## No. 1980-196

## AN ACT

HB 419

Amending the act of August 24, 1963 (P.L.1132, No.484), entitled "An act providing for the creation, establishment and operation of community colleges, granting certain powers to the State Board of Education, the Council of Higher Education and the Department of Public Instruction; authorizing school districts, county boards of school directors and municipalities to sponsor community colleges; authorizing school districts and municipalities to levy certain taxes; providing for reimbursements by the Commonwealth of certain costs and expenses, and making an appropriation," further providing for payments by the Commonwealth and providing for the status of the submission of the budget.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Subsection (b) of section 6, act of August 24, 1963 (P.L.1132, No.484), known as the "Community College Act of 1963," amended October 26, 1965 (P.L.651, No.322), is amended to read:

Section 6. Powers and Duties of Board of Trustees. - \* \* \*

(b) Contracts shall be entered into and other acts shall be done by the board of trustees of a community college in the name of the community college. The board of trustees shall submit an annual budget for consideration and approval by the local sponsor. The submission of the budget by the board of trustees shall constitute a "formal action" as defined by the act of July 19, 1974 (P.L.486, No.175), referred to as the Public Agency Open Meeting Law. The board of trustees shall supervise the expenditure of appropriations made by the local sponsor and shall conduct the business affairs of the community college in accordance with rules, regulations and procedures approved by the local sponsor. All property purchased by or granted to the board of trustees of a community college shall be held in the name of a community college on behalf of the local sponsor of the college.

Section 2. Subsection (b) of section 14 of the act, amended July 18, 1974 (P.L.480, No.173), is amended to read:

- Section 14. Financial Program; Reimbursement or Payments.—
- (b) (1) The Commonwealth shall pay to a community college on behalf of the sponsor on account of its operating costs during the fiscal year from funds appropriated for that purpose an amount equal to one-third of such college's approved operating costs not to exceed one thousand five hundred dollars (\$1,500) for fiscal years up to and including 1979-1980 and one thousand eight hundred dollars (\$1,800)

for fiscal year 1980-1981 and thereafter per student multiplied by the number of equivalent full-time students determined by an audit to be made in a manner prescribed by the State Board of Education. In addition the Commonwealth shall pay to a community college on account of its operating costs for all equivalent full-time students enrolled in two-year or less than two-year terminal non-liberal arts programs, a sum of one hundred and fifty dollars (\$150) for each such equivalent full-time student. The Secretary of Education shall have the power and his duty shall be to designate the programs of study which conform to the intent of this act. Each community college shall maintain such accounting and student attendance records on generally accepted principles and standards as will lend themselves to satisfactory audit. The Commonwealth shall pay to a community college on behalf of the sponsor on account of its capital expenses an amount equal to one-half of such college's annual capital expenses from funds appropriated for that purpose to the extent that said capital expenses have been approved as herein provided.

(2) For purposes of determining Commonwealth reimbursement of operating costs, Federally funded expenditures for those programs in which the Commonwealth participates in the cost shall be deducted from total operating expenditures to determine net reimbursable operating costs.

Section 3. This act shall take effect immediately and shall be retroactive to July 1, 1980.

APPROVED—The 9th day of December, A. D. 1980.

DICK THORNBURGH