

**STATE OF ILLINOIS  
BLUE RIBBON COMMITTEE ON HIGHER EDUCATION MANDATES**



REPORT TO THE MEMBERS OF THE ILLINOIS GENERAL ASSEMBLY  
BY  
THE BLUE RIBBON COMMITTEE ON HIGHER EDUCATION MANDATES  
PURSUANT TO HOUSE RESOLUTION 918

November 2010

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## **EXECUTIVE SUMMARY**

The Blue Ribbon Committee presents this report to the members of the Illinois General Assembly pursuant to House Resolution 918. The objective of the resolution and this report is to identify the unnecessary and costly statutory and regulatory mandates placed on public universities and to recommend the elimination or modification of mandates. These recommendations will not harm university students or staff, negatively impact the academic integrity of the public universities, or conflict with federal regulations. This report is the culmination of work conducted by the committee members during the summer of 2010. The committee is comprised of 13 representatives from the university administrations, board members, faculty and staff, the business community, teacher organizations, and others.

The Committee analyzed more than 100 statutory and regulatory mandates imposed upon public universities. Using the guidelines provided by House Resolution 918, each mandate was analyzed to determine its origin, significance, purpose, and impact. Committee members were very careful in drafting their recommendations to ensure that services would not be reduced and integrity would be maintained. Their analysis is provided in this report and documented in the attached appendices.

Six mandates were identified by the Committee as high-impact and worthy of the General Assembly's immediate attention. These recommendations include the elimination or modification of three mandates that would result in an estimated \$55.1 million in annual savings for public universities. The other three recommendations, if implemented, will provide long-term indirect savings by reducing administrative work and promoting efficiencies at public universities. Two additional mandates are included in this report as areas of concern. The Committee asks the General Assembly to also review these two concerns during the upcoming fiscal year.



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## Introduction

The past decade witnessed a decline in state funding for postsecondary education in many states, and Illinois has been hit particularly hard. State General Funds support for Illinois public universities decreased from the “high water” mark of \$1.5 billion in FY2002 to the FY2011 appropriation of \$1.3 billion, without adjusting for the effects of inflation. When a required \$45 million contribution for state health insurance and the loss of reimbursement from the state for tuition and fee waivers provided through the Illinois Veterans Grant are figured in, the reduction has been even more extreme. Furthermore, in fiscal years 2010 and 2011, the state has fallen far behind in its payments to the universities, forcing them to seek statutory authority to borrow funds while waiting for promised state funds. Looking ahead, the fiscal condition of the state, particularly the burden of dealing with what has been identified by some researchers as the most underfunded pension system in the country, makes it very unlikely that additional resources will be available any time soon. Unfortunately, reduced and unpredictable state funding has placed considerable pressure on tuition and fees, which have become the most reliable source of operating support.

In this environment, universities have routinely been asked for and have provided legislative committees with specific items -- statutes, regulations, requirements, and procedures -- that could be revised or eliminated to save the universities time and/or money. Despite these attempts to temper funding realities with regulatory relief, little or no progress has been made in the way of reducing or eliminating university mandates. In 2005, the IBHE conducted a study of mandates and requirements that identified key areas of concern and made specific recommendations.<sup>1</sup> Due to various circumstances, few of the recommendations have been implemented. In 2008, the IBHE collected information on the costs of unfunded mandates from the universities for the House Higher Education Appropriations committee. In that ad hoc survey, universities reported annual spending of over \$100 million on various mandates including group health insurance contributions, various tuition waiver programs, and other requirements.

On March 17, 2010, the Illinois House of Representatives passed House Resolution 918 (HR 918). Sponsored by Representatives Pritchard and Rose, HR 918 created a Blue Ribbon Committee on Higher Education Mandates to review state mandates on public universities to determine whether the mandates are: (1) necessary for the health and safety of students in compliance with federal laws; (2) essential to the academic integrity of public university systems; (3) exceed federal requirements; or (4) superfluous to the core academic programs of public universities. The Blue Ribbon Committee established by HR 918 requires the participation of members from organizations representing the interests of university administrators, university governing board members, university faculty and staff, the business community, IBHE staff, two representatives of teachers unions, and others as deemed necessary by the committee. The Resolution states that “the Committee shall make recommendations to the General Assembly on the elimination of unnecessary and costly statutory and regulatory mandates on public universities.”

In April 2010, IBHE staff sought nominations from Presidents and Chancellors, the business community, and educational organizations to establish the committee. The first meeting was held June 28<sup>th</sup> at the Illinois State University campus. Subsequent conference calls were held to discuss university issues, committee priorities, and recommendations.

The Committee identified several key areas of concern and developed a set of recommendations that would provide the universities with administrative and financial relief without sacrificing the health and welfare of their students or the academic integrity of their campuses. The Committee made a deliberate decision to limit the number of mandates that they wish to call to the General Assembly’s

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<sup>1</sup> Illinois Board of Higher Education, August 23, 2005, Item #CA-4 (see Appendix D for recommendations).

attention, focusing on a few high-impact mandates that are most costly or cumbersome to the universities. The report makes a set of recommendations aimed at addressing those costly and/or unnecessary mandates.

### **Categorization and Evaluation of Mandates**

Illinois public universities serve more than 200,000 students in all geographic areas of the state. While these universities differ in many regards, they are all engaged in a comprehensive array of academic and business-related activities that are ordinarily categorized into instruction, research, and public service. Due to their comprehensive missions, there are a staggering number of ever-changing and increasing mandates that pertain to and impact public universities in Illinois. External auditors spend a great deal of time reviewing university compliance with these mandates and requirements. The appendices to this report provide a comprehensive listing of mandates including statutory citations and brief descriptions. To enhance its ability to review the long list of items, the Committee organized the mandates into six main topical areas and then reviewed them on an individual basis (see Appendix A for classification, citation, and description). The topical categories employed by the Committee were:

- Procurement
- Human Resources
- Financial Aid and Student Services
- Facilities and Operations
- Reporting and Compliance
- Other

HR 918 called for the Committee to evaluate state mandates using four criteria to determine whether a mandate: (1) is necessary for the health and safety of students in compliance with federal laws, (2) is essential to the academic integrity of public university systems, (3) exceeds federal requirements, or (4) is superfluous to the core academic programs of public universities. Not all of the mandates impacting public universities fall into one of these categories, and the Committee felt that it was appropriate to slightly revise the categories and add a category on good business practices to address mandates that were not directly connected to the academic side of the universities but were nonetheless important for accountability and sound management. Proposed revisions provide more information regarding the nature and value of each mandate. In addition, the Committee felt that if an item fell into category #2, “essential to the academic integrity of public university systems,” that it would automatically be precluded from being in category #4, “superfluous to the core academic programs of public universities.”

Appendix B demonstrates the application of the evaluation criteria to the mandates organized by topic. Many of the regulatory mandates, though by no means all of them, do meet one or more of the criteria defined by the House Resolution. Appendix B also demonstrates that there is relatively little overlap between the state mandates and federal mandates. Public universities are units of the state, which governs their operations in a manner different than the federal government. Most of the state mandates, as evidenced by the list of categories above, are operational in nature and dictate how the universities are to be administered and how their financial resources will be employed. There are many other federal mandates, particularly related to the administration and reporting of federal grants, federal financial aid, and student information reporting, but they tend not to overlap with questions of timekeeping, procurement, and facilities except in the context of federal grants and contracts. For this reason, the criterion of exceeding a federal requirement is generally not applicable to state mandates. The list of federal mandates contained in Appendix C is related to information reporting requirements, included as an illustration of just one aspect of federal mandates that apply to universities.

## Priority Recommendations

The Blue Ribbon Committee reviewed the statutory mandates that impact public universities and made the recommendation that the revision or elimination of the following mandates would reduce public university costs and improve operating efficiencies without negatively impacting students or sacrificing the academic integrity of the institution.

Item	Category
Illinois Veterans Grant/Tuition Waivers	Financial Aid & Student Services

### *Statutory/Regulatory Source & Description*

*A qualified applicant is not required to pay any tuition or mandatory fees while attending a State-controlled university or public community college in this state for a period that is equivalent to 4 years of full-time enrollment including summer terms. (Higher Education Student Assistance Act, 110 ILCS 947/40)*

To be considered a qualified applicant, eligible for a waiver, the student must be an Illinois resident, have served at least 1 year in the armed forces of the United States, and have received an honorable discharge.

### *Issue*

Public universities are required to waive tuition and fees for students meeting certain eligibility criteria. These tuition and fee waivers are classified by the state as mandatory waivers, and they include waivers such as the Illinois Veterans Grant program, the Illinois National Guard program, the Special Education Grants program, the General Assembly Scholarship program, and the Partial Tuition Waivers for Children of University Employees program. These programs were created by the General Assembly to recognize and assist certain classes of students but result in millions of dollars of foregone tuition and fees each year.

By far the most costly mandatory waiver program is the Illinois Veterans Grant (IVG) program. The IVG program, which is administered by the Illinois Student Assistance Commission (ISAC), waives the tuition and mandatory fees of Illinois veterans attending public universities or community colleges for the equivalent of four years of full-time enrollment. In the past, the state reimbursed the universities for most of the cost of the waivers through an appropriation made to ISAC. However, the appropriation for the program, which reached \$22 million in fiscal year 1999, has dwindled while the cost of the waivers has increased dramatically -- the result of the large number of Illinois veterans of the Iraq and Afghanistan campaigns who have returned to the state to study and recent increases in tuition and fees driven by declining state support for higher education. In fiscal year 2010, the IVG program waived tuition and fees totaling \$26.8 million for eligible veterans attending public universities, while ISAC reimbursed the universities only \$3.7 million. In fiscal year 2011, ISAC received no appropriations for these grants and will not be providing any reimbursement to the colleges and universities for the IVG program.

### *Recommendation*

The federal government provides benefits to veterans for education costs and living expenses. These benefits were recently enhanced by the passage of the Post-9/11 GI Bill, which is available to veterans serving after September 11, 2001. While taking care to ensure that no reduction in benefits would occur, Illinois veterans could be asked to take full advantage of the available federal benefits provided by the Post-9/11 GI Bill or the Montgomery GI Bill before state benefits are considered. This could result in

increased benefits for the student veterans and a reduction in the costs of the IVG waivers that are now borne entirely by the universities.

***Impact/Savings***

In FY2010, Illinois public universities waived \$23.1 million in veterans’ tuition and fees charges that were not reimbursed by the Illinois Veterans Grant Program. In fiscal year 2011, no funds are provided for the IVG program, and the estimated cost has increased to \$29.5 million. While coordination of the IVG program with federal veterans’ benefits would not eliminate waiver costs for the universities, the costs would be reduced substantially, thereby lessening pressure on the universities to increase tuition on non-IVG recipient students.

***Next Steps***

Work with ISAC, the Illinois Department of Veterans Affairs, the General Assembly, and the Governor’s Office to seek broad support for a legislative solution that coordinates resources available from federal veterans’ benefits program with the IVG program so that all Illinois veterans receive the full benefits they have earned, but at a reduced cost to the state and to public universities.

Item	Category
Procurement/SB 51 Issues	Procurement

***Statutory/Regulatory Source & Description***

Various amendments to the Illinois Procurement Code made pursuant to Senate Bill 51 (Public Act 96-795).

