



House Bill No. 5279

Public Act No. 12-129

AN ACT CONCERNING PUBLIC INSTITUTIONS OF HIGHER EDUCATION.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsection (b) of section 10a-151b of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2012*):

(b) Purchases made pursuant to this section shall be based, when possible, on competitive bids or competitive negotiation. Such chief executive officer shall solicit competitive bids or proposals by sending notice to prospective suppliers and by posting notice on a public bulletin board in [his] such officer's office. Such notice shall contain a notice of state contract requirements pursuant to section 4a-60. Each bid or proposal shall be kept sealed until opened publicly at the time stated in the notice soliciting such bid or proposal. Sealed bids or proposals shall include bids or proposals sealed within an envelope or maintained within a safe and secure electronic environment until such time as they are publicly opened. If the amount of the expenditure is estimated to exceed fifty thousand dollars, not later than five calendar days before the final date of submitting competitive bids or proposals, competitive bids or proposals shall be solicited by public notice [inserted at least once in two or more publications, at least one of

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which shall be a major daily newspaper published in the state, and shall be] posted on the Internet. [, and at least five calendar days before the final date of submitting bids or proposals.] All purchases fifty thousand dollars or less in amount shall be made in the open market, but shall, when possible, be based on at least three competitive quotations. If desired by the constituent unit, competitive quotations may include quotations submitted to the constituent unit within a safe and secure electronic environment. The constituent unit shall not refuse to consider a bid, proposal or quotation because it is not submitted electronically.

Sec. 2. Subsection (r) of section 1-84 of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2012*):

(r) (1) Notwithstanding the provisions of subsections (b) and (c) of this section, a member of the faculty or a member of a faculty bargaining unit of a constituent unit of the state system of higher education may enter into a consulting agreement or engage in a research project with a public or private entity, provided such agreement or project does not conflict with the member's employment with the constituent unit, as determined by policies established by the board of trustees for such constituent unit.

(2) The board of trustees for each constituent unit of the state system of higher education shall establish policies to ensure that any such member who enters such a consulting agreement or engages in such a research project (A) is not inappropriately using university proprietary information in connection with such agreement or project, (B) does not have an interest in such agreement or project that interferes with the proper discharge of his or her employment with the constituent unit, and (C) is not inappropriately using such member's association with the constituent unit in connection with such agreement or project. Such policies shall (i) establish procedures for the disclosure, review and

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management of conflicts of interest relating to any such agreement or project, (ii) require the approval by the chief academic officer of the constituent unit, or his or her designee, prior to any such member entering into any such agreement or engaging in any such project, and (iii) include procedures that impose sanctions and penalties on any member for failing to comply with the provisions of the policies. [Semiannually] Annually, the internal audit office of each constituent unit shall audit the constituent unit's compliance with such policies and report its findings to the committee of the constituent unit established pursuant to subdivision (3) of this subsection. For purposes of this subsection, "consulting" means the provision of services for compensation to a public or private entity by a member of the faculty or member of a faculty bargaining unit of a constituent unit of the state system of higher education: (I) When the request to provide such services is based on such member's expertise in a field or prominence in such field, and (II) while such member is not acting in the capacity of a state employee, and "research" means a systematic investigation, including, but not limited to, research development, testing and evaluation, designed to develop or contribute to general knowledge in the applicable field of study.

(3) There is established a committee for each constituent unit of the state system of higher education to monitor the constituent unit's compliance with the policies and procedures described in subdivision (2) of this subsection governing consulting agreements and research projects with public or private entities by a member of the faculty or a member of a faculty bargaining unit of such constituent unit. Each committee shall consist of nine members as follows: (A) Three members, appointed jointly by the Governor, the speaker of the House of Representatives, the president pro tempore of the Senate, the majority leader of the House of Representatives, the majority leader of the Senate, the minority leader of the House of Representatives and the minority leader of the Senate, who shall serve as members for each

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such committee; (B) one member appointed by the chairperson of the constituent unit's board of trustees from the membership of such board; (C) the chief academic officer of the constituent unit, or his or her designee; (D) three members appointed by the chief executive officer of the constituent unit; [L] and (E) one member appointed by the chairperson of the Citizen's Ethics Advisory Board from the membership of such board. Members shall serve for a term of two years. Any vacancies shall be filled by the appointing authority. Each committee shall (i) review the [semiannual] annual reports submitted by the internal audit office for the constituent unit, pursuant to subdivision (2) of this subsection, (ii) make recommendations, annually, to the board of trustees of the constituent unit concerning the policies and procedures of the constituent unit established pursuant to subdivision (2) of this subsection, including any changes to such policies and procedures, and (iii) send a copy of such recommendations, in accordance with section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to higher education and government administration.

(4) The provisions of subsections (b) and (c) of this section shall apply to any member of the faculty or member of a faculty bargaining unit of a constituent unit of the state system of higher education who enters such a consulting agreement or engages in such a research project without prior approval, as described in subdivision (2) of this subsection.

