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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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# HOUSE BILL

## No. 1214

Session of  
2001

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INTRODUCED BY BARLEY, MARCH 27, 2001

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SENATOR TILGHMAN, APPROPRIATIONS, IN SENATE, RE-REPORTED AS  
AMENDED, JUNE 11, 2001

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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, 2001,  
19 to June 30, 2002, for the purposes and in the amounts as shown:

|    |  |                          |                  |
|----|--|--------------------------|------------------|
| 1  | <del>(1) For educational and general expenses.....</del>     | <del>\$242,910,480</del> | <del>&lt;—</del> |
| 2  | <del>(2) For the Information Systems Technology</del>        |                          |                  |
| 3  | <del>School.....</del>                                       | <del>4,500,000</del>     |                  |
| 4  | <del>(3) For medical education.....</del>                    | <del>4,897,000</del>     |                  |
| 5  | <del>(4) For children's hospital.....</del>                  | <del>5,155,000</del>     |                  |
| 6  | <del>(5) For the Central Pennsylvania Psychiatric</del>      |                          |                  |
| 7  | <del>Institute.....</del>                                    | <del>2,006,000</del>     |                  |
| 8  | <del>(6) For the cost of agricultural research.....</del>    | <del>23,499,000</del>    |                  |
| 9  | <del>(7) For the cost of agricultural extension</del>        |                          |                  |
| 10 | <del>services.....</del>                                     | <del>27,029,000</del>    |                  |
| 11 | <del>(8) To enhance the recruitment and retention</del>      |                          |                  |
| 12 | <del>of disadvantaged students.....</del>                    | <del>355,000</del>       |                  |
| 13 | <del>(9) For the Pennsylvania College of</del>               |                          |                  |
| 14 | <del>Technology.....</del>                                   | <del>14,558,000</del>    |                  |
| 15 | <del>(10) For debt service related to the former</del>       |                          |                  |
| 16 | <del>Williamsport Area Community College.....</del>          | <del>1,530,000</del>     |                  |
| 17 | <del>(11) For Capitol Campus Improvements.....</del>         | <del>500,000</del>       |                  |
| 18 | <del>(12) For program initiatives, including at</del>        |                          |                  |
| 19 | <del>least \$250,000 for activities related to the</del>     |                          |                  |
| 20 | <del>National Sea Grant College Program at The Behrend</del> |                          |                  |
| 21 | <del>College.....</del>                                      | <del>5,000,000</del>     |                  |
| 22 | (1) FOR EDUCATIONAL AND GENERAL EXPENSES.....                | \$250,208,000            | <—               |
| 23 | (2) FOR THE INFORMATION SYSTEMS TECHNOLOGY                   |                          |                  |
| 24 | SCHOOL.....  | 5,312,000                |                  |
| 25 | (3) FOR MEDICAL EDUCATION.....                               | 5,044,000                |                  |
| 26 | (4) FOR CHILDREN'S HOSPITAL.....                             | 5,310,000                |                  |
| 27 | (5) FOR THE CENTRAL PENNSYLVANIA PSYCHIATRIC                 |                          |                  |
| 28 | INSTITUTE.....   | 2,066,000                |                  |
| 29 | (6) FOR THE COST OF AGRICULTURAL RESEARCH.....               | 24,204,000               |                  |
| 30 | (7) FOR THE COST OF AGRICULTURAL EXTENSION                   |                          |                  |

|   |  |            |
|---|--|------------|
| 1 | SERVICES.....                                | 27,838,000 |
| 2 | (8) TO ENHANCE THE RECRUITMENT AND RETENTION |            |
| 3 | OF DISADVANTAGED STUDENTS.....               | 366,000    |
| 4 | (9) FOR THE PENNSYLVANIA COLLEGE OF          |            |
| 5 | TECHNOLOGY.....                              | 12,935,000 |
| 6 | (10) FOR DEBT SERVICE RELATED TO THE FORMER  |            |
| 7 | WILLIAMSPORT AREA COMMUNITY COLLEGE.....     | 1,530,000  |

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

12 Section 3. If necessary, The Pennsylvania State University  
13 may transfer funds among the appropriations listed in section  
14 1(1), (4) and (5), provided that the aggregate amount  
15 transferred into or out of each appropriation during the fiscal  
16 year shall not exceed 5% of the amount specifically appropriated  
17 for that purpose.