***Issue***

The public universities have multiple concerns regarding recent changes to the Illinois Procurement Code. Changes introduced by PA 96-795 were intended to improve state purchasing procedures, but have had unintended and detrimental consequences for some public university operations, often creating increased regulatory requirements that delay purchasing and increase costs. In response to these concerns a new Commission was created to study the Code and to recommend revisions “so that purchases by public universities can be completed in a more efficient manner” (House Resolution 919). Major issues raised by HR 919 Committee members include the following:

- **Documentation Requirements:** The requirements of the Illinois Procurement Code have resulted in university procurement staff focusing more on compliance than “best deal/value.” The universities do not believe, in this time of severe economic crisis, that students, faculty and taxpayers benefit from this shift. The increase in paperwork (hearings, notices, certifications, etc.) has led to costly delays in procuring goods and services and an increase in administrative burden and cost due to the need to hire additional staff needed to comply with increased documentation requirements.
- **Research and Libraries:** Numerous features of the procurement code will result in critical delays that will have an adverse impact on research competitiveness. In order to attract and retain leading researchers, universities with a significant research mission need to be competitive and offer researchers incentives and efficient, streamlined procedures. Registration requirements with

the State Board of Elections could impact research equipment vendors willing to do business with the state, and restrictions on communications between faculty and equipment vendors could make it impossible for researchers to collaborate on the development of state-of-the-art equipment needed for path-breaking work. Increased restrictions in general could result in an exodus of research faculty and the research dollars that they attract from Illinois. Ultimately, this could negatively impact student classroom opportunities and increase tuition.

- **Impact on Diversity Opportunities:** Under the current terms of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act, the state considers only vendors registered under the Business Enterprise Program to meet state requirements. The universities would like to see this program expanded to include all diversity expenditures. Further, universities are concerned that with the changes of Public Act 96-795, disadvantaged and minority business participation will decrease. Based on direct feedback from vendors, many do not understand the complex requirements for bidding on projects and are concerned about the plethora of legal requirements contained in certifications and disclosures. Due to the level of paperwork and documentation required of the prime contractor, many firms may elect not to participate.
- **Cooperative/Consortium Purchasing:** Cooperative or consortium purchasing allows universities to participate in large-scale joint purchasing agreements which reduce the cost of the product, service, or commodity being sought. The ability to enter into and expand involvement in these types of agreements allows universities to maximize purchasing power and keep tuition increases to a minimum. Procurement requirements inhibit universities' ability to leverage scarce resources through joint purchasing agreements. Furthermore, cooperative bid and contract posting requirements result in lost opportunities and lost pricing advantages for universities. Along with losing their competitive edge, universities are faced with the increased administrative burden and cost of meeting the new bidding and purchasing mandates.
- **Accreditation:** In order to maintain a certain level of recognition, higher education institutions must meet standards established and accepted for accreditation. The Illinois Procurement Code does not account for the unique needs associated with the accreditation process. The price of the accrediting body is dictated by the market and is not the driving factor in the procurement of the accrediting body. Given the structure of the accreditation process, accreditation is not a recognition that can be provided by an alternative organization. Requirements such as the new sole source requirement are a considerable hindrance to the university accreditation process. The increased administrative requirements associated with PA 96-795 could result in the lack of, or confusion about, the status of accreditation of the university which would be devastating to the institution. Furthermore, if contracts are voided by the Procurement Policy Board under their new authority, a university's entire accreditation, mission, and existence could be at risk.
- **Athletic Programs:** The procurement code contains provisions that are not practical for the unique needs of public university intercollegiate athletic programs. In certain instances, the code conflicts with the terms, conditions, or agreements with leagues or member conferences, and/or other requirements dictated by the NCAA. In most cases, venues, team lodging, and transportation to athletic events are dictated by the organization or affiliated tournament or event. Vendors providing these types of services typically operate with league agreements and are hesitant and/or unwilling to agree to state contract terms and conditions. In addition, procurement posting requirements do not recognize the last-minute arrangements for the types of services that are sometimes needed in athletics, particularly in post-season tournament play when notification time is very short. For universities, the impact includes inability to comply with requirements as well as potential lost revenue due to reduction in sponsors and vendors, merchandising revenues,

- **Artistic Events and Performances:** Similar to issues raised for intercollegiate athletics, state procurement contract requirements are not practical for many unique areas related to arts and entertainment. Entertainment contracts are primarily a revenue generating activity where the objective is to sell enough tickets to recover the cost of the entertainment and venue. The university negotiates with the entertainer to obtain the best value contract, but the driving factor is not price. Artists frequently take exception to state contract requirements because many times they conflict with confidentiality agreements required by agents and entertainers. As a result, artists seek alternative non-state venues. In addition, the procurement code posting requirements or sole source hearings requirements do not provide for same-day commitments or fast turnaround arrangements that are commonplace for entertainers. Artists' agents typically sign contracts the day of the performance and expect prompt payment. These restrictions make it increasingly difficult to attract top artists or entertainers to State of Illinois facilities. The economic impact of not holding a concert or event in a local community could result in a significant loss of revenue, depending on the size of the venue and the artist.
- **Capital Projects:** At this time, the Capital Development Board has the sole authority to use the Design Build or Single Prime delivery method. Universities, on the other hand, have limited project delivery options that do not take advantage of new processes and systems available in the design and construction industry. Universities are required to bid projects to multiple prime contractors for construction projects over \$250,000. As a result, design and construction timelines for university projects tend to be longer than in the private sector. In addition, universities prioritize and encourage diversity participation in design and construction and have the objective of insuring that construction projects meet the university's sustainability goals. Increased subcontractor requirements are burdensome and difficult to monitor and increased documentation requirements, particularly communications reporting related to construction change orders, are extremely time consuming and could result in additional delays.

To address these issues, the House Resolution 919 Commission recommends a variety of options including statutory changes, administrative rules changes, an exemption for non-appropriated funds, and the creation of a separate procurement code for Illinois public institutions of higher education.

### ***Recommendation***

The Committee recommends supporting the House Resolution 919 Commission recommendations to revise the Illinois Procurement Code without compromising compliance and transparency.

### ***Impact/Savings***

These changes will reduce the administrative burden placed on universities without negatively impacting the university.

### ***Next Steps***

Public universities and the Illinois Board of Higher Education should support the report presented by the House Resolution 919 Commission.

Item	Category
CDB Construction Administration Fee	Facilities

***Statutory/Regulatory Source & Description***

*To charge contract administration fees used to administer and process the terms of contracts awarded by this State. Contract administration fees shall not exceed 3% of the contract amount. This Section is repealed June 30, 2012. (Capital Development Board Act, 20 ILCS 3105/9.02 a)*

The Contract Administration Fee was increased from 1.5% to 3.0% in July 2003. (Public Act 93-32)

***Issue***

Universities are subject to a 3.0% fee on state funded capital construction projects that are managed by the Capital Development Board (CDB). Capital appropriations for university projects are made directly to CDB which provides project oversight and project management.

***Recommendation***

If capital project appropriations were made directly to universities, the savings to the universities would be significant. The fee could either be reduced or CDB involvement could be optional or only required for projects meeting certain criteria. Many universities, particularly those with a residential mission, already construct substantial numbers of large, complex capital projects without CDB involvement, and some capital appropriations are made directly to the universities.

***Impact/Savings***

The Illinois Jobs Now! capital program includes \$1.6 billion in appropriations for higher education capital projects. Of that total, approximately \$820.6 million in projects are at public universities. A 3.0% reduction in costs would reflect a potential savings of \$24.6 million to public universities.

***Next Steps***

Work with the CDB to develop acceptable legislative proposals that will address part or all of this recommendation.

Item	Category
State Universities Retirement System 6% Rule	Human Resources

***Statutory/Regulatory Source & Description***

*If the amount of a participant's earnings for any academic year used to determine the final rate of earnings, determined on a full-time equivalent basis, exceeds the amount of his or her earnings with the same employer for the previous academic year, determined on a full-time equivalent basis, by more than 6%, the participant's employer shall pay to the System, in addition to all other payments required under this Section and in accordance with guidelines established by the*

*System, the present value of the increase in benefits resulting from the portion of the increase in earnings that is in excess of 6%.(Illinois Pension Code, 40 ILCS 5/15-155(g))*

**Issue**

The purpose of the 6% rule is to discourage institutions from artificially inflating late career salaries to increase pension payouts for their employees. A number of exemptions to this rule currently exist to avoid penalizing institutions for late career salary increases for their employees that occur for various and legitimate reasons. Collective bargaining agreements entered into, amended, or renewed before June 1, 2005; overloads and summer teaching contracts; overtime; and promotions to an existing position are all exempted from the 6% rule. These exemptions will expire on June 30, 2011. As a result, institutions may become subject to financial penalties for situations that naturally occur; e.g., a faculty member who becomes Department Chair or Dean might warrant a salary increase in excess of 6% that would be subject to the 6% rule.

**Recommendation**

Make adjustments to the statute to allow some limited retirement incentives to promote operating efficiencies through reductions in workforce and continue current practice by eliminating the June 30, 2011, expiration date for the exemptions to the 6% rule.

**Impact/Savings**

This would be helpful to public university administration and could ultimately lead to cost savings. The exemptions to the 6% Rule provided public universities with a reduction of \$984,824 to the State Universities Retirement System bill of \$1,763,501 in fiscal year 2010. An elimination of all exemptions would nearly double the cost of the 6% rule to the public universities and could result in fewer course offerings for students because of increased costs to offer overload and summer courses.

**Next Steps**

Work with the State Universities Retirement System (SURS) Board of Trustees to develop an acceptable statutory language change proposal.

<b>Item</b>	<b>Category</b>
CMS/Movable Equipment Inventory Level	Reporting and Compliance

**Statutory/Regulatory Source & Description**

*Annually, and upon at least 30 days notice, the [CMS] administrator may require each responsible office to make, or cause to be made, an actual physical inventory check of all items of property under his jurisdiction and control and said inventory shall be certified to the administrator with a full accounting of all errors or exceptions reported therein. (State Finance Act, 30 ILCS 605/6.04)*

*Agencies shall provide the [CMS] Property Control Division on an annual basis a listing of all equipment items valued in excess of \$500. (Annual Inventory, 44 Ill. Adm. Code 5010.460(c)).*

**Issue**

Currently, all university property with an original purchase price of \$500 or more must be tagged and tracked for inventory purposes. Tracking items using this threshold is extremely time consuming and ultimately can become more costly than the items themselves. A higher purchase price threshold would provide adequate property controls while reducing administrative costs. By way of example, equipment with an original cost greater than or equal to \$5,000 represents only 24 percent of the total number of assets at the University of Illinois, but accounts for 80 percent of the value currently being tracked.

**Recommendation**

Raise the property control limit to \$5,000 since the asset value of \$500 has remained constant for 22 years and has not increased with the rate of inflation.

**Impact/Savings**

Raising the control limit will reduce tracking requirements, improve efficiency, and eventually result in savings realized through reduced work load for accounting and property control staff, all without compromising accountability over valuable property.

**Next Steps**

Work with the Central Management Services (CMS) to develop an acceptable amendment to raise the property control limit.

