

1 STATE OF OKLAHOMA

2 1st Session of the 51st Legislature (2007)

3 HOUSE BILL 1767

By: Blackwell

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5  
6 AS INTRODUCED

7 An Act relating to schools; amending 70 O.S. 2001,  
8 Sections 3218.8, as amended by Section 2, Chapter 4,  
9 O.S.L. 2003 and 3218.9, as amended by Section 3,  
10 Chapter 4, O.S.L. 2003 (70 O.S. Supp. 2006, Sections  
11 3218.8 and 3218.9), which relate to tuition and fees;  
12 limiting tuition and fees increases each year;  
13 amending 70 O.S. 2001, Section 3903, which relates to  
14 the allocation and allotment system for The State  
15 System of Higher Education; updating statutory  
16 language; changing Oklahoma State Regents for Higher  
17 Education budget preparation timeframe; deleting  
18 certain process for allocating funds for the Regents  
19 budget; providing for appropriation of funds for the  
20 Regents budget; providing an effective date; and  
21 declaring an emergency.

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24 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 70 O.S. 2001, Section 3218.8, as  
amended by Section 2, Chapter 4, O.S.L. 2003 (70 O.S. Supp. 2006,  
Section 3218.8), is amended to read as follows:

Section 3218.8 A. The Oklahoma State Regents for Higher  
Education are authorized to establish undergraduate resident  
tuition, nonresident tuition and mandatory fees, which students  
shall pay as a condition of enrollment, except as otherwise provided

1 by law. The process for establishing tuition and mandatory fees  
2 shall incorporate the provisions of Section 3218.14 of this title.

3 1. At the comprehensive universities the combined average of  
4 the resident tuition and mandatory fees, as determined by the State  
5 Regents, shall remain less than the combined average of the resident  
6 tuition and fees at the state-supported institutions of higher  
7 education that are members of the Big Twelve Conference on the  
8 effective date of this act. The combined average of the nonresident  
9 tuition and mandatory fees, as determined by the State Regents,  
10 shall remain less than one hundred five percent (105%) of the  
11 combined average of the nonresident tuition and fees at the state-  
12 supported institutions of higher education that are members of the  
13 Big Twelve Conference on the effective date of this act.

14 2. At the regional universities and two-year colleges the  
15 combined average of the resident tuition and mandatory fees, as  
16 determined by the State Regents, shall remain less than the combined  
17 average of the resident tuition and mandatory fees at like-type  
18 state-supported institutions of higher education in states  
19 determined by the State Regents that include, but are not limited  
20 to, those adjacent to Oklahoma. The combined average of the  
21 nonresident tuition and mandatory fees, as determined by the State  
22 Regents, shall remain less than one hundred five percent (105%) of  
23 the combined average of the nonresident tuition and fees at like-  
24 type state-supported institutions of higher education in states

1 determined by the State Regents that include, but are not limited  
2 to, those adjacent to Oklahoma.

3 B. In its deliberation on the establishment of resident tuition  
4 rates for undergraduate and graduate education, the Oklahoma State  
5 Regents for Higher Education shall balance the affordability of  
6 public higher education with the provision of available, diverse and  
7 high-quality learning opportunities. In this endeavor the State  
8 Regents shall give consideration to the level of state  
9 appropriations, the state economy, the per capita income and cost of  
10 living, the college-going and college-retention rates, and the  
11 availability of financial aid in Oklahoma. For any increase in the  
12 tuition rates, the State Regents shall demonstrate a reasonable  
13 effort to effect a proportionate increase in the availability of  
14 need-based student financial aid. Need-based financial aid shall  
15 include, but shall not be limited to, awards for the Oklahoma Higher  
16 Learning Access Program, Oklahoma Tuition Aid Grants, federal need-  
17 based financial aid and tuition waivers, and private donations.