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

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

27 (c) Payments to The Pennsylvania State University provided  
28 in section 1(12) are contingent on the university making all  
29 articulation agreements with other higher education institutions  
30 available on the Internet.

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

13       (b) Such statement of expenditures and costs shall be  
14       reviewed by the Auditor General of the Commonwealth, and he  
15       shall have the right, in respect to the moneys appropriated by  
16       this act, to audit and disallow expenditures made for purposes  
17       not permitted by this act and to cause such sums to be recovered  
18       and paid by The Pennsylvania State University to the State  
19       Treasurer. In respect to expenditures made by the university  
20       from moneys other than those appropriated by this act, the  
21       Auditor General shall have the right to review only, and he  
22       shall file annually with the General Assembly such information  
23       concerning such expenditures as the General Assembly or any of  
24       its committees may require.

25       Section 6. A report shall be submitted to the Governor and  
26       the Appropriations and Education Committees of the Senate and  
27       House of Representatives and shall include data for all programs  
28       except the Doctor of Medicine program. The report, to be  
29       submitted prior to September 1, 2002, shall cover the 12-month  
30       period beginning with the summer term 2001 and shall include:

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

(i) The definitions and numbers of faculty members employed full time, of faculty members employed part time, of full-time students enrolled in graduate courses, of full-time students enrolled in undergraduate courses, of part-time students enrolled in graduate courses and of part-time students enrolled in undergraduate courses.

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

(iii) The number of different courses scheduled by level of instruction and the number of sections of individual instruction scheduled by level of instruction, each further subdivided by two-digit Classification of Instructional Program (CIP) categories of instructional programs of higher education as defined by the National Center for Education Statistics, United States Department of Education.

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

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

1 the following aggregates for each such subdivided  
2 classification:

3 (i) The number of faculty and other professional employees  
4 and their full-time equivalence in instructional and  
5 noninstructional functions.

6 (ii) The sum of credits assigned to undergraduate classroom  
7 courses and the sum of credits assigned to graduate classroom  
8 courses taught, divided into lower division, upper division,  
9 master's, first professional and doctoral course levels.

10 (iii) The sum of credits assigned to undergraduate  
11 individual instruction courses and the sum of credits assigned  
12 to graduate individual instruction courses taught, divided into  
13 lower division, upper division, master's, first professional and  
14 doctoral course levels.

15 (iv) The sum of undergraduate classroom student credit hours  
16 and the sum of graduate classroom student credit hours  
17 generated, divided into lower division, upper division,  
18 master's, first professional and doctoral course levels.

19 (v) The sum of undergraduate individual instruction student  
20 credit hours and the sum of graduate individual instruction  
21 student credit hours generated, divided into lower division,  
22 upper division, master's, first professional and doctoral course  
23 levels.

24 (vi) The total salary paid for instructional functions and  
25 for noninstructional functions and the amount of this salary  
26 paid for each of these functions from university funds, Federal  
27 funds and other funds.

28 (3) For each term of the period covered for each faculty  
29 member employed full time identified by two-digit CIP program  
30 category and title, the report shall contain an analysis of the

1 average hours per week spent in university-related activities,  
2 stating specifically hours spent in undergraduate classroom  
3 contact and graduate classroom contact, hours spent in  
4 preparation, hours spent in research and hours spent in public  
5 service.

6 Section 7. In addition to the requirements in section 6  
7 relative to this appropriation, the report covering the 12-month  
8 period beginning with the summer term 2001 shall include for all  
9 programs of the university:

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

12 (2) Number of bachelor's degrees, master's degrees, first  
13 professional degrees and doctoral degrees awarded in 1997, 1998,  
14 1999, 2000, 2001 and estimated 2002.

15 Section 8. (a) The following words and phrases when used in  
16 this section shall have the meanings given to them in this  
17 subsection unless the context clearly indicates otherwise:

18 "Academic and administrative support units." Any  
19 organizational entity, as defined in the organizational manual  
20 of the university, that reports directly to the president of the  
21 university, chief academic officer or vice president, including  
22 the office of the president, chief academic officer and vice  
23 president.

24 "Expenditures." Disbursements of State appropriations,  
25 tuition and fees supporting educational and general categories  
26 as defined in the Higher Education Finance Manual, Department of  
27 Health, Education and Welfare, 1975, or disbursement, supported  
28 by State appropriations, tuition or fees, to support a defined  
29 project or program under subsection (b)(3).

