- 25 (4) Auditor General.
- 26 (5) Joint State Government Commission.

27 Each such institution shall maintain a copy of the report in the  
28 institution's library and shall submit a copy to each of the  
29 four State regional library resource centers.

30 (e) A university's report required to be submitted under

1 this section shall be submitted within 180 days of the close of  
2 the university's current fiscal year.

3 (f) The Joint State Government Commission shall develop a  
4 statistical comparison analysis recognizing differences in  
5 missions from the reports made under this section. A majority of  
6 the members of the commission may request additional  
7 documentation, except for salary or identity of individuals,  
8 necessary to complete the comparative analysis. The comparison  
9 shall be provided to the Education Committee of the Senate and  
10 the Appropriations Committee of the Senate and the Education  
11 Committee of the House of Representatives and the Appropriations  
12 Committee of the House of Representatives and the four State  
13 regional libraries.

14 (g) The university shall make a copy of the minutes of each  
15 public meeting of the institution's board of trustees, as well  
16 as a copy of the institution's integrated postsecondary  
17 education data systems report, available for public inspection  
18 in the institution's library.

19 Section 10. The Pennsylvania State University shall provide  
20 full, complete and accurate information as may be required by  
21 the Department of Education or the chairman or the minority  
22 chairman of the Appropriations Committee of the Senate or the  
23 chairman or the minority chairman of the Appropriations  
24 Committee of the House of Representatives.

25 Section 11. The Pennsylvania State University shall report  
26 its revenues and expenditures and present its financial  
27 statements required under the provisions of this act in  
28 accordance with generally accepted accounting principles and  
29 procedures for educational institutions as set forth in the  
30 "Higher Education Finance Manual, United States Department of

1 Health, Education and Welfare (1975)" and the "Commonwealth of  
2 Pennsylvania Budget Instructions for the State System of Higher  
3 Education, State-Related Universities and Non-State-Related  
4 Colleges and Universities."

5 Section 12. This act shall take effect July 1, 1997, or  
6 immediately, whichever is later.