
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 929 Session of
2007

INTRODUCED BY ARMSTRONG, JUNE 8, 2007

AS AMENDED, COMMITTEE ON APPROPRIATIONS, HOUSE OF
REPRESENTATIVES, JULY 14, 2007

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, 2007,
19 to June 30, 2008, for the purposes and in the amounts as shown:

1	(1) For education and general expenses.....	\$263,499,000	
2	(2) For the cost of agricultural research.....	25,094,000	<—
3	(3) For the cost of agricultural extension		
4	services.....	29,787,000	
5	(2) FOR THE COST OF AGRICULTURAL RESEARCH.....	25,595,000	<—
6	(3) FOR THE COST OF AGRICULTURAL EXTENSION		
7	SERVICES.....	30,384,000	
8	(4) To enhance the recruitment and retention		
9	of disadvantaged students.....	454,000	
10	(5) For the Pennsylvania College of		
11	Technology.....	12,659,000	<—
12	TECHNOLOGY.....	12,909,000	<—
13	(6) For debt service related to the former		
14	Williamsport Area Community College.....	1,389,000	

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

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

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

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

1 University to the Secretary of Education, the General Assembly
2 and the State Treasurer not later than 30 days prior to the date
3 on which such payment is to be made.

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

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

28 Section 6. A report shall be submitted to the Governor and
29 the Appropriations and Education Committees of the Senate and
30 House of Representatives and shall include data for all

1 programs. The report, to be submitted prior to September 1,
2 2008, shall cover the 12-month period beginning with the summer
3 term 2007 and shall include:

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

6 (i) The definitions and numbers of faculty members employed
7 full time, of faculty members employed part time, of full-time
8 students enrolled in graduate courses, of full-time students
9 enrolled in undergraduate courses, of part-time students
10 enrolled in graduate courses and of part-time students enrolled
11 in undergraduate courses.

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

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

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

24 (2) For the summer term and the following academic year in
25 total and for each two-digit CIP program category, a
26 classification of faculty members or other professional
27 employees by title, including: professor, associate professor,
28 assistant professor, instructor, lecturer, research associate,
29 librarian and academic administrator; faculty members or other
30 professional employees under each title to be subdivided by type

1 of assignment: teaching and nonteaching; and each such set of
2 faculty members or other professional employees to be further
3 subdivided by type of employment: full-time or part-time; and
4 the following aggregates for each such subdivided
5 classification:

6 (i) The number of faculty and other professional employees
7 and their full-time equivalence in instructional and
8 noninstructional functions.

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

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

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

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

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

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

9 Section 7. In addition to the requirements in section 6
10 relative to this appropriation, the report covering the 12-month
11 period beginning with the summer term 2007 shall include for all
12 programs of the university:

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

15 (2) Number of bachelor's degrees, master's degrees, first
16 professional degrees and doctoral degrees awarded in 2003, 2004,
17 2005, 2006, 2007 and estimated 2008.

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

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

27 "Expenditures." Disbursements or payments of State
28 appropriations, tuition and fees supporting operational,
29 educational or other general categories of expenses as defined
30 in: the generally accepted accounting principles as prescribed

1 by the National Association of College and University Business
2 Officers, the American Institute of Certified Public
3 Accountants, or by their successors, or by any other recognized
4 authoritative body; the "Commonwealth of Pennsylvania Budget
5 Instructions for the State System of Higher Education, State-
6 Related Universities and Non-State-Related Colleges and
7 Universities"; and, the financial reporting policies and
8 standards promulgated by the Commonwealth of Pennsylvania and by
9 the Federal Government that apply to the Pennsylvania State
10 University.

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

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

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

17 (2) The actual revenue and expenditures for the prior year
18 in the same format as the information reported under paragraph
19 (1).

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

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

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

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

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

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

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

11 (3) Nonsalary compensation as a percentage of salary.
12 Nonsalary compensation shall include, but not be limited to,
13 medical benefits, life insurance benefits, pension benefits,
14 leave benefits, employer Social Security payments and workers'
15 compensation benefits.

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

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

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

30 (7) A list of purchase of goods contracts which exceed

1 \$1,000. The list shall contain the name and address of the
2 contractor and a list of the goods purchased and the academic or
3 administrative support unit for which such goods were
4 contracted. If a purchase of goods contract exceeds 10% of the
5 total aggregate expenditure per academic or administrative
6 support unit, then the contracted amount shall also be listed.

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

10 (d) The university shall submit a report of the information
11 under subsections (b) and (c) to the Education Committee of the
12 Senate and the Appropriations Committee of the Senate and the
13 Education Committee of the House of Representatives and the
14 Appropriations Committee of the House of Representatives. In
15 addition, the university shall submit a copy of the report to
16 each of the following:

17 (1) Governor's Office.

18 (2) Secretary of Education.

19 (3) State Treasurer.

20 (4) Auditor General.

21 (5) Joint State Government Commission.

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

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

28 (f) The Joint State Government Commission shall develop a
29 statistical comparison analysis recognizing differences in
30 missions from the reports made under this section. A majority of

1 the members of the commission may request additional
2 documentation, except for salary or identity of individuals,
3 necessary to complete the comparative analysis. The comparison
4 shall be provided to the Education Committee of the Senate and
5 the Appropriations Committee of the Senate and the Education
6 Committee of the House of Representatives and the Appropriations
7 Committee of the House of Representatives and the four State
8 regional libraries.

9 (g) The university shall make a copy of the minutes of each
10 public meeting of the institution's board of trustees, as well
11 as a copy of the institution's integrated postsecondary
12 education data systems report, available for public inspection
13 in the institution's library.

14 Section 9. The Pennsylvania State University shall provide
15 full, complete and accurate information as may be required by
16 the Department of Education or the chairman or the minority
17 chairman of the Appropriations Committee of the Senate or the
18 chairman or the minority chairman of the Appropriations
19 Committee of the House of Representatives.

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

1 of Pennsylvania and by the Federal Government that apply to the
2 Pennsylvania State University.

3 Section 11. The Pennsylvania State University shall make all
4 articulation agreements with other higher education institutions
5 available on the Internet.

6 Section 12. This act shall take effect July 1, 2007, or
7 immediately, whichever is later.