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

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

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

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

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

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

(ii) The actual revenue and expenditures of the defined program or project for the prior year in the same format as the information reported under paragraph (1).

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

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

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

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

(3) Nonsalary compensation as a percentage of salary.



1 Nonsalary compensation shall include, but not be limited to,  
2 medical benefits, life insurance benefits, pension benefits,  
3 leave benefits, employer Social Security payments and workers'  
4 compensation benefits.

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

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

8 (6) A list of purchase of service contracts which exceed  
9 \$1,000 by category of service, including, but not limited to,  
10 legal, instructional, management, accounting, architecture,  
11 public relations and maintenance. The list shall contain the  
12 name and address of the contractor, a statement of the nature of  
13 the duties of the contractor and the academic and administrative  
14 support unit for which the duties are performed. If a purchase  
15 of service contract exceeds 10% of the total aggregate  
16 expenditure of the contract category per academic or  
17 administrative support unit, then the contracted amount shall  
18 also be listed.

19 (7) A list of purchase of goods contracts which exceed  
20 \$1,000. The list shall contain the name and address of the  
21 contractor and a list of the goods purchased and the academic or  
22 administrative support unit for which such goods were  
23 contracted. If a purchase of goods contract exceeds 10% of the  
24 total aggregate expenditure per academic or administrative  
25 support unit, then the contracted amount shall also be listed.

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

29 (d) The university shall submit a report of the information  
30 under subsections (b) and (c) to the Education Committee of the

1 Senate and the Appropriations Committee of the Senate and the  
2 Education Committee of the House of Representatives and the  
3 Appropriations Committee of the House of Representatives. In  
4 addition, the university shall submit a copy of the report to  
5 each of the following:

6 (1) Governor's Office.

7 (2) Secretary of Education.

8 (3) State Treasurer.

9 (4) Auditor General.

10 (5) Joint State Government Commission.

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

14 (e) A university's report required to be submitted under  
15 this section shall be submitted within 180 days of the close of  
16 the university's current fiscal year.

17 (f) The Joint State Government Commission shall develop a  
18 statistical comparison analysis recognizing differences in  
19 missions from the reports made under this section. A majority of  
20 the members of the commission may request additional  
21 documentation, except for salary or identity of individuals,  
22 necessary to complete the comparative analysis. The comparison  
23 shall be provided to the Education Committee of the Senate and  
24 the Appropriations Committee of the Senate and the Education  
25 Committee of the House of Representatives and the Appropriations  
26 Committee of the House of Representatives and the four State  
27 regional libraries.

28 (g) The university shall make a copy of the minutes of each  
29 public meeting of the institution's board of trustees, as well  
30 as a copy of the institution's integrated postsecondary

1 education data systems report, available for public inspection  
2 in the institution's library.

3 Section 9. The Pennsylvania State University shall provide  
4 full, complete and accurate information as may be required by  
5 the Department of Education or the chairman or the minority  
6 chairman of the Appropriations Committee of the Senate or the  
7 chairman or the minority chairman of the Appropriations  
8 Committee of the House of Representatives.

9 Section 10. The Pennsylvania State University shall report  
10 its revenues and expenditures and present its financial  
11 statements required under the provisions of this act in  
12 accordance with generally accepted accounting principles and  
13 procedures for educational institutions as set forth in the  
14 "Higher Education Finance Manual, United States Department of  
15 Health, Education and Welfare (1975)" and the "Commonwealth of  
16 Pennsylvania Budget Instructions for the State System of Higher  
17 Education, State-Related Universities and Non-State-Related  
18 Colleges and Universities."

19 ~~Section 11. Commonwealth funds appropriated to the Trustees~~ <—  
20 ~~of The Pennsylvania State University may not be used to~~  
21 ~~subsidize the tuition of a student who is not a resident of this~~  
22 ~~Commonwealth. A current student who is not a resident of this~~  
23 ~~Commonwealth that receives a tuition subsidy prior to the~~  
24 ~~adoption of this act or any renewal or continuation of that~~  
25 ~~subsidy is exempt from this prohibition.~~

26 Section 12 11. This act shall take effect July 1, 2001, or <—  
27 immediately, whichever is later.