Sec. 3. Section 10a-128 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2012*):

(a) The University of Connecticut may record as assets, and spend not more than ninety per cent of, the book value of accounts receivable that are estimated [by independent auditors] as collectible at the John Dempsey Hospital and for its clinical programs at The University of Connecticut Health Center in Farmington. A report of book value shall

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be made by the university to the State Comptroller each quarter and verified by the Auditors of Public Accounts as requested by the State Comptroller. The State Comptroller shall record the value on the books of the state and approve expenditures against said value.

[(b) The University of Connecticut may record as assets, and spend not more than seventy per cent of, the book value of accounts receivable that are estimated by independent auditors as collectible at the Uncas-on-Thames Hospital. A report of book value shall be made by the university to the State Comptroller each quarter. The Comptroller shall record the value on the books of the state and approve expenditures against said value.]

[(c)] (b) The University of Connecticut may record as assets, and spend not more than seventy per cent of, the book value of accounts receivable that are estimated [by independent auditors] as collectible at The University of Connecticut Health Center for its university physicians' clinical operations, provided no expenditures against said value shall be approved by the Comptroller unless and until the balance of funds held in the health center fund established under subsection (c) of section 10a-105 is zero or less than zero. The health center shall defray the cost to the state of any such expenditures by paying, at least quarterly, to the State Treasurer the state's cost of funds at an average rate of interest equivalent to the rate or rates of interest payable on the state's outstanding short term borrowings or, if there are no outstanding borrowings, the rate of interest for thirty-day state obligations of comparable security and quality as determined by the State Treasurer, or as determined by the State Treasurer based upon at least two quotations from dealers thereof. Any interest payments received by the State Treasurer from the health center pursuant to this subsection which have not been applied to pay debt service on the state's short term borrowings, if any, by the end of any fiscal year, shall be treated as revenue to the General Fund. A report of book value shall

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be made by the university to the State Comptroller each quarter and verified by the Auditors of Public Accounts as requested by the State Comptroller. The State Comptroller shall record the value on the books of the state and approve expenditures against said value.

Sec. 4. Section 10a-110b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2012*):

The university shall [be entitled to] own, or [to] participate in the ownership of, and shall be entitled to place in the custody of the foundation to the extent of such ownership, any invention [, on the following conditions: (a) The university shall be entitled to own the entire right, title and interest in and to any invention in category A, in] as follows:

(1) In any instance in which [such] any invention in category A is conceived in the course of performance of customary or assigned duties of the employee inventor or inventors, or in which the invention emerges from any research, development or other program of the university, or is conceived or developed wholly or partly at the expense of the university, or with the aid of its equipment, facilities or personnel, the entire right, title and interest in and to such invention shall automatically vest in the university. In each such instance, the employee inventor shall be [deemed to be] obligated, by reason of his or her employment by the university, to disclose his or her invention fully and promptly to an authorized executive of the university; [to assign to the university the entire right, title and interest in and to each invention in category A;] to execute instruments of assignment; [to that effect;] and to execute such proper patent applications on such invention as may be requested by an authorized executive of the university, and to give all reasonable aid in the prosecution of such patent applications and the procurement of patents thereon; [(b) the university shall have the rights defined in subsection (a) of this section with]

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(2) With respect to inventions in category B, to the extent to which an employee has or employees have disposable interests therein, [; and to the same extent the employee or employees shall be obligated as defined in said subsection (a); (c) the] all such interests shall automatically vest in the university and, by reason of such employee's or employees' employment by the university, such employee or employees shall be obligated to take the same actions required by subdivision (1) of this section with respect to inventions in category A; and

(3) The university shall have no right to inventions in category C, except as may be otherwise provided in contracts, express or implied, between the university or the foundation and those entitled to the control of inventions in category C.

Sec. 5. Subsection (a) of section 10a-104 of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2012*):

(a) The Board of Trustees of The University of Connecticut shall: (1) Make rules for the government of the university and shall determine the general policies of the university, including those concerning the admission of students and the establishment of schools, colleges, divisions and departments, and shall direct the expenditure of the university's funds within the amounts available; (2) develop the mission statement for The University of Connecticut, and all campuses thereof, which shall include, but not be limited to, the following elements: (A) The educational needs of and constituencies served by said university and campuses; (B) the degrees offered by said university; and (C) the role and scope of each institution and campus within the university system, which shall include each institution's and campus' particular strengths and specialties; [. The board of trustees shall submit the mission statement to the Board of Regents for Higher Education for review and approval in accordance with the provisions