18 C. Notwithstanding the limits set forth in this section,  
19 beginning with the 2008-2009 academic year and each academic year  
20 thereafter, the Oklahoma State Regents for Higher Education shall  
21 not approve any increase in the combined average of resident tuition  
22 and mandatory fees or combined average of nonresident tuition and  
23 mandatory fees by an amount that is more than eight percent (8%) of  
24 the combined average resident tuition and mandatory fees or combined

1 average of nonresident tuition and mandatory fees for the preceding  
2 academic year.

3 D. Students permitted to audit courses shall pay the same  
4 resident tuition and nonresident tuition as required of students who  
5 enroll for course credit.

6 SECTION 2. AMENDATORY 70 O.S. 2001, Section 3218.9, as  
7 amended by Section 3, Chapter 4, O.S.L. 2003 (70 O.S. Supp. 2006,  
8 Section 3218.9), is amended to read as follows:

9 Section 3218.9 A. The Oklahoma State Regents for Higher  
10 Education are authorized to establish resident tuition, nonresident  
11 tuition and mandatory fees for graduate and professional courses and  
12 programs which shall remain less than the combined average of such  
13 tuition and fees for like-type graduate and professional courses and  
14 programs of comparable quality and standing at state-supported  
15 institutions of higher education as determined by the State Regents.  
16 Professional courses and programs include, but are not limited to,  
17 law, medicine, veterinary medicine, optometry, pharmacy, and  
18 dentistry.

19 B. Notwithstanding the limits set forth in this section,  
20 beginning with the 2008-2009 academic year and each academic year  
21 thereafter, the Oklahoma State Regents for Higher Education shall  
22 not approve any increase in the resident tuition, nonresident  
23 tuition, and mandatory fees for professional courses and programs by  
24 an amount that is more than eight percent (8%) of the resident

1 tuition, nonresident tuition, and mandatory fees for professional  
2 courses and programs for the preceding academic year.

3 SECTION 3. AMENDATORY 70 O.S. 2001, Section 3903, is  
4 amended to read as follows:

5 Section 3903. ~~(a)~~ A. The Oklahoma State System of Higher  
6 Education shall operate an allotment system similar to the procedure  
7 set out in the Oklahoma Budget Law of 1947, Sections 41.1 et seq. of  
8 Title 62 of the Oklahoma Statutes, for other agencies of the state  
9 except that the State Regents shall be substituted for the Director  
10 of State Finance in connection with approving allotment requests of  
11 the constituent institutions and agencies comprising the State  
12 System. The account classification for the State System shall  
13 conform as nearly as possible with the classification of accounts  
14 recommended by the publications of the National Association of  
15 College and University Business Officers. The State Regents shall  
16 allocate to each institution and agency in the State System, from  
17 the consolidated or lump-sum appropriation made by the Legislature,  
18 an amount sufficient to meet the needs and functions of the  
19 institution or agency for the entire year. Upon such allocation,  
20 monies appropriated for educational and general purposes shall be  
21 transferred to the Educational and General Operations Revolving Fund  
22 of the institution or agency and monies appropriated for capital  
23 improvement purposes shall be transferred to the Capital Improvement  
24 Revolving Fund of the institution or agency. The amount allocated

1 to an institution or agency for each fiscal year shall be made in a  
2 lump sum without regard to uniform budget or accounting  
3 classifications, but shall not be available for expenditure until  
4 subsequently allotted by the State Regents.

5 ~~(b)~~ B. The State Regents, with the approval of the Director of  
6 State Finance, may allot money to any ~~such~~ institution or agency to  
7 establish and operate a petty cash fund at the institution or  
8 agency; ~~said~~. The petty cash fund shall only be reimbursed upon the  
9 filing of claims showing the purposes for which the money was  
10 expended. No single expenditure from any petty cash fund so  
11 established and operated shall exceed Five Hundred Dollars  
12 (\$500.00). Splitting of invoices for the purpose of avoiding this  
13 limitation is prohibited. Except for payments to sports officials,  
14 research participants, refunds to students, competition judges, and  
15 temporary farm crews employed at Oklahoma Agricultural Experiment  
16 Stations, expenditures from ~~such~~ the fund for personal services,  
17 travel reimbursement, or professional services are prohibited.  
18 Further, the exemption for payments to sports officials and refunds  
19 to students is limited to only those institutions which have  
20 previously been authorized to participate in both the "Alternate  
21 Claims Processing", by the Director of State Finance, and "Remote  
22 Warrant Printing", by the State Treasurer. The Oklahoma State  
23 Regents for Higher Education shall publish uniform guidelines

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1 applicable to all institutions of higher education for expenditures  
2 from petty cash funds, which shall be strictly adhered to.

