
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 824 Session of
2005

INTRODUCED BY FEESE, MARCH 14, 2005

REFERRED TO COMMITTEE ON APPROPRIATIONS, MARCH 14, 2005

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, 2005,
19 to June 30, 2006, for the purposes and in the amounts as shown:

20 (1) For educational and general expenses..... \$246,002,000

1	(2) For the cost of agricultural research.....	23,094,000
2	(3) For the cost of agricultural extension	
3	services.....	27,787,000
4	(4) To enhance the recruitment and retention	
5	of disadvantaged students.....	434,000
6	(5) For the Pennsylvania College of	
7	Technology.....	11,761,000
8	(6) For debt service related to the former	
9	Williamsport Area Community College.....	1,389,000

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

14 Section 3. If necessary, The Pennsylvania State University
15 may transfer funds listed in section 1(1) to the appropriation
16 listed in section 1(2), (3), (4), (5) and (6), provided that the
17 aggregate amount transferred out of section 1(1) shall not
18 exceed 5% of the amount specifically appropriated for that
19 purpose.

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

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

29 Section 5. (a) The Pennsylvania State University shall
30 apply the moneys appropriated by this act only for such purposes

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

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

23 Section 6. A report shall be submitted to the Governor and
24 the Appropriations and Education Committees of the Senate and
25 House of Representatives and shall include data for all
26 programs. The report, to be submitted prior to September 1,
27 2006, shall cover the 12-month period beginning with the summer
28 term 2005 and shall include:

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

1 (i) The definitions and numbers of faculty members employed
2 full time, of faculty members employed part time, of full-time
3 students enrolled in graduate courses, of full-time students
4 enrolled in undergraduate courses, of part-time students
5 enrolled in graduate courses and of part-time students enrolled
6 in undergraduate courses.

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

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

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

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

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

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

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

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

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

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

26 (3) For each term of the period covered for each faculty
27 member employed full time identified by two-digit CIP program
28 category and title, the report shall contain an analysis of the
29 average hours per week spent in university-related activities,
30 stating specifically hours spent in undergraduate classroom

1 contact and graduate classroom contact, hours spent in
2 preparation, hours spent in research and hours spent in public
3 service.

4 Section 7. In addition to the requirements in section 6
5 relative to this appropriation, the report covering the 12-month
6 period beginning with the summer term 2005 shall include for all
7 programs of the university:

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

10 (2) Number of bachelor's degrees, master's degrees, first
11 professional degrees and doctoral degrees awarded in 2001, 2002,
12 2003, 2004, 2005 and estimated 2006.

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

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

22 "Expenditures." Disbursements or payments of State
23 appropriations, tuition and fees supporting operational,
24 educational or other general categories of expenses as defined
25 in: the generally accepted accounting principles as prescribed
26 by the National Association of College and University Business
27 Officers, the American Institute of Certified Public
28 Accountants, or by their successors, or by any other recognized
29 authoritative body; the "Commonwealth of Pennsylvania Budget
30 Instructions for the State System of Higher Education, State-

1 Related Universities and Non-State-Related Colleges and
2 Universities"; and, the financial reporting policies and
3 standards promulgated by the Commonwealth of Pennsylvania and by
4 the Federal Government that apply to the Pennsylvania State
5 University.

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

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

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

12 (2) The actual revenue and expenditures for the prior year
13 in the same format as the information reported under paragraph
14 (1).

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

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

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

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

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

30 (1) The number of employees by academic rank and by

1 classification the number of administrators, staff, clerical and
2 technical service employees.

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

6 (3) Nonsalary compensation as a percentage of salary.
7 Nonsalary compensation shall include, but not be limited to,
8 medical benefits, life insurance benefits, pension benefits,
9 leave benefits, employer Social Security payments and workers'
10 compensation benefits.

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

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

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

25 (7) A list of purchase of goods contracts which exceed
26 \$1,000. The list shall contain the name and address of the
27 contractor and a list of the goods purchased and the academic or
28 administrative support unit for which such goods were
29 contracted. If a purchase of goods contract exceeds 10% of the
30 total aggregate expenditure per academic or administrative

1 support unit, then the contracted amount shall also be listed.

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

5 (d) The university shall submit a report of the information
6 under subsections (b) and (c) to the Education Committee of the
7 Senate and the Appropriations Committee of the Senate and the
8 Education Committee of the House of Representatives and the
9 Appropriations Committee of the House of Representatives. In
10 addition, the university shall submit a copy of the report to
11 each of the following:

12 (1) Governor's Office.

13 (2) Secretary of Education.

14 (3) State Treasurer.

15 (4) Auditor General.

16 (5) Joint State Government Commission.

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

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

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

1 Committee of the House of Representatives and the Appropriations
2 Committee of the House of Representatives and the four State
3 regional libraries.

4 (g) The university shall make a copy of the minutes of each
5 public meeting of the institution's board of trustees, as well
6 as a copy of the institution's integrated postsecondary
7 education data systems report, available for public inspection
8 in the institution's library.

9 Section 9. The Pennsylvania State University shall provide
10 full, complete and accurate information as may be required by
11 the Department of Education or the chairman or the minority
12 chairman of the Appropriations Committee of the Senate or the
13 chairman or the minority chairman of the Appropriations
14 Committee of the House of Representatives.

15 Section 10. The Pennsylvania State University shall present
16 and report its financial statements required under the
17 provisions of this act in accordance with: the generally
18 accepted accounting principles as prescribed by the National
19 Association of College and University Business Officers, the
20 American Institute of Certified Public Accountants, or their
21 successors, or by any other recognized authoritative body; the
22 "Commonwealth of Pennsylvania Budget Instructions for the State
23 System of Higher Education, State-Related Universities and Non-
24 State-Related Colleges and Universities"; and, the financial
25 reporting policies and standards promulgated by the Commonwealth
26 of Pennsylvania and by the Federal Government that apply to the
27 Pennsylvania State University.

28 Section 11. The Pennsylvania State University shall make all
29 articulation agreements with other higher education institutions
30 available on the Internet.

1 Section 12. This act shall take effect July 1, 2005, or
2 immediately, whichever is later.