Item	Category
IBHE Approval of Non-instructional Capital Projects	Facilities

**Statutory/Regulatory Source & Description**

*Each state supported institution within the application of this Act must submit its plan for capital improvements of non-instructional facilities to the Board [of Higher Education] for approval before final commitments are made. Non-instructional uses shall include but not be limited to dormitories, union buildings, field houses, stadium, other recreational facilities and parking lots. The Board shall determine whether or not any project submitted for approval is consistent with the master plan for higher education and with instructional buildings that are provided for therein. If the project is found by a majority of the Board not to be consistent, such capital improvement shall not be constructed. (Board of Higher Education Act, 110 ILCS 205/8)*

**Issue**

This statutory requirement places undue administrative burden on public universities and can delay capital projects. Each board of trustees has the authority to consider, approve, or reject contracts, financing, and purchases related to these types of projects. This additional step is a barrier that slows down work being done on campus. On many occasions, the university completes preliminary steps and spends a significant amount of time and money only to be held up by this “double” approval process. The trustees have immediate access to campus administrators and can get detailed information on student support or concerns, as well as detailed financial analysis of the project. In recent years, external auditors

on some campuses are issuing audit finds related to this requirement despite the repair and maintenance nature of the work being completed.

**Recommendation**

The committee identified three options: (1) repeal the requirement that the Illinois Board of Higher Education (IBHE) approve all non-instructional capital projects; (2) more clearly specify which non-instructional capital projects require IBHE approval; or (3) implement dollar thresholds at which non-instructional capital projects are subject to IBHE approval.

**Impact/Savings**

Repeal of non-instructional capital project reviews would reduce administrative burdens for public university staff and the IBHE staff. It would also alleviate potential financial impact if delays impact bids or RFP processes or create missed opportunities for land and facility purchases purchase, favorable interest rates, etc.

**Next Steps**

The IBHE and public universities should collaborate to propose legislation that will eliminate or limit the need for IBHE approval of non-instructional capital facilities.

**Additional Areas of Concern**

Item	Category
Group Health Insurance Contributions, \$45 million	Human Resources

In December 2001, Governor Ryan requested that higher education contribute \$45 million to Central Management Services (CMS) to cover a shortfall in the State group insurance program. At that time, there was little guidance or discussion about the length of time that level of commitment would continue. Over the past decade, this required payment has continued at the \$45 million level. The Committee recommends that a repeal of the billing policy would result in a total savings of \$45 million annually. By institution, the totals are as follows:

Chicago State University	\$ 1,024,000
Eastern Illinois University	1,713,300
Governors State University	656,200
Illinois State University	3,078,300
Northeastern Illinois University	1,072,600
Northern Illinois University	3,541,300
Western Illinois University	1,944,800
Southern Illinois University	7,076,300
University of Illinois	<u>24,893,200</u>
Total	\$45,000,000

<b>Item</b>	<b>Category</b>
Employee Timekeeping	Human Resources

The State Officials and Employees Ethics Act (SOEEA) was signed into law in late 2003. One component of the Act requires agency/institutional employees to document the time spent each day on official State business to the nearest quarter hour using an approved timekeeping system. While initial discussions between the public universities and the Governor’s Office of the Executive Inspector General (OEIG) indicated a general level of understanding and recognition by OEIG of the fundamental work place differences between the public universities and state agencies, the current provision of SOEEA remain in effect at this time for public universities nonetheless.

The Committee does not believe that public university employees and board members should be exempt from the broad intent of the legislation. However, the Committee asks that the General Assembly consider reviewing the timekeeping requirements for faculty members to consider alternative methods to accommodate the unique nature of the academic work place while also remaining true to the law’s original intent.

## Conclusion

Pursuant to House Resolution 918, this Blue Ribbon Committee has reviewed more than 100 statutory mandates and identified a limited set of mandates to revise or eliminate. A deliberate decision was made by the Committee to bring only a few high-impact mandates to the attention of the General Assembly in an effort to improve the likelihood of implementation. The Committee would also note that a more thorough discussion of changes to state procurement requirements and related cost savings is included in the report in response to HR 919 and, as a result, are not extensively discussed in this report. These Committee recommendations would reduce public university costs and improve operating efficiencies without negatively impacting students or sacrificing the academic integrity of the institution. Shown below are the six high-impact mandates identified by the committee members and the estimated savings if these mandates on public universities were revised or eliminated.

Mandates to Revise or Eliminate	Estimated Direct Cost Savings	Long Term Indirect Savings
Illinois Veterans Grant/Tuition Waivers	\$29.5 million	
Procurement/SB 51 Issues	*See HR 919 report	Reduce Administrative Burdens & Costs
CDB Construction Administration Fee	\$24.6 million	
State Universities Retirement System, 6% Rule	\$1.0 million	Promote Efficiencies
CMS/Movable Equipment Inventory Level		Reduce Work Load
IBHE Approval of Non-instructional Capital Projects		Reduce Administration & Alleviate Costly Delays
TOTAL:	\$55.1 million	

The Committee also identified two areas of concern that are recommended for review by the General Assembly. First, for the past ten years, the public universities have annually contributed \$45 million to cover a shortfall in the State group insurance program. The Committee recommends a review of this policy to determine when this practice could be discontinued. Second, the Committee asks the General Assembly to review the employee timekeeping requirements of the State Officials and Employees Ethics Act as applied to the faculty reporting. An opportunity to explore alternative methodologies that comply with the recordkeeping requirements and also accommodate the fundamental work place differences between the public universities and state agencies is recommended.

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## **APPENDIX A: STATUTORY MANDATES**

## Appendix A: Statutory Mandates

Category	Subject Area	State Agency	Act	Statute	Short Description
Procurement	Guaranteed energy savings contract	Capital Development Board	Public University Energy Conservation Act	110 ILCS 62/20  110 ILCS 62/25	The guaranteed energy savings contract shall include a written guarantee of the qualified provider that either the energy or operation cost savings, or both, will meet or exceed with 20 years the costs of the energy conservation measures.  The University may enter into an installment payment contract or lease purchase agreement with a qualified provider or with third-party lender for the purchase and installation of energy conservation.  Before entering into a guaranteed energy savings contract, University shall submit a request for proposal and evaluate proposals using listed criteria.
Procurement	SB51 - Chief Procurement Officer & contract award decision	Executive Ethics Commission	Procurement Code	30 ILCS 500/20-155 (b)	The procurement file shall contain a written determination, signed by the chief procurement officer or State purchasing officer, setting forth the reasoning for the contract award decision.
Procurement	SB51 - Vendor registration with the State Board of Elections	Executive Ethics Commission	Procurement Code	30 ILCS 500/20-160	Every bid submitted to and every contract executed by the State shall contain (1) a certification by the bidder or contractor that either (i) the bidder or contractor is not required to register as a business entity with the State Board of Elections pursuant to this Section or (ii) the bidder or contractor has registered as a business entity with the State Board of Elections and acknowledges a continuing duty to update the registration and (2) a statement that the contract is voidable
Procurement	Vehicles required to operate on ethanol blended gasoline	Dept of Central Management Services Procurement Policy Board	State Colleges & Universities Gasohol Use Act	110 ILCS 65/5	All gasoline burning motor vehicles owned or leased by any State college or university shall be equipped to operate on ethanol blended gasoline and are required to be operated on ethanol blended gasoline whenever ethanol blended gasoline is available.
Human Resources					
Human Resources	BOT powers & duties	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690 / 25-45	To employ, and, for good cause, to remove a President, and all necessary deans, professors, associate professors, assistant professors, instructors, other educational and administrative assistants, and all other necessary employees, and to prescribe their duties and contract with them upon matters relating to tenure, salaries and retirement benefits in accordance with the State Universities Civil Service Act.
Human Resources	Create civil service system	State Universities Civil Service System	State Universities Civil Service Act	110 ILCS 70/36b	Creation of civil service system. All certificates, appointments and promotions to positions in these agencies and institutions shall be made solely on the basis of merit and fitness, to be ascertained by examination, except as specified

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Human Resources	Define Merit Board membership	State Universities Civil Service System	State Universities Civil Service Act	110 ILCS 70/36(c)	Membership defined by statute. Powers & Duties: To approve a classification plan prepared under its direction, assigning to each class positions of substantially similar duties. To prescribe the range of compensation for each class or to fix a single rate of compensation for employees in a particular class; and to establish other conditions of employment which an employer and employee representatives have agreed upon as fair and equitable.
Human Resources	Duty to take action when knowledge of sexual harassment	Dept of Human Rights	Human Rights Act: Higher Education	775 ILCS 5/5A-102	University has a duty to comply with provisions of Human Rights Act specific to higher education, especially prohibitions on sexual harassment.
Human Resources	Employee ethics training	Ethics Commission and Inspector General	State Officials and Employees Ethics Act	5 ILCS 430/5-10	Each officer, member, and employee must complete, at least annually beginning in 2004, an ethics training program conducted by the appropriate State agency
Human Resources	Employee time keeping	Ethics Commission and Inspector General	State Officials and Employees Ethics Act	5 ILCS 430/5-5	The policies shall require State employees to periodically submit time sheets documenting the time spent each day on official State business to the nearest quarter hour. The policies for State employees shall require those time sheets to be submitted on paper, electronically, or both and to be maintained in either paper or electronic format by the applicable fiscal office for a period of at least 2 years.
Human Resources	File number of payroll warrants drawn by BOTs from university funds	State Comptroller	State Comptroller Act	15 ILCS 405/13.1	The total number of payroll warrants drawn by boards of trustees from funds retained in the U of I, SIU, Bd of Governors, Board of Regents, and all governed by boards.
Human Resources	File statements of economic interests	Secretary of State	Governmental Ethics Act	5 ILCS 420/4A-101(f)	Certain employees of the University shall file verified written statements of economic interest.
Human Resources	Flexible hours positions	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690 / 25-100	The Board shall establish goals for flexible hours positions, give assistance to campuses to achieve goals and report to the Governor and General Assembly May 1, 1997 on progress toward goals. When 20% of the positions are on a flexible basis, the Board shall evaluate.
Human Resources	Limit faculty research or consulting for pay	IBHE	University Faculty Research & Consulting Act	110 ILCS 100/1	Full-time faculty cannot perform research or consulting for others for pay unless approved by the President and they file an annual statement of time spent.
Human Resources	Pension - disability benefits	State Universities Retirement System	Pension Code	40 ILCS 5/15-150	Participants granted a disability benefit if physically or mentally incapacitated and unable to perform the duties of the position for any period exceeding 60 days. Requires 2 years of service

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Human Resources	Pension - duties of employers	State Universities Retirement System	Pension Code	40 ILCS 5/15-181	In drawing checks against trust or federal funds, employer shall also draw a check to the retirement system for the total contributions required. In preparation of payroll, employer shall indicate employee contributions, gross earnings, and total contributions required for retirement plan.
Human Resources	Pension - early retirement without	State Universities Retirement System	Pension Code	40 ILCS 5/15-136.2	Number of employees retiring under early retirement without discount may be limited by employer to no less than 15% of those eligible.
Human Resources	Pension - employer contributions	State Universities Retirement System	Pension Code	40 ILCS 5/15-155	The University is to make contributions out of trust, federal and other funds to the Board of Trustees of the State Universities Retirement System.
Human Resources	Pension - employer contribution (6% rule)	State Universities Retirement System	Pension Code	40 ILCS 5/15-155(g)	If the amount of a participant's earnings for any academic year used to determine the final rate of earnings, determined on a full-time equivalent basis, exceeds the amount of his or her earnings with the same employer for the previous academic year, determined on a full-time equivalent basis, by more than 6%, the participant's employer shall pay to the System, in addition to all other payments required under this Section and in accordance with guidelines established by the System, the present value of the increase in benefits resulting from the portion of the increase in earnings that is in excess of 6%. This present value shall be computed by the System on the basis of the actuarial assumptions and tables used in the most recent actuarial valuation of the System that is available at the time of the computation. The System may require the employer to provide any pertinent information or documentation.
Human Resources	Pension - includes public universities as employers	State Universities Retirement System	Pension Code	40 ILCS 5/15-106	The University is an employer under the state retirement system.
Human Resources	Pension - require employer participation	State Universities Retirement System	Pension Code	40 ILCS 5/15-133	Each employer shall participate in and be subject to the provisions of the Pension Code.
Human Resources	Pension - retiree elections and notification	State Universities Retirement System	Pension Code	40 ILCS 5/15-135.1	Election by retiree regarding annuity calculation and participation in optional retirement program or portability option
Human Resources	Pension - services for unused sick leave	State Universities Retirement System	Pension Code	40 ILCS 5/15-113.4	Employer shall certify the number of days of unused sick leave accrued to the participant's account when his status as an employee is terminated. The % of time employed shall be determined by the employer who shall notify the Retirement System of any appointment or employment of a participant at half time or less.
Human Resources	Provide retirement benefits	Dept of Revenue	University Employees Custodial Account Act	110 ILCS 95/2	Provide retirement benefits
Human Resources	Report requests to withhold payroll	State Comptroller	State Salary & Annuity Withholding Act	5 ILCS 365/3	Report to State Comptroller whenever an employee authorizes withholding salary or annuity for various reasons.