3 ~~(e)~~ C. Governing boards of control are integral parts of  
4 institutions under their respective jurisdiction; ~~therefore.~~  
5 Therefore, the expenses of boards in carrying out their respective  
6 duties shall be paid from the operating budgets of the institutions  
7 and other budget agencies under their jurisdiction. In cases where  
8 a board is the governing board for two or more institutions and/or  
9 other budget agencies, the board shall prorate its operating  
10 expenses among the institutions and/or other budget agencies so  
11 governed. Prior to the beginning of the fiscal year, each board  
12 shall prepare a budget, setting out in detail its necessary expenses  
13 for the entire fiscal year and shall, not later than July 1, file a  
14 copy of its budget with the President Pro Tempore of the Senate, the  
15 Speaker of the House of Representatives, the Director of State  
16 Finance and the Legislative Service Bureau. ~~Said~~ The budget shall  
17 include all full-time-equivalent positions in each activity or  
18 division and an itemization of all sources of income used for  
19 operations and programs. Each board shall revise its budget, if  
20 necessary, and provide ~~said~~ revisions to the President Pro Tempore  
21 of the Senate, the Speaker of the House of Representatives, the  
22 Director of State Finance, and the Legislative Service Bureau not  
23 later than January 1 of each year. In cases where a board has  
24 jurisdiction over two or more institutions or budget agencies, it

1 shall, not later than July 1, notify the President of each  
2 institution as to the amount of its pro rata share of the ~~board's~~  
3 expense budget of the board that will be assessed against the  
4 institution and/or other budget agency during the fiscal year.

5 ~~(d)~~ D. Prior to ~~the beginning of the fiscal~~ March 1 of each  
6 year, the coordinating board of the Oklahoma State Regents for  
7 Higher Education shall prepare a budget setting out in detail its  
8 necessary expenses for the entire fiscal year, and, not later than  
9 ~~July~~ April 1, shall file a copy of its budget with the Director of  
10 State Finance and the Legislative Service Bureau. ~~The State Regents~~  
11 ~~shall allocate the money required to fund its budget prior to making~~  
12 ~~distribution of appropriated monies to the various institutions of~~  
13 ~~The Oklahoma State System of Higher Education~~ expenses of the  
14 Regents shall be paid from appropriations made by the Legislature  
15 for that purpose.

16 ~~(e)~~ E. The Division of Central Accounting and Reporting shall  
17 make cash allocations of revenue in accordance with Section 23 of  
18 Article X of the Oklahoma Constitution, to each institution and  
19 agency, considering the total allocation made by the State Regents  
20 from the lump-sum legislative appropriation as the total  
21 appropriation for the institution or agency, in lieu of legislative  
22 appropriations. All income available to an institution or agency  
23 for educational and general purposes, as defined in the uniform  
24 budget and accounting classifications recommended by the

1 publications of the National Association of College and University  
2 Business Officers, and including income defined by law as revolving  
3 fund income, shall operate as a continuing nonfiscal appropriation  
4 which may be expended for any educational and general purpose for  
5 which appropriated funds may be expended, if allocated and allotted  
6 in accordance with the Oklahoma Budget Law of 1947, as provided in  
7 this section; provided that no obligation shall be incurred in  
8 excess of the unencumbered balance of cash on hand.