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of section 10a-6;] (3) establish policies for the university system and for the individual institutions and campuses under its jurisdiction; (4) submit to the Board of Regents for Higher Education, for approval, recommendations for the establishment of new academic programs; (5) make recommendations, [to the Board of Regents for Higher Education,] when appropriate, regarding institutional or campus mergers or closures; (6) coordinate the programs and services of the institutions and campuses under its jurisdiction; (7) be authorized to enter into agreements, consistent with the provisions of section 5-141d, to save harmless and indemnify sponsors of research grants to The University of Connecticut, provided such an agreement is required to receive the grant and limits liability to damages or injury resulting from acts or omissions related to such research by employees of the university; (8) promote fund-raising to assist the university and report to the executive director of the Office of Financial and Academic Affairs for Higher Education and the joint standing committee of the General Assembly having cognizance of matters relating to education by January 1, 1994, and biennially thereafter, on such fund-raising; (9) charge the direct costs for a building project under its jurisdiction to the bond fund account for such project, provided (A) such costs are charged in accordance with a procedure approved by the Treasurer and (B) nothing in this subdivision shall permit the charging of working capital costs, as defined in the applicable provisions of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, or costs originally paid from sources other than the bond fund account; (10) exercise the powers delegated to it pursuant to section 10a-109d; and (11) establish by October 1, 1997, policies governing the acceptance of gifts made by a foundation established pursuant to sections 4-37e and 4-37f to the university or its employees for reimbursement of expenditures or payment of expenditures on behalf of the university or its employees.

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Sec. 6. Subsection (d) of section 10a-105 of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2012*):

(d) Commencing December 1, 1981, and thereafter not later than sixty days after the close of each quarter, the board of trustees shall submit to the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and the Office of Policy and Management [, through the Board of Regents for Higher Education,] a report on the actual expenditures of The University of Connecticut Operating Fund and The University of Connecticut Health Center Operating Fund containing such relevant information as the Office of Policy and Management may require in the form prescribed by the board of regents in accordance with subsection (a) of section 10a-8.

Sec. 7. Subsection (a) of section 10a-6 of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2012*):

(a) The Board of Regents for Higher Education shall: (1) Establish state-wide policy and guidelines for Connecticut's system of public higher education; (2) develop a master plan for higher education and postsecondary education, consistent with the goals in subsection (b) of this section; (3) establish state-wide tuition and student fee policies; (4) establish state-wide student financial aid policies; (5) monitor and evaluate institutional effectiveness and viability in accordance with criteria established by the board; (6) merge or close institutions within the Connecticut State University System, the regional community-technical college system and the Board for State Academic Awards in accordance with criteria established by the board, provided (A) such recommended merger or closing shall require a two-thirds vote of the board and (B) notice of such recommended merger or closing shall be sent to the committee having cognizance over matters relating to

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education and to the General Assembly; (7) review and approve mission statements for the [constituent units] Connecticut State University System, the regional community-technical college system and the Board for State Academic Awards and role and scope statements for the individual institutions and campuses [thereof] of such constituent units; (8) review and approve any recommendations for the establishment of new academic programs submitted to the board by the constituent unit boards of trustees, and, in consultation with the affected constituent units, provide for the initiation, consolidation or termination of academic programs. The Board of Regents for Higher Education shall notify the board of trustees affected by the proposed termination of an academic program. Within ninety days of receipt of such notice, said trustees shall accept or reject the termination proposal and shall notify the Board of Regents for Higher Education of its action. If the termination proposal is rejected by the trustees, the Board of Regents for Higher Education may override the rejection by a two-thirds vote; (9) develop criteria to ensure acceptable quality in programs and institutions and enforce standards through licensing and accreditation; (10) prepare and present to the Governor and General Assembly, in accordance with section 10a-8, consolidated operating and capital expenditure budgets for public higher education developed in accordance with the provisions of said section 10a-8; (11) review and make recommendations on plans received from the constituent unit boards of trustees for the continuing development and maximum utilization of the state's public higher education resources; (12) appoint advisory committees to assist in defining and suggesting solutions for the problems and needs of higher education; (13) establish an advisory council for higher education with representatives from public and private institutions to study methods and proposals for coordinating efforts of all such institutions in providing a stimulating and enriched educational environment for the citizens of the state, including measures to improve educational opportunities through alternative and nontraditional approaches such as external

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degrees and credit by examination; (14) coordinate programs and services throughout public higher education and between public and independent institutions, including procedures to evaluate the impact on independent institutions of higher education of proposals affecting public institutions of higher education; (15) make or enter into contracts, leases or other agreements in connection with its responsibilities under this part, provided all acquisitions of real estate by lease or otherwise shall be subject to the provisions of section 4b-23; (16) be responsible for the care and maintenance of permanent records of institutions of higher education dissolved after September 1, 1969; (17) prepare and present to the Governor and General Assembly legislative proposals affecting public higher education, including proposals which utilize programs and facilities of independent institutions of higher education; (18) develop and maintain a central higher education information system and establish definitions and data requirements for the state system of higher education; and (19) undertake such studies and other activities as will best serve the higher educational interests of the state.

Approved June 15, 2012