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Human Resources	Report voluntary payroll deductions (annual)	State Comptroller	Voluntary Payroll Deductions Act of 1983	5 ILCS 340/8	By March 1 <sup>st</sup> of each year, each University shall submit a report to Comptroller containing information on payroll deductions received and total amounts received from these deductions for inclusion Comptrollers required annual report.
Human Resources	Required to provide free liability insurance for police	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690 / 25-60	The Board shall provide to each member of the Police Department free liability insurance for any liability which arises out of University employment to the extent of the policy limits which shall not be less than \$50,000.
Financial Aid & Student Services	Provide voter registration information and forms to students	Board of Elections	Election Code	10 ILCS 5/1A-17(a) & (b)	Each public institution of higher must make available on its website a downloadable, printable voter registration form that meets Board of Elections requirements. Voter registration information must be included in any student registration mailing to an Illinois address.
Financial Aid & Student Services	Registration of eligible ROTC Scholarship recipients	IL Student Assistance Commission (ISAC)	School Code	105 ILCS 5/30-16.6	Each university which has an ROTC program available shall register eligible scholarship recipients.
Financial Aid & Student Services	Required credit for tutoring K-12 students and tuition waiver	IBHE	Educational Partnership Act	110 ILCS 40/5	Each higher education institution is authorized to establish programs under which qualified students provide tutorial services to elementary and secondary school students. Shall, whenever possible, make arrangements for awarding academic credit to students furnishing tutoring services, and in addition shall provide for appropriate full or partial waiver of its tuition or fees to students furnishing tutoring services
Financial Aid & Student Services	Required information to students	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690 / 25-115	University shall inform students at the beginning of each academic year about meningitis and transmissions and offer meningitis vaccine at the University health facilities.
Financial Aid & Student Services	Required proof of immunization	Dept of Public Health	College Student Immunization Act	110 ILCS 20	No person shall attend a post-secondary educational institution without presenting proof of receipt of immunizations against preventable communicable diseases.
Financial Aid & Student Services	Required sexual assault awareness	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690 / 25-135	The University shall provide some form of sexual assault awareness education to all incoming students, whether through a seminar, online training, or some other way of informing students.
Financial Aid & Student Services	Student absence when volunteer emergency worker	IBHE	Volunteer Emergency Worker Higher Education Protection Act	110 ILCS 122/10 & 15	Each public institution of higher learning must adopt a policy that reasonably accommodates any student who is a volunteer emergency worker in regard to class absences caused by the duties as volunteer emergency worker. This policy shall include a grievance procedure by which a student who believes that he or she has been unreasonably denied this accommodation may seek redress. The policy must be published in a handbook or manual regularly provided to faculty and students.

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Financial Aid & Student Services	Students called to active duty	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690	University shall allow a currently enrolled student who is called to active military service to complete any unfinished courses at a later date with no additional charge, unless course credit has been given or the student received a full refund upon withdrawing. The student must be given priority over other students in re-enrolling in the course or courses.
Financial Aid & Student Services	Veteran student services coordinator office	IBHE	Higher Education Veterans Service Act	110 ILCS 49/15 (b)	Each public college and university shall, at its discretion (i) appoint, within 6 months after the effective date of this Act, an existing employee or (ii) hire a new employee to serve as a Coordinator of Veterans and Military Personnel Student Services on each campus of the college or university that has an onsite, daily, full-time student headcount above 1,000 students.
Financial Aid & Student Services	Waivers - Children of employees scholarships	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690 / 25-90	The Board shall offer 50% tuition waivers to the children of employees of an Illinois college or university employed for an aggregate period of at least 7 years.
Financial Aid & Student Services	Waivers - Dept of Children & Family Services	Dept of Children & Family Services	Children and Family Services Act	20 ILCS 505/8	Each year the Department may select from among the children under care, or children formerly under care who have been adopted or are in the subsidized guardianship program, a maximum of 48 students (at least 4 of whom shall be children of veterans) who have completed 4 years in an accredited high school; the children selected shall be eligible for scholarships and fee waivers which will entitle them to 4 consecutive years of community college, university, or college education.
Financial Aid & Student Services	Waivers - General Assembly Scholarship	General Assembly	School Code	105 ILCS 5/30-13	Scholarships awarded under Article 30 exempt holders of scholarships from payment of tuition and shall reimburse students for any fees for which exemption is granted under this section.
Financial Aid & Student Services	Waivers - Illinois National Guard Grants	IL Student Assistance Commission (ISAC)	Higher Education Student Assistance A	110 ILCS 947/45	Exemption from tuition and fees for not more than the equivalent of 4 years of full-time enrollment, including summer terms
Financial Aid & Student Services	Waiver - Illinois Peace Corps Fellowship	School Code	Peace Corps Fellowship Program	105 ILCS 30/2-3	Fellowship to complete the courses required for issuance of a teacher certificate or to pursue a master's degree program in education. The fellowships may consist of tuition waivers which may be supported by funds and grants from private or public sources.
Financial Aid & Student Services	Waivers - Illinois ROTC, undergraduate	IL Student Assistance Commission (ISAC)	School Code	105 ILCS 5/30-16.4	Recipient is exempt from the payment of tuition, or any matriculation, graduation, activity, term or incidental fee, except any portion of a multi-purpose fee

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Financial Aid & Student Services	Waivers - Illinois Veteran Grants	IL Student Assistance Commission (ISAC)	Higher Education Student Assistance Act	110 ILCS 947/40	A qualified applicant is not required to pay any tuition or mandatory fees while attending a State controlled university or public community college in this State for a period that is equivalent to 4 years of full-time enrollment, including summer terms
Financial Aid & Student Services	Waivers - MIA/POW Scholarships	Dept of Veterans' Affairs	School Code	105 ILCS 5/30-14.2	Recipient shall not be required to pay any matriculation or application fees, tuition, activities fees, graduation fees or other fees, except multipurpose building fees or similar fees for supplies and materials.
Financial Aid & Student Services	Waivers - Percentage limitation (3%)	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690 & Rules (23 Ill. Adm. Code 1075.700 (a))	The Board is authorized to waive, for individuals with the requisite athletic, academic, or other abilities, that percentage of undergraduate tuition authorized under the tuition waiver limitation established by IBHE.
Financial Aid & Student Services	Waivers - Senior citizens	IBHE	Senior Citizen Courses Act	110 ILCS 990/1	Senior citizens may enroll with payment in tuition in regularly scheduled credit courses, provided space exists and paying students constitute minimum required for course.
Financial Aid & Student Services	Waivers - Special Education grants	IL Student Assistance Commission (ISAC)	Higher Education Student Assistance Act	110 ILCS 947/65.15	Each scholarship shall entitle its holder to exemption from fees while enrolled in a special education program of teacher education, for a period of not more than 4 calendar years and shall be available for use at any time during such period of study.
Facilities	Approval of design and construction	Capital Development Board	Capital Development Board Act	20 ILCS 3105/12	Requires approval by BOTs and CDB of the architects, engineers, plans, and specifications before either design or construction of the capital project.
Facilities	Approval of housing projects by General Assembly	General Assembly	State College Housing Construction Act	110 ILCS 15	No State-supported college or university may construct or operate any new housing project, nor acquire any property for such construction without the approval of the General Assembly, except reconstruction due to flood, wind or other acts of God. This Act applies to all sources of funds. This Act does not include student residence halls.
Facilities	Capital Development Board project management (3%)	Capital Development Board	Capital Development Board Act	20 ILCS 3105/9.02a	To charge contract administration fees used to administer and process the terms of contracts awarded by this State. Contract administration fees shall not exceed 3% of the contract amount. This Section is repealed June 30, 2012.

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Category	Subject Area	State Agency	Act	Statute	Short Description
Facilities	Certificates of Participation presentation to CGFA	Commission on Government Forecasting and Accountability	State University Certificates of Participation Act	110 ILCS 73	Before issuance of any certificate of participation, a State University shall appear before the Commission and present the details of the proposal. This presentation shall include such information as the Commission may request in relation to the proposed certificate of participation issuance. This information shall include, but is not limited to, the amount being financed, the nature of the project being financed, the proposed funding stream to pay for the certificate issuance, the current outstanding indebtedness of the State University, and the status of all currently issued certificates of participation. (Effective 6/22/2009)
Facilities	Elevator inspections	State Fire Marshall / Elevator Safety Review Board	Elevator Safety and Regulation Act	225 ILCS 312/120 & 40(a)	It shall be the responsibility of the owner of all conveyances to have a licensed elevator contractor, as defined in this Act, ensure that the required tests are performed at intervals in compliance with the ASME A 17.1, ASME A 18.1 and ASCE 21. All tests shall be performed by a licensed elevator mechanic. (Section scheduled to be repealed on January 1, 2013)  However, if the State, a unit of local government, or an institution of higher education maintains in its employ licensed or limited licensed elevator mechanics who maintain only conveyances owned or leased by that entity, the employing entity is not required to be licensed as a contractor under this Section and none of the provisions of this Act concerning licensed contractors shall apply to these entities. (Section scheduled to be repealed on January 1, 2013)
Facilities	Elevator registration	State Fire Marshall / Elevator Safety Review Board	Elevator Safety and Regulation Act	225 ILCS 312/80	Registration of existing elevators, platform lifts, dumbwaiters, escalators, moving walks, and any other conveyance. Within 6 months after the date of the adoption of the final rules that implement this Act, the owner or lessee of every existing conveyance shall register with the Administrator each elevator, dumbwaiter, platform lift, escalator, or other device described in Section 10 of this Act and provide the type, rated load and speed, name of manufacturer, its location, the purpose for which it is used, and such additional information as the Administrator may require. Elevators, dumbwaiters, platform lifts, escalators, moving walks, or other conveyances of which construction has begun subsequent to the date of the creation of the Board shall be registered by the owner at the time they are completed and placed in service. (Section scheduled to be repealed on January 1, 2013)