9 ~~(F)~~ F. At least thirty (30) days prior to the beginning of each  
10 fiscal year, each of the constituent institutions and agencies shall  
11 file with the State Regents its request for appropriation allotments  
12 for each of the purposes for which expenditures are to be made.  
13 ~~Such requests~~ Requests shall be in conformity with the uniform  
14 budget or accounting classifications recommended by the publications  
15 of the National Association of College and University Business  
16 Officers. Each request for appropriation allotments shall show the  
17 amount required to finance each item of the request for the entire  
18 year and for each quarter or each six-month period within the fiscal  
19 year, as required by the Director of State Finance. The State  
20 Regents, or their designated official or employee who has been  
21 authorized to approve itemized allotment requests, shall consider  
22 the allotment requests for the purpose of making a determination  
23 that: ~~(1) the~~

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1        1. The current financial requirements of the institution or  
2 agency concerned justify the allotment to be made; ~~(2) the~~

3        2. The accounting classification is sufficient to reflect the  
4 purpose for which expenditures are to be made and that ~~such~~ the  
5 classification is in accordance with the budget classifications  
6 adopted by the Director of State Finance and the State Regents,  
7 which shall conform as nearly as possible to the account  
8 classification recommended by the publications of the National  
9 Association of College and University Business Officers; and ~~(3) the~~

10       3. The realization of estimated revenues determined by the  
11 Director of State Finance is sufficient to allow the commitments to  
12 be made.

13       In allotting appropriations and other funds, and approving  
14 subsequent allotments, which may be required by each institution and  
15 agency the State Regents shall follow the same general procedure as  
16 other agencies of the state not under the control of the State  
17 Regents, except as otherwise provided in this section. All forms  
18 and account classifications shall be mutually agreed upon by the  
19 Director of State Finance and the State Regents. The State Regents  
20 shall file approved requests of constituent institutions and  
21 agencies with the Division of Central Accounting and Reporting. The  
22 State Regents and the Director of State Finance shall approve any  
23 request from the administrative head of a constituent institution or  
24 agency for amendment of the approved schedule of positions and

1 salaries or transfers between items, so long as the currently  
2 approved allotment for ~~such~~ those purposes is not exceeded and each  
3 ~~such~~ amendment shall be filed with the Director of State Finance, in  
4 ~~such~~ as much detail as ~~he~~ the Director may require, prior to the  
5 date on which the first payroll or other disbursement affected by  
6 such amendments is submitted for payment. In the event that the  
7 realization of estimated revenues at any time during the fiscal year  
8 indicates that the total revenue from that fiscal year to any state  
9 fund will be insufficient at the end of the fiscal year to meet the  
10 total appropriations from that fund, the Director of State Finance  
11 shall notify the State Regents as to the amount of reduction  
12 necessary against the consolidated, or lump-sum appropriation, made  
13 to the State Regents.

14 ~~(g)~~ G. The State Regents in making itemized allotments during  
15 the fiscal year, may reserve an amount sufficient to meet a  
16 reasonable failure of revenue until receipt of notice from the  
17 Director of State Finance that the realization of estimated revenues  
18 indicates that the total appropriations may be allotted for  
19 expenditure. Upon receipt of notice from the Director of State  
20 Finance of a necessary reduction in the consolidated, or lump-sum  
21 appropriation, to meet a failure in revenue, the State Regents shall  
22 immediately take action to control the approval of subsequent  
23 allotment requests sufficient to make the aggregate reduction in  
24 allotments of all constituent institutions under their control equal

1 the amount of reduction ordered against the lump-sum appropriation  
2 made by the Legislature. ~~Such~~ The reductions against the lump-sum  
3 appropriation shall not exceed the percentage reduction ordered  
4 against other agencies of the state, in accordance with Section 23  
5 of Article X of the Oklahoma Constitution.

6 SECTION 4. This act shall become effective July 1, 2007.

7 SECTION 5. It being immediately necessary for the preservation  
8 of the public peace, health and safety, an emergency is hereby  
9 declared to exist, by reason whereof this act shall take effect and  
10 be in full force from and after its passage and approval.

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