

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2490 Session of  
2002

INTRODUCED BY FLEAGLE, APRIL 8, 2002

REFERRED TO COMMITTEE ON APPROPRIATIONS, APRIL 8, 2002

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, 2002,  
19 to June 30, 2003, for the purposes and in the amounts as shown:

20 (1) For educational and general expenses..... \$237,698,000

1	(2) For the Information Systems Technology	
2	School.....	5,046,000
3	(3) For medical education.....	4,792,000
4	(4) For children's hospital.....	5,044,000
5	(5) For the Central Pennsylvania Psychiatric	
6	Institute.....	1,963,000
7	(6) For the cost of agricultural research.....	22,994,000
8	(7) For the cost of agricultural extension	
9	services.....	26,446,000
10	(8) To enhance the recruitment and retention	
11	of disadvantaged students.....	348,000
12	(9) For the Pennsylvania College of	
13	Technology.....	12,288,000
14	(10) For debt service related to the former	
15	Williamsport Area Community College.....	1,453,000

16 Section 2. Payments to The Pennsylvania State University on  
17 account of the appropriations for all items as provided in  
18 section 1 shall be made on the basis of costs during the fiscal  
19 year.

20 Section 3. If necessary, The Pennsylvania State University  
21 may transfer funds among the appropriations listed in section  
22 1(1), (4) and (5), provided that the aggregate amount  
23 transferred into or out of each appropriation during the fiscal  
24 year shall not exceed 5% of the amount specifically appropriated  
25 for that purpose.

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

29 (b) Such monthly payments shall be made in accordance with  
30 the provisions of section 2 on the basis of estimated costs. The

1 estimate of costs shall be submitted by The Pennsylvania State  
2 University to the Secretary of Education, the General Assembly  
3 and the State Treasurer not later than 30 days prior to the date  
4 on which such payment is to be made.

5 (c) Payments to The Pennsylvania State University provided  
6 in section 1(12) are contingent on the university making all  
7 articulation agreements with other higher education institutions  
8 available on the Internet.

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

21 (b) Such statement of expenditures and costs shall be  
22 reviewed by the Auditor General of the Commonwealth, and he  
23 shall have the right, in respect to the moneys appropriated by  
24 this act, to audit and disallow expenditures made for purposes  
25 not permitted by this act and to cause such sums to be recovered  
26 and paid by The Pennsylvania State University to the State  
27 Treasurer. In respect to expenditures made by the university  
28 from moneys other than those appropriated by this act, the  
29 Auditor General shall have the right to review only, and he  
30 shall file annually with the General Assembly such information

1 concerning such expenditures as the General Assembly or any of  
2 its committees may require.

3 Section 6. A report shall be submitted to the Governor and  
4 the Appropriations and Education Committees of the Senate and  
5 House of Representatives and shall include data for all programs  
6 except the Doctor of Medicine program. The report, to be  
7 submitted prior to September 1, 2003, shall cover the 12-month  
8 period beginning with the summer term 2002 and shall include:

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

11 (i) The definitions and numbers of faculty members employed  
12 full time, of faculty members employed part time, of full-time  
13 students enrolled in graduate courses, of full-time students  
14 enrolled in undergraduate courses, of part-time students  
15 enrolled in graduate courses and of part-time students enrolled  
16 in undergraduate courses.

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

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

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

29 (2) For the summer term and the following academic year in  
30 total and for each two-digit CIP program category, a

1 classification of faculty members or other professional  
2 employees by title, including: professor, associate professor,  
3 assistant professor, instructor, lecturer, research associate,  
4 librarian and academic administrator; faculty members or other  
5 professional employees under each title to be subdivided by type  
6 of assignment: teaching and nonteaching; and each such set of  
7 faculty members or other professional employees to be further  
8 subdivided by type of employment: full-time or part-time; and  
9 the following aggregates for each such subdivided  
10 classification:

11 (i) The number of faculty and other professional employees  
12 and their full-time equivalence in instructional and  
13 noninstructional functions.

14 (ii) The sum of credits assigned to undergraduate classroom  
15 courses and the sum of credits assigned to graduate classroom  
16 courses taught, divided into lower division, upper division,  
17 master's, first professional and doctoral course levels.

18 (iii) The sum of credits assigned to undergraduate  
19 individual instruction courses and the sum of credits assigned  
20 to graduate individual instruction courses taught, divided into  
21 lower division, upper division, master's, first professional and  
22 doctoral course levels.

23 (iv) The sum of undergraduate classroom student credit hours  
24 and the sum of graduate classroom student credit hours  
25 generated, divided into lower division, upper division,  
26 master's, first professional and doctoral course levels.

27 (v) The sum of undergraduate individual instruction student  
28 credit hours and the sum of graduate individual instruction  
29 student credit hours generated, divided into lower division,  
30 upper division, master's, first professional and doctoral course

1 levels.

2 (vi) The total salary paid for instructional functions and  
3 for noninstructional functions and the amount of this salary  
4 paid for each of these functions from university funds, Federal  
5 funds and other funds.

6 (3) For each term of the period covered for each faculty  
7 member employed full time identified by two-digit CIP program  
8 category and title, the report shall contain an analysis of the  
9 average hours per week spent in university-related activities,  
10 stating specifically hours spent in undergraduate classroom  
11 contact and graduate classroom contact, hours spent in  
12 preparation, hours spent in research and hours spent in public  
13 service.

14 Section 7. In addition to the requirements in section 6  
15 relative to this appropriation, the report covering the 12-month  
16 period beginning with the summer term 2002 shall include for all  
17 programs of the university:

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

20 (2) Number of bachelor's degrees, master's degrees, first  
21 professional degrees and doctoral degrees awarded in 1998, 1999,  
22 2000, 2001, 2002 and estimated 2003.

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

26 "Academic and administrative support units." Any  
27 organizational entity, as defined in the organizational manual  
28 of the university, that reports directly to the president of the  
29 university, chief academic officer or vice president, including  
30 the office of the president, chief academic officer and vice

1 president.

2 "Expenditures." Disbursements or payments of State  
3 appropriations, tuition and fees supporting operational,  
4 educational or other general categories of expenses as defined  
5 in: the generally accepted accounting principles as prescribed  
6 by the National Association of College and University Business  
7 Officers, the American Institute of Certified Public  
8 Accountants, or by their successors, or by any other recognized  
9 authoritative body; the "Commonwealth of Pennsylvania Budget  
10 Instructions for the State System of Higher Education, State-  
11 Related Universities and Non-State-Related Colleges and  
12 Universities"; and, the financial reporting policies and  
13 standards promulgated by the Commonwealth of Pennsylvania and by  
14 the Federal Government that apply to the Pennsylvania State  
15 University.

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 9. 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 10. The Pennsylvania State University shall present  
26 and report its financial statements required under the  
27 provisions of this act in accordance with: the generally  
28 accepted accounting principles as prescribed by the National  
29 Association of College and University Business Officers, the  
30 American Institute of Certified Public Accountants, or their

1 successors, or by any other recognized authoritative body; the  
2 "Commonwealth of Pennsylvania Budget Instructions for the State  
3 System of Higher Education, State-Related Universities and Non-  
4 State-Related Colleges and Universities"; and, the financial  
5 reporting policies and standards promulgated by the Commonwealth  
6 of Pennsylvania and by the Federal Government that apply to the  
7 Pennsylvania State University.

8 Section 11. This act shall take effect July 1, 2002, or  
9 immediately, whichever is later.