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Category	Subject Area	State Agency	Act	Statute	Short Description
Facilities	Elevator upgrades	State Fire Marshall / Elevator Safety Review Board	Elevator Safety and Regulation Act	225 ILCS 312/35(h)	Notwithstanding anything else in this Section, the following upgrade requirements of the 2007 edition of the Safety Code for Elevators and Escalators (ASME A17.1) and the 2005 edition of the Safety Code for Existing Elevators (ASME A17.3) must be completed by January 1, 2015, but the Administrator or Local Administrator may not require their completion prior to January 1, 2013 (Section scheduled to be repealed on January 1, 2013)
Facilities	Fire protection system inspection requirements	State Fire Marshall	Fire Equipment Administrative Procedures	41 Ill. Adm. Code 280.15	State Fire Marshall incorporated standards and regulations by National Fire Protection Association for fire protection systems
Facilities	Fire sprinklers in residence halls / Greek housing	State Fire Marshall	Fire Sprinkler Dormitory Act	110 ILCS 47/10 & 110 ILCS 130	Requires higher education institutions to install fire sprinklers in residence halls by January 1, 2013. If a Greek housing structure is under the jurisdiction of the institution of higher education that its residents attend, that institution of higher education is responsible for enforcing this Act with respect to that structure. (PA 96-1303, effective 1/1/2011).
Facilities	IBHE approval of non-instructional facilities	IBHE	Board of Higher Education Act	110 ILCS 205/8	Each state support institution within the application of this Act must submit its plan for capital improvements of non-instructional facilities to the Board for approval before final commitments are made.
Facilities	Title transfers to CDB when approved by Governor	Capital Development Board	Building Authority Act	20 ILCS 3110/4	The Board of Trustees may transfer title or jurisdiction of any property under its control to the Illinois Building Authority when such transfer is approved in writing by the Governor.
Operations	Admission requirements and tuition	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690 / 25-85 & 88	Lists admissions requirements. The Board shall propose rules for standards to determine need for child care services.
Operations	Background investigation for security-sensitive positions	IL Emergency Management Agency	Campus Security Enhancement Act of 2008	110 ILCS 12/5	The University shall, through written policy and procedures, identify security-sensitive positions and make background investigations prior to employment.
Operations	Bd of Trustees powers & duties	Public Universities	University Revenue Bond Law	110 ILCS 661, 666, 671, 676, 681, 686, and 691 / 26-10	The Board shall have the power to (1) acquire any project; (2) purchase or dispose real or personal property; (3) accept grants; (4) borrow money and issue bonds; (5) make contracts or leases; (6) retain in its treasury money received from sales of bonds, fees from students and rentals from facility; and (7) prepare annual capital plan for capital expenditures financed through the issuance of revenue bonds.

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Category	Subject Area	State Agency	Act	Statute	Short Description
Operations	Budget - Appropriations for operation, maintenance and administration	State Comptroller	Finance Act	30 ILCS 105/10	State Comptroller shall draw his warrant on the State Treasurer for the payment of the same upon the presentation of itemized vouchers, issues, certified, and approved by president and secretary of BOT - U of I, SURS, ISU, NIU, CSU, EIU, GSU, NEIU, WIU, and SIU
Operations	Budget - Transfers among line item appropriations	State Treasurer	Finance Act	30 ILCS 105/13.2	Transfers among appropriations require approval of BHE and the Governor. Line item appropriations shall not be transferred from one university to another.
Operations	Campus demonstrations policy	State Police	Campus Demonstrations Policy Act	110 ILCS 10/2	The administration of each State-supported institution of higher learning is responsible for maintaining decorum and order on the campus of that institution.
Operations	Campus incident information for news media	IL Emergency Management Agency	Campus Security Enhancement Act of 2008	110 ILCS 12/15	University must list information that must be made available to news media when individual is arrested. Allows for fees not to exceed cost of reproducing records.
Operations	Campus security plans	IL Emergency Management Agency	Campus Security Enhancement Act of 2008	110 ILCS 12/20	Each higher education institution is required to develop an emergency response plan in partnership and develop an inter-disciplinary and multi-jurisdictional campus violence prevention plan.
Operations	Campus security task force	IL Emergency Management Agency	Campus Security Enhancement Act of 2008	110 ILCS 12/10	The University shall establish, by December 1, 1996, a community task force to coordinate with community leaders and service providers to prevent sexual assaults and ensure coordinated response of law enforcement and victim services.
Operations	Contracts, conveyances, and expenditures	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690 / 40	The Board of Trustees shall have the power to enter into contracts, sue and be sued; convey title of real property; expend funds; lease property; certain leases exceeding 5 years shall have approval of the IBHE.
Operations	Cooperate with DCEO in energy programs	Dept of Commerce & Economic Development	Energy Conservation & Coal Development Act	20 ILCS 1105/3	DCEO has the power to cooperate with State colleges and universities and their governing boards in energy programs and activities.
Operations	Create Boards of Trustees	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690 / 10, 15, 20, 25, 30, 35	The Board shall operate, manage, control and maintain the University. Membership of Board of Trustees defined.
Operations	Dram shop liability insurance	Illinois Liquor Control Commission & Dept of Revenue	Liquor Control Act	235 ILCS 5/6-15	Each facility shall provide dram shop liability in maximum insurance coverage limits so as to save harmless the State, municipality, State university, airport, golf course, faculty center, facility in which conference and convention type activities take place, park district, Forest Preserve District, public community college district, aquarium, museum, or sanitary district from all financial loss, damage or harm.

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Category	Subject Area	State Agency	Act	Statute	Short Description
Operations	English language proficiency	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690 / 70	The Board shall at all times maintain in effect a program to assess the oral English language proficiency of all persons providing classroom instruction to students at each campus in the jurisdiction, governance or supervision of the Board.
Operations	Limit use of student information (SSN)	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690 / 125	The University may not provide any student information to a business organization or financial institution that issues credit or debit cards unless the student is 21 years of age. The University may not print an individual's social security number on any card or document required to access products or services provided by the University.
Operations	Limitation on tuition increase	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690 / 120	For 4 continuous academic years following initial enrollment (for programs requiring more than 4 years, the normal time to complete the program as determined by the University), tuition will remain the same for students who first enroll after the 2003/2004 academic year.
Operations	No compete retail stores	Attorney General	University Credit and Retail Sales Act	110 ILCS 115/1	The governing board of a state institution of higher learning may not permit operation of a retail store in competition with local merchants unless doing so before January 1, 1980. This Act does not prohibit items commonly sold or connected with the operation of the university.
Operations	Reduce solid waste plans (recycling)	Dept of Commerce and Economic Development	Solid Waste Management Act	415 ILCS 20/3.1	State-supported institutions of higher learning shall develop a comprehensive waste reduction plan covering a period of 10 years which addresses the management of solid waste generated by academic, administrative, student housing and other institutional functions. The initial plan shall be updated every 5 years.
Operations	Required armed forces recruiting access	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690 / 760 ILCS 51/9	The Board shall give access to armed forces recruiting representatives, Relation to Electronic Signatures in Global and National Commerce Act. This Act modifies, limits, and supersedes the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. Section 7001 et seq., but does not modify, limit, or supersede Section 101(c) of that Act, 15 U.S.C. Section 7001(c), or authorize electronic delivery of any of the notices described in Section 103(b) of that Act, 15 U.S.C. Section 7003(b). (Effective 6/30/09)
Reporting & Compliance	Audit requirement - grant audit	Auditor General	Grant Funds Recovery Act	30 ILCS 705/13	Institutions of higher education which conduct annual audits of its own operation may elect to fulfill any audit requirements with respect to any or all State grants by having such audit conducted at the time of its own annual audit at its own cost.

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Reporting & Compliance	Audit requirement - investment policy	Auditor General	Public Funds Investment Act	30 ILCS 235/2.5	Investment of public funds by a public agency shall be governed by a written investment policy adopted by the public agency. The level of detail and complexity of the investment policy shall be appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio. The policy shall address safety of principal, liquidity of funds, and return on investment and shall require that the investment portfolio be structured in such manner as to provide sufficient liquidity to pay obligations as they come due.
Reporting & Compliance	Audit requirement - procurement	Auditor General	Illinois Procurement Code	30 ILCS 500/1-15.100	"State agency" means and includes all boards, commissions, agencies, institutions, authorities, and bodies politic and corporate of the State, created by or in accordance with the constitution or statute, of the executive branch of State government and does include colleges, universities, and institutions under the jurisdiction of the governing boards of the University of Illinois, Southern Illinois University, Illinois State University, Eastern Illinois University, Northern Illinois University, Western Illinois University, Chicago State University, Governor State University, Northeastern Illinois University, and the Board of Higher Education.
Reporting & Compliance	Audit requirement - state audits	Auditor General & Legislative Audit Commission	Illinois State Auditing Act	30 ILCS 5/1-7	"State agencies" means all officers, boards, commissions and agencies created by the Constitution, whether in the executive, legislative or judicial branch, but other than the circuit court; all officers, departments, boards, commissions, agencies, institutions, authorities, universities, bodies politic and corporate of the State; and administrative units or corporate outgrowths of the State government which are created by or pursuant to statute, other than units of local government and their officers, school districts and boards of election commissioners; all administrative units and corporate outgrowths of the above and as may be created by executive order of the Governor.
Reporting & Compliance	Audit requirement - University Income Fund	Auditor General	Finance Act	30 ILCS 105/6a-1(2), 6a-1a(7), 6a-1b(7), 6a-1c(7), 6a-1d(7), 6a-1e(7), 6a-1f(7), 6a-1g(7). 6d(2)	The Auditor General shall audit or cause to be audited all items of income referred to in this Section and all other income and expenditures of the University.

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Category	Subject Area	State Agency	Act	Statute	Short Description
Reporting & Compliance	Regulatory requirements CMS property control rules	Dept of Central Management Services	State Property Control Act	30 ILCS 605	"Agency" means and includes any State officer, executive code department, institution, university, college, board, bureau, commission, or other administrative unit of the State government or any State Constitutional Convention.
Reporting & Compliance	Regulatory requirements CMS annual inventory (\$500)	Dept of Central Management Services	State Property Control Act	30 ILCS 605/6.04  44 Ill. Adm. Code 5010.460 (Annual Inventory)	Annually, and upon at least 30 days notice, the CMS administrator may require each responsible officer to make, or cause to be made, an actual physical inventory check of all items of property under his jurisdiction and control and said inventory shall be certified to the administrator with a full accounting of all errors or exceptions reported therein.  Agencies shall provide the CMS Property Control Division on an annual basis a listing of all equipment items valued in excess of \$500 (Effective June 14, 1988).
Reporting & Compliance	Regulatory requirements Higher Education Travel Control Board guidelines	State Treasurer	Finance Act	30 ILCS 105/12-1	Each travel control board created by this Section shall meet at the call of the chairman at least quarterly to review all vouchers, or a report thereof, for travel reimbursements involving an exception to the State Travel Regulations and Rates. Each travel control board shall prescribe the procedures for submission of an information copy of vouchers involving an exception to the general provisions established by the State Travel Regulations and Reimbursement Rates.
Reporting & Compliance	Regulatory requirements Legislative Audit Commission	Legislative Audit Commission	Legislative Audit Commission Act	25 ILCS 150/3	The Commission shall receive the reports of the Auditor General and other financial statements and shall determine what remedial measures, if any, are needed, and whether special studies and investigations are necessary. If the Commission shall deem such studies and investigations to be necessary, the Commission may direct the Auditor General to undertake such studies or investigations
Reporting & Compliance	Regulatory requirements liquor license	Illinois Liquor Control Commission & Dept of Revenue	Liquor Control Act	235 ILCS 5/5-3	No fee shall be paid for licenses issued by the State Commission to universities, colleges of learning or schools when their use of alcoholic liquor is exclusively medicinal, mechanical or scientific.

