
OLR Bill Analysis

sHB 6887

AN ACT CONCERNING HIGHER EDUCATION MANAGEMENT AND FISCAL ACCOUNTABILITY.

SUMMARY

This bill requires the Board of Regents for Higher Education (BOR) and UConn Board of Trustees to adopt or update their management and fiscal accountability policies to cover the following topics by January 1, 2026: (1) use of purchasing cards and state vehicles, (2) residency requirements for certain executive positions, and (3) training on business functions and compliance practices (§§ 1 & 2).

The bill also requires the BOR to establish an internal audit office by January 1, 2026, to conduct regular audits and report to the BOR (§ 3).

Additionally, the bill requires the comptroller to conduct a randomized post-audit examination of the Connecticut State Colleges and Universities' (CSCU) records and expenditures and requires the BOR to provide or allow access to records for this purpose (§ 3).

Beginning by October 1, 2025, the bill requires each constituent unit (including for any central office) to submit quarterly any budget and expense data required by the comptroller for the statewide fiscal transparency program and databases. The bill requires the constituent units and comptroller to agree on the form and manner of submitting the data (§ 4).

The bill also makes a technical change.

EFFECTIVE DATE: July 1, 2025

POLICIES

Under the bill, the BOR must adopt or amend certain policies, as outlined above, applicable to each constituent unit it oversees (the state

universities and Connecticut State Community College) and the CSCU central office. The UConn Board of Trustees must adopt or amend the same policies for UConn.

For purchasing cards, the policies must address:

1. proper card uses;
2. cardholder training on proper uses and record-keeping requirements, with a signed acknowledgment of receiving training;
3. secondary review and sign-off in order to exceed card spending limits;
4. supervisor training on regular monitoring of card use;
5. card use by executives on food and entertainment;
6. accountability measures and enforcement for card misuse, including written acknowledgment of misuse, agreements to remedy misuse, and card revocation.

For state vehicles, the policies must address:

1. rules for vehicle use and record-keeping,
2. how use is treated for compensation and tax purposes, and
3. accountability measures and enforcement for misuse and noncompliance.

The policies must also require uniform training for executives, administrators, and staff about their positions' business functions and compliance practices.

Residency

The bill requires policies addressing residency requirements for executive positions such as chancellor, vice-chancellor, president, vice-president, and equivalent positions. The bill requires any employment

contract negotiated on or after July 1, 2025, for CSCU chancellor or UConn president to require that these officials maintain their primary residence in the state.

BOR INTERNAL AUDIT OFFICE

The bill requires the BOR to establish an internal audit office by January 1, 2026, which must conduct regular audits of records and expenditures at the state universities, Connecticut State Community College, and the CSCU central office, as often as the office deems necessary, for:

1. compliance with applicable laws, regulations, and BOR policies;
2. reliability of financial reporting and record-keeping;
3. effectiveness and efficiency of operations; and
4. adequacy and uniformity of internal controls and compliance practices.

The office must also (1) report to the BOR on its findings and recommendations and (2) perform the audit required by existing law regarding faculty consulting agreements and outside research projects.

BACKGROUND

Constituent Units of Higher Education

By law, the constituent units of higher education are the (1) University of Connecticut, including all its campuses, and (2) CSCU, including the state universities, regional community technical colleges, and Charter Oak State College.

COMMITTEE ACTION

Higher Education and Employment Advancement Committee

Joint Favorable Substitute

Yea 18 Nay 0 (02/27/2025)