## Appendix A: Statutory Mandates

Category	Subject Area	State Agency	Act	Statute	Short Description
Reporting & Compliance	Regulatory requirements State Comptroller fiscal guidelines	State Comptroller	State Comptroller Act	15 ILCS 405/7	In accordance with generally accepted accounting principles applicable to government the comptroller shall develop and prescribe for the use of all State agencies a uniform accounting system, applying the encumbrance method of accounting and so designed as to insure compliance with all legal and constitutional requirements including those respecting the receipt and expenditure of and the accountability for public funds. For purposes of this Act, "State agencies" or "agencies" means all departments, officers, authorities, public corporations and quasi-public corporations, commissions, boards, institutions, State colleges and universities and all other public agencies created by the State, other than units of local government and school districts.
Reporting & Compliance	Regulatory requirements, State Universities SUCSS hiring guidelines	State Universities Civil Service System	State Universities Civil Service Act	110 ILCS 70	All certificates, appointments and promotions to positions in these agencies and institutions shall be made solely on the basis of merit and fitness, to be ascertained by examination, except as specified
Reporting & Compliance	Other - Annual financial report to Governor and General Assembly	Governor & General Assembly	Finance Act	30 ILCS 105/13.5 (b)	Within 120 days of the end of the fiscal year, the University must provide through the IBHE, a financial report to the Governor and General Assembly documenting revenues and expenditures for all funds for that fiscal year.
Reporting & Compliance	Other - Budget proposals submitted to IBHE	IBHE	Board of Higher Education Act	110 ILCS 205/8	Shall submit to the Board not later than the 15th day of November of each year its budget proposals for the operation and capital needs of the institutions under its governance or supervision for the ensuring fiscal year.
Reporting & Compliance	Other - Fiscal year	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690 / 25-105	Fiscal year shall terminate on June 30. Annual reports to Governor shall contain full financial information with statement of condition endowment fund. Shall be presented to the Governor on or before November 15.
Reporting & Compliance	Other - Gender equity in intercollegiate athletics plan	IBHE	Board of Higher Education Act	110 ILCS 205/9.24	For attaining gender equity in intercollegiate athletics, public institutions may grant, in addition to any amounts previously authorized by the Board, tuition waivers in an amount not exceed 1% of all tuition income.
Reporting & Compliance	Other - GOMB financial reports	Governor's Office of Management and Budget	Governor's Office of Management and Budget Act	20 ILCS 3005/4	Require from each state agency its estimate of receipts and expenditures for the succeeding fiscal year, accompanied by a statement in writing giving facts and explanation of reasons for each item of expenditure requested. Make, at the discretion of the Director, further inquiries and investigations as to any item desired

## Appendix A: Statutory Mandates

Category	Subject Area	State Agency	Act	Statute	Short Description
Reporting & Compliance	Other - Headquarters report of officials and employees	Legislative Audit Commission	Finance Act	30 ILCS 105/12-3	Requires headquarters report of all officers and employees for whom official headquarters have been designated at any location other than that at which their official duties require them to spend the largest part of their working time.
Reporting & Compliance	Other - High school feedback system	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690	Board shall establish system to monitor academic progress of high school students enrolled at the University. Board shall submit annually to each high school attendance center a report with listed criteria.
Reporting & Compliance	Other - Human relations course in general education	IBHE	Board of Higher Education Act	110 ILCS 205/9.21	The IBHE shall include in its general education requirements coursework on improving human relations; public institutions report monthly to Department of Human Rights and Attorney General each adjudicated case of intimidation or harassment; forward to State's Attorney any reports of hate crimes.
Reporting & Compliance	Other - IBHE RAMP	IBHE	Board of Higher Education Act	110 ILCS 205/8	Shall submit to the Board not later than the 15th day of November of each year its budget proposals for the operation and capital needs of the institutions under its governance or supervision for the ensuing fiscal year.
Reporting & Compliance	Other - ISL forms	Governor's Office of Management and Budget	Governor's Office of Management and Budget Act	20 ILCS 3005/7	All statements and estimates of expenditures submitted to the Office in connection with the preparation of a State budget, and any other estimates of expenditures, supporting requests for appropriations, shall be formulated according to the various functions and activities for which the respective department, office or institution of the State government (including the elective officers in the executive department and including the University of Illinois and the judicial department) is responsible.
Reporting & Compliance	Other - No new programs without Board approval	IBHE	Board of Higher Education Act	110 ILCS 205/7	University shall not undertake the establishment of any new unit of instruction, research or public service without the approval of the IBHE
Reporting & Compliance	Other - Publish notice of award of concession in Illinois Procurement Bulletin	Dept of Central Management Services Procurement Policy Board	Procurement Code	30 ILCS 500/53-25	Notice of an award of concession shall be published in the Higher Education volume of the Illinois Procurement Bulletin.

## Appendix A: Statutory Mandates

Category	Subject Area	State Agency	Act	Statute	Short Description
Reporting & Compliance	Other - Salary Information report	IBHE	Board of Higher Education Act	110 ILCS 660, 665, 670, 675, 680, 685, and 690	The Board of Trustees shall report to the Board of Higher Education, on or before July 1 of each year, the base salary and benefits of the president of the university and all administrators, faculty members, and instructors employed by the university. For the purposes of this Section, "benefits" includes without limitation vacation days, sick days, bonuses, annuities, and retirement enhancements. (Effective 1/1/10)
Reporting & Compliance	Other - State Comptroller SEA reports	State Comptroller	State Comptroller Act	15 ILCS 405/6.01; 30 ILCS 10/1001-3004; 15 ILCS 20/50-15	The Comptroller shall specify and establish the financial accounting and reporting standards and principles to be used by all State government and State agencies.
Reporting & Compliance	Other - Student observation of religious holidays	IBHE	University Religious Observances Act	110 ILCS 110/1	Reasonable accommodation of religious observances of students is mandated in regard to admissions, class attendance and the scheduling of examinations and work requirements. Policies formulated must include a grievance procedure and be made known to faculty and students annually.
Reporting & Compliance	Other - Training teachers to teach physical education	IL State Board of Education	School Code	105 ILCS 5/27-9	Curriculum in all State universities shall contain courses in methods and materials of physical education and training for teachers.
Reporting & Compliance	Other - Training teachers to teach safety	IL State Board of Education	School Code	105 ILCS 5/27-17	Curriculum in all State universities shall contain instruction in safety education for teachers that is appropriate to the grade level of the teaching certificate
Reporting & Compliance	Other - Tuition statements	IBHE	Public University Tuition Statement Act	110 ILCS 63/15	Each year, using data from the preceding FY, public universities shall include as part of an undergraduate student's tuition bill or other statement of tuition charges or as a separate attachment to the bill or charge the following statement: For FY, the General Assembly and the Governor authorized the aggregate amount of \$XX to be appropriated from the General Revenue Fund and the Education Assistance Fund of operation of the State's public universities.
Reporting & Compliance	Other - Tuition and fee waiver program report	IBHE	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690 /25- 93	Board shall report to IBHE by September 15 of each year. Shall also report for each waiver program; justification, intended goals, eligibility and selection requirements, costs, and benefits from waiver program.
Other	Agricultural program support from higher education budget	Dept of Agriculture	Food and Agriculture Research Act	505 ILCS 82/20 (4)	It is intended that the universities that receive these funds shall continue (i) to operate and maintain the on campus buildings and facilities used in their agriculture related programs and provide the support services typically provided other university programs, and (ii) to fund agricultural programs from the higher education budget. Illinois Council on Food and Agricultural Research (C-FAR)

## Appendix A: Statutory Mandates

Category	Subject Area	State Agency	Act	Statute	Short Description
Other	Engineering facilities	Public Universities	University Law	110 ILCS 660, 665, 670, 675, 680, 685, and 690 / 75	The Board is authorized to construct engineering facilities with funds appropriated for that purpose from the Build Illinois Bond Fund.
Other	Groundwater research	Dept of Natural Resources	Groundwater Protection Act	415 ILCS 55/7(d)	Southern Illinois University is authorized to conduct basic and applied research relating to chemical contamination of groundwater. It may assist the Department in conducting research on any of the subjects included in subsection (b) of this Section, and may accept and expend grants and other support from the Department or other sources for that purpose
Other	Health Care	Dept of Public Health	Rural Downstate Health Care Act	410 ILCS 65/3, 3.1, & 3.2	SIU & Center for Rural Health (primary care centers, ob care centers, health research and evaluation). U of I & Center for Rural Health (educate primary care physicians, primary care centers, emergency and ob care, and health research and evaluation)
Other	Institutes	Southern Illinois University	Sewage & Water System Treatment Act	110 ILCS 530	The Trustees of the Southern Illinois University shall establish a Sewage Treatment Plant Operators Training Institute and a Public Water Supply Operators Training Institute and shall designate the location within this State for and the number of times each year the programs provided for in this Act shall be offered
Other	Membership in Illinois P-20 Council	IL State Board of Education	School Code	105 ILCS 5/22-45 (b)(9)	University Presidents and Chancellors shall jointly appoint a member representing public 4-year universities to the Illinois P-20 Council.
Other	Membership in Municipal Clerk Training Institute Committee as ex-officio members	Executive Board of the Municipal Clerks of Illinois	Municipal Clerk Training Act	65 ILCS 50/2	Board of Trustees shall appoint an ex-officio member to the Municipal Clerk Training Institute Committee.
Other	Membership in SW Illinois Metropolitan & Regional Planning Commission (Special District)	Dept of Commerce & Economic Development	Southwestern IL Metro. & Regional Plan. Act	70 ILCS 1710/5	SIU-E president or designee to serve as a commissioner selected or appointed
Other	Membership on Advisory Board of Livestock Commissioners	Dept of Agriculture	Civil Admin. Code (Depts. of State Govt. Law)	20 ILCS 5/5-525	Creates advisory board that includes university deans. Deans to serve two-year terms. Board reviews and approves rules and regulations pertaining to livestock.
Other	Membership on Elevator Safety Review Board	State Fire Marshall	Elevator Safety and Regulation Act	225 ILCS 312/25	Board includes one representative of an institution of higher education that operates an in-house elevator maintenance program;
Other	Membership on governing board for Food Animal Institute	Director of Agriculture	David A. Wirsing Food Animal Institute Act	20 ILCS 3931/15	The board must also include, as non-voting members, the dean or department chairperson or designee from U of I, SIU, WIU, and ISU

## Appendix A: Statutory Mandates

Category	Subject Area	State Agency	Act	Statute	Short Description
Other	Membership on Grape and Wine Resources Council	Director of Agriculture & Dept of Commerce and Economic Development	Liquor Control Act	235 ILCS 5/12	Creates council which includes deans and experts selected by SIU and U of I; Council housed at SIU-C
Other	Membership on Illinois Coal Development Board	Dept of Commerce & Economic Development	Energy Conservation & Coal Development Act	20 ILCS 1105/8	Creates advisory board that includes president of U of I. One duty is make recommendations to DCEO regarding existing coal research efforts and make use of existing research facilities to maximize use.
Other	Membership on Illinois Forestry Development Council	Dept of Natural Resources	Forestry Development Act	525 ILCS 15/6b	Creates council of 29 members which includes representatives from SIU and U of I
Other	Membership to Board of Higher Education	IBHE	Board of Higher Education Act	110 ILCS 205/2	One member of a public university governing board; one board member must be a faculty member at an Illinois public university
Other	Teachers	Southern Illinois University	Southern Illinois University Objects Act	110 ILCS 510	The objects of Southern Illinois University shall be to qualify teachers for the schools of this State in all branches of study which pertain to a common school education
Other	Teachers - definition of recognized teacher education institution	IL State Board of Education	School Code	105 ILCS 5/21-21.1	Each college or university providing a teacher education program approved and recognized pursuant to the provisions of this Article shall establish procedures and standards to assure that no student is denied the opportunity to receive the institutional recommendation for certification for reasons which are not directly related to the candidate's anticipated performance as a certified employee.

**APPENDIX B: APPLICATION OF HR 918 CRITERIA TO STATE MANDATES AFFECTING  
PUBLIC UNIVERSITIES**

**APPENDIX B: APPLICATION OF HR 918 TO STATE MANDATES AFFECTING  
PUBLIC UNIVERSITIES**

<b>Mandates Summary</b>		<i>1 - Necessary for the health and safety of students &amp; staff</i>	<i>2 - Essential to the academic integrity of public university systems</i>	<i>3 - Conforms to good business practices</i>	<i>4 - Exceeds federal requirements</i>
<b>Procurement</b>	Guaranteed energy savings contract				na
	* SB51 - Chief Procurement Officer signature (award decisions)				na
	* SB51 - Vendor registration with the State Board of Elections				na
	Vehicles required to operate on ethanol blended gasoline				na
<b>Human Resources</b>	Board of Trustees powers & duties re: employees			x	na
	Create State University Civil Service System (SUCCS)			x	na
	Define Merit Board membership			x	na
	Duty to take action when knowledge of sexual harassment	x		x	
	* Employee ethics training		x	x	na
	* Employee time keeping			x	na
	File number of payroll warrants drawn by Bds of Trustees				na
	File statements of economic interests		x	x	na
	Flexible hours positions				na
	Group Health Insurance contributions			x	na
	Limit faculty research or consulting for pay		x		
	Pension - disability benefits			x	na
	Pension - duties of employers			x	na
	Pension - early retirement without discount			x	na
	* Pension - employer contributions (6% rule)				na
	Pension - includes public universities as employers			x	na
	Pension - require employer participation			x	na
	Pension - retiree elections and notification			x	na
	Pension - services for unused sick leave			x	na
	Provide retirement benefits			x	
Report requests to withhold payroll			x	na	
Report voluntary payroll deductions (annual)			x	na	
Required to provide free liability insurance for police			x	na	
<b>Financial Aid &amp; Student Services</b>	Provide voter registration information and forms to students				
	Registration of eligible ROTC Scholarship recipients				
	Required credit for tutoring K-12 students and tuition waiver				
	Required information to students		x	x	
	Required proof of immunization	x			na
	Required sexual assault awareness	x		x	
	Student absence when volunteer emergency worker	x		x	
	Students called to active duty	x		x	
	Veteran student services coordinator office				na
	Waivers - Children of university employees			x	na
	Waivers - Dept of Children & Family Services			x	na
	Waivers - General Assembly Scholarship				na

**APPENDIX B: APPLICATION OF HR 918 TO STATE MANDATES AFFECTING  
PUBLIC UNIVERSITIES**

<b>Mandates Summary</b>		<i>1 - Necessary for the health and safety of students &amp; staff</i>	<i>2 - Essential to the academic integrity of public university systems</i>	<i>3 - Conforms to good business practices</i>	<i>4 - Exceeds federal requirements</i>
<b>Financial Aid &amp; Student Services</b>	Waivers - Illinois National Guard Grants	x			na
	Waivers - Illinois Peace Corps Fellowship	x			na
	Waivers - Illinois ROTC	x			na
	* Waivers - Illinois Veteran Grants	x			x
	Waivers - MIA/POW Scholarships	x			na
	Waivers - Percentage limitation (3%)			x	na
	Waivers - Senior citizens				na
	Waivers - Special education grants			x	na
<b>Facilities</b>	Approval of design and construction	x			na
	Approval of housing projects by General Assembly				na
	* Capital Development Board project management (3%)				na
	Certificates of Participation presentation to CGFA				na
	Elevator inspections	x			na
	Elevator registration	x			na
	Elevator upgrades	x			na
	Fire protection system inspection requirements	x			na
	Fire sprinkler systems for residence halls / Greek housing	x			na
	* IBHE approval of non-instructional facilities				na
Title transfers to CDB when approved by Governor				na	
<b>Operations</b>	Admission requirements and tuition			x	na
	Background investigation for security-sensitive positions	x		x	na
	Bd of Trustees powers & duties			x	na
	Budget - Appropriations for ops, maintenance & admin			x	na
	Budget - Transfers among line item appropriations			x	na
	Campus demonstrations policy	x			na
	Campus incident information for news media	x			na
	Campus security plans	x			na
	Campus security task force	x			na
	Contracts, conveyances, and expenditures			x	na
	Cooperate with DCEO in energy programs				na
	Create Bds of Trustees			x	na
	Dram shop liability insurance			x	na
	English language proficiency				na
	Limit use of student information (SSN)			x	x
	Limitation on tuition increase			x	na
	No compete retail stores				na
	Reduce solid waste plans (recycling)				na
	Required armed forces recruiting access				
Uniform Management of Institutional Funds			x	na	

**APPENDIX B: APPLICATION OF HR 918 TO STATE MANDATES AFFECTING  
PUBLIC UNIVERSITIES**

Mandates Summary		1 - Necessary for the health and safety of students & staff	2 - Essential to the academic integrity of public university systems	3 - Conforms to good business practices	4 - Exceeds federal requirements	
<b>Reporting &amp; Compliance</b>	Audit requirements - grant funds			x	na	
	Audit requirements - investment policy			x	na	
	Audit requirements - procurement			x	na	
	Audit requirements - state audits			x	na	
	Audit requirements - University Income Fund			x	na	
	Regulatory requirements - CMS property control rules				na	
	* Regulatory requirements - annual inventory (\$500 value)				na	
	Regulatory requirements - HE Travel Control Board guidelines				x	na
	Regulatory requirements - Legislative Audit Commission					na
	Regulatory requirements - State Comptroller fiscal guidelines				x	na
	Regulatory requirements - SUCSS hiring guidelines				x	na
	Other - Annual financial report to Gov and General Assembly				x	na
	Other - Budget proposals submitted to IBHE				x	na
	Other - Fiscal year					na
	Other - Gender equity in intercollegiate athletics plan/report					na
	Other - GOMB financial reports				x	na
	Other - Headquarters report of officials and employees					na
	Other - High school feedback system			x		
	Other - Human relations course in general education					na
	Other - IBHE RAMP (annual financial information)				x	na
	Other - ISL forms (annual financial information)				x	na
	Other - No new programs without Board approval				x	na
	Other - Publish notice of concession in Procurement Bulletin					na
	Other - Salary Information report					na
	Other - State Comptroller SEA reports					na
	Other - Student observation of religious holidays	x			x	na
	Other - Training teachers to teach physical education					na
	Other - Training teachers to teach safety	x			x	na
Other - Tuition and fee waivers report				x	na	

\* Indicates a priority mandate to be addressed through an amendment to statute or administrative rules  
na Not Applicable

**APPENDIX C: HIGHER EDUCATION ACT (HEA) INSTITUTIONAL DISCLOSURE  
REQUIREMENTS**

## Appendix C: Higher Education Act (HEA) Institutional Disclosure Requirements

Subject Area	Requirement Applies to	Summary of Requirement	How Disclosed
Notice of Availability of Institutional and Financial Aid Information	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	Each institution must annually distribute to all enrolled students a notice of the availability of the information that is required to be made available to students under the Family Educational Rights and Privacy Act (FERPA)	Notice is distributed to each enrolled student
Contact Information for Assistance in Obtaining Institutional or Financial Aid Information	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	Each institution must make available to prospective and enrolled students information regarding how and where to contact individuals designated to assist enrolled or prospective students in obtaining the institutional or financial aid information required.	Made available through appropriate publications, mailings, or electronic media
Student Financial Aid Information	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	Each institution must make available to prospective and enrolled students information about financial aid	Made available through appropriate publications, mailings, or electronic media
Notice of Federal Student Financial Aid Penalties for Drug Law Violations	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	Each institution must provide to each student, upon enrollment, a separate, clear, and conspicuous written notice that advises the student that a conviction for any offense, during a period of enrollment for which the student was receiving Title IV, HEA program funds, under any federal or state law involving the possession or sale of illegal drugs will result in the loss of eligibility for any Title IV, HEA grant, loan, or work-study assistance.	Information provided to each student in a separate written notice
Privacy of Student Records - Family Educational Rights and Privacy Act (FERPA)	Institutions Receiving Funds from Any Dept of Education Program (including student financial aid)	Each institution must annually provide a notice to all enrolled students about the rights, procedures, and policies. An institution must provide to students a notice of directory information and student's right to refuse.	Any means reasonably likely to inform students of their rights
Consumer Information on College Navigator Website	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	The Dept of Education is required to post 26 items on the College Navigator website for each institution, including a link to the institution's website.	Made available on the institution's website. The URL for the institution's website is reported to NCES in IPEDS for posting on College Navigator website.
Facilities and Services Available to Students with Disabilities	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	Each institution must make available to prospective and enrolled students information about facilities and services available to students with disabilities, including students with intellectual disabilities.	Made available through appropriate publications, mailings, or electronic media
Student Body Diversity	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	Institutions must make available to current and prospective students information about student body diversity, including the percentage of enrolled, full-time students by gender, self-identified members of a major racial or ethnic group, and Federal Pell Grant recipients.	Made available through appropriate publications, mailings, or electronic media

## Appendix C: Higher Education Act (HEA) Institutional Disclosure Requirements

Subject Area	Requirement Applies to	Summary of Requirement	How Disclosed
Price of Attendance	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	Each institution must make available to prospective and enrolled students information about the price of attendance, including tuition and fees, books and supplies, room and board, transportation costs, and any additional costs for a program in which the student is enrolled or expresses an interest.	Made available through appropriate publications, mailings, or electronic media
Net Price Calculator	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	Institutions must make available on their websites by October 29, 2011 a net price calculator. The institution may use the template provided by the Dept of Education or may develop a customized version that must include, at a minimum, the same elements as the Dept's version.	Made publicly available on the institution's website by October 29, 2011
Refund Policy, Requirements for Withdrawal and Return of Title IV Financial Aid	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	Each institution must make available to prospective and enrolled students information about the institution's refund policy, requirements and procedures for official withdrawal, and requirements for return of Title IV, HEA grant or loan aid	Made available through appropriate publications, mailings, or electronic media
Textbook Information	Institutions Receiving Any Federal Funds	To the maximum extent practicable, and in a manner of the institution's choosing, each institution must disclose on the institution's Internet course schedule used for preregistration and registration purposes, the International Standard Book Number (ISBN) and retail price information of required and recommended textbooks and supplemental materials for each course listed	Internet Course Schedule. Information for students is a notice in written course schedule (if applicable). Information for college bookstores provided upon request.
Academic Program (Educational Programs, Instructional Facilities, and Faculty)	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	Each institution must make available to prospective and enrolled students information about the academic program of the institution including current programs, facilities, faculty, and plans to improve.	Made available through appropriate publications, mailings, or electronic media
Transfer of Credit Policies and Articulation Agreements	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	Each institution must publicly disclose [and make available to prospective and enrolled students] a statement of the institution's transfer of credit policies.	Public disclosed [and made available through appropriate publications, mailings, or electronic media to current and prospective students]
Institutional and Program Accreditation, Approval, or Licensure	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	Each institution must make available to prospective and enrolled students accrediting agencies and procedures to review accreditation documentation.	Made available through appropriate publications, mailings, or electronic media
Copyright Infringement Policies and Sanctions (Including Computer Use and File Sharing)	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	Institutions must annually make available to current and prospective students the institution's policies and sanctions related to copyright infringement.	Made available through appropriate publications, mailings, or electronic media

## Appendix C: Higher Education Act (HEA) Institutional Disclosure Requirements

Subject Area	Requirement Applies to	Summary of Requirement	How Disclosed
Teacher Preparation Program Report	Institutions that Prepare Teachers for Initial State Certification or Licensure	Each institution must provide a report annually to the state and to the general public. The states submit to the Dept of Education, and make available to the public, an annual report containing institutional and state-level information. The Dept makes the state reports available to the public.	Provide report to general public
Drug and Alcohol Abuse Prevention Program	Institutions Receiving Any Federal Funds	Each institution must annually distribute in writing to each student and each employee standards of conduct, applicable legal sanctions, health risks, available counseling, and statement that institution will impose sanctions for violation of standards of conduct and a description of the sanctions. Each institution must make available, upon request, to the Dept of Education and the public, the information distributed to students and employees and the results of a biennial review of institution's programs	Distributed in writing to each student and each employee. Also provided upon request to the public
Vaccinations Policy	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	Institutions must make available to current and prospective students information about institutional policies regarding vaccinations.	Made available through appropriate publications, mailings, or electronic media
Security Report (Including Emergency Response and Evacuation Procedures), Timely Warnings, and Crime Log	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	<p>Institutions must distribute, by October 1 each year, a security report or a notice of the report to all current students and employees. If the institution distributes the report by posting it on the institution's website, the institution must provide a notice by October 1 that includes a statement of the report's availability, the exact electronic address, a brief description of the report's contents, and a statement that the institution will provide a paper copy upon request. Prospective students and employees receive notice and receive report upon request.</p> <p>Institutions must make timely reports to the campus community of crimes considered to be a threat to students and employees that are report to campus security authorities or to local police agencies. Institutions are not required to issue a timely warning based on the same circumstances that lead to an emergency notification</p> <p>Institutions that maintain a police or security department of any kind must maintain a daily crime log. The log must record, by the date a crime was reported, any crime reported to the campus police or security department that occurred on campus, in or on a non-campus building or property, on public property, or within the patrol jurisdiction of the campus police or the campus security department. The log must include the nature, date, time, and general location of each crime, and the disposition of the complaint if known.</p>	Report or notice of report mailed or delivered to each enrolled student and employee. Also, prospective students and prospective employees receive notice of report and receive report upon request.

## Appendix C: Higher Education Act (HEA) Institutional Disclosure Requirements

Subject Area	Requirement Applies to Institutions that Participate in Title IV, HEA Programs and Provide On-Campus Housing	Summary of Requirement	How Disclosed
Fire Safety Report and Fire Log	Institutions that Participate in Title IV, HEA Programs and Provide On-Campus Housing Facilities	<p>Beginning October 1, 2010, an institution that provides any on-campus student housing facility must include in its annual security report a statement of policy regarding missing student notification procedures for students who reside in on-campus student housing facilities.</p> <p>By October 1, of each year (beginning with the October 1, 2010, report containing data from the 2009 calendar year), an institution that maintains any on-campus student housing facility must distribute an annual fire safety report, or notice of the report, to all enrolled students and current employees.</p> <p>The institution must maintain a fire log that records by the date that a fire was reported, any fire that occurred in an on-campus student housing facility. The log must include the nature, date, time and general location of each fire.</p>	<p>Information distributed in annual security report. (Report or notice of report mailed or delivered to each enrolled student and employee. Prospective students and prospective employees receive notice of report and receive report upon request.)</p> <p>Fire safety report, or notice of report, distributed to each student and current employee. Prospective students and prospective employees receive a notice of the report's availability.</p> <p>Fire Log is open for public inspection.</p>
Information for Crime Victims about Disciplinary Proceedings	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	<p>Institutions must, upon written request, disclose to the alleged victim of any crime of violence or a nonforcible sex offense, the results of any disciplinary proceeding conducted by the institution against a student who is the alleged perpetrator of such crime or offense.</p>	Information provided to victim of crime
Retention Rate	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	<p>Institutions must make available to current and prospective students the retention rate of certificate- or degree-seeking, first-time, undergraduate students as report to IPEDS. If the retention rate information is requested by a prospective student, the information must be made available prior to the student's enrolling or entering into any financial obligation with the institution.</p>	Made available through appropriate publications, mailings, or electronic media
Completion/Graduation and Transfer-out Rates (Including disaggregated Completion/Graduation Rates) (Student Right-to-Know Act)	All Institutions Participating in Title IV, HEA Student Financial Aid Programs and That Enroll First-time, Full-Time Undergraduate Students	<p>Each institution must annually make available to prospective and enrolled students the completion or graduation rate of certificate- or degree-seeking, first-time, full-time, undergraduate students. The date are to be available by July 1 each year for the most recent cohort that has had 150 percent of normal time for completion by August 31 of the prior year. If the information is requested by a prospective student, it must be made available prior to the student's enrolling or entire into any financial obligation with the institution.</p>	Made available through appropriate publications, mailings, or electronic media

## Appendix C: Higher Education Act (HEA) Institutional Disclosure Requirements

Subject Area	Requirement Applies to	Summary of Requirement	How Disclosed
Completion/Graduation and Transfer-out Rates for Students Receiving Athletically Related Student Aid (Including disaggregated Completion/Graduation Rates) (Student Right-to-Know Act)	All Institutions Participating in Title IV, HEA Student Financial Aid Programs and That Enroll Students who Receive Athletically Related Student Aid	Each institution must produce by July 1 each year a report that is provided to a prospective student athlete and the student's parents, high school guidance counselor, and coach at the time the institution offers athletically related student aid.	Provide to prospective student athletes and others at time offer is made of athletically related student aid
Placement in Employment	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	Institutions must make available to current and prospective students information regarding the placement in employment of, and types of employment obtained by, graduates of the institution's degree or certificate programs. Institutions must identify the source of the placement information, and any timeframes and methodology associated with it.	Made available through appropriate publications, mailings, or electronic media
Job Placement Rates	Institutions that Participate in Title IV, HEA Programs and Advertise Job Placement Rates for Student Recruitment	An institution that advertises job placement rates as a means of recruiting student to enroll must make available to prospective students, at or before the time the prospective student applies for enrollment the most recent data, supporting documentation, and state licensure requirements.	Information made available to prospective students
Types of Graduate and Professional Education in Which the Institution's Graduates Enroll	All Institutions Participating in Title IV, HEA Student Financial Aid Programs That Have 4-Year Degree Programs	Institutions must make available to current and prospective students information regarding the types of graduate and professional education in which graduates of the institution's 4-year degree programs enroll. Institutions must identify the source of the information, and any timeframes and methodology associated with it.	Made available through appropriate publications, mailings, or electronic media
Intercollegiate Athletic Program Participation Rates and Financial Support Data (Equity in Athletics Disclosure Act)	All Co-Educational Institutions Participating in Title IV, HEA Programs That Have an Intercollegiate Athletic Program	By October 15 each year, a co-educational institution that has an intercollegiate athletic program must make information about the program available to current and prospective students and to the public. Current and prospective students must be provided a notice of their right to request such information. If provided on a website, the notice must provided the exact electronic address, brief description of the report, and a statement that the institution will provide a paper copy upon request.	Made available through appropriate publications, mailings, or electronic media. Notice of report provided to students.
Voter Registration Forms	All Institutions Participating in Title IV, HEA Student Financial Aid Programs	Each institution must make a good faith effort to distribute a mail voter registration form to each student enrolled in a degree or certificate program and physically in attendance at the institution, make the form widely available to students, and request forms from the state 120 days prior to the deadline for registering to vote within the state.	Voter registration forms made widely available and provided to each enrolled student

## Appendix C: Higher Education Act (HEA) Institutional Disclosure Requirements

Subject Area	Requirement Applies to	Summary of Requirement	How Disclosed
State Grant Assistance	Institutions Participating in Title IV, HEA FFEL or Direct Loan Programs	Institution must inform all eligible borrowers enrolled in the institution about the availability of and their eligibility for grant assistance from the state in which the institution is located, and provide sources of information about grant assistance from other states to borrowers from other states.	Information provided to borrowers
Student Loan Information Published by Dept of Education	Institutions Participating in Title IV, HEA Loan Programs	Institutions are required to provide information published by the Dept of Education to students at any time that information regarding loan availability is provided. The publication includes information about rights and responsibilities of students and institutions.	Information provided to prospective student borrowers
National Student Loan Data System (NSLDS)	Institutions Participating in Title IV, HEA Loan Programs	Institutions that enter into an agreement with a potential student, student, or parent of a student regarding a Title IV, HEA loan are required to inform the student or parent that the loan will be submitted to the National Student Loan Data System (NSLDS), and will be accessible by guaranty agencies, lenders, and institutions determined to be authorized users of the data system.	Information provided to borrowers
Entrance Counseling for Student Loan Borrowers	Institutions Participating in Title IV, HEA Loan Programs	Prior to the first disbursement, each institution must provide to a first-time borrower of a FFELP or a Federal Direct Loan (other than consolidated or Parent PLUS loans) comprehensive information on the terms and conditions of the loan and of the borrower's responsibilities.	Information provided to each borrower
Exit Counseling for Student Loan Borrowers	Institutions Participating in Title IV, HEA Loan Programs	Each institution must provide counseling to borrowers of loans under the FFEL, Federal Direct Loan, or Perkins Loan programs (other than consolidated or Parent PLUS loans) shortly before the student borrower ceases at least half-time study at the institution.	Information provided to each student borrower
Private Education Loan Disclosures (Including Self-Certification Form)	Institutions Receiving Any Federal Funds That Provide Information to Prospective Borrowers About Private Education Loans	Institutions or institution-affiliated organizations (e.g., alumni organizations, foundations) that provide information regarding a private education loan from a lender to a prospective borrower must provide information to the prospective borrower. The institution must, upon request, provide in written or electronic form to an enrolled or admitted student applicant for a private education loan the self-certification form for private education loans and the information required to complete the form, to the extent the institution possesses the information.	Information provided to prospective borrowers. Self-Certification Form and information provided upon request to loan applicant.
Code of Conduct for Education Loans	Institutions Participating in Title IV, HEA Loan Programs	Each institution must prominently publish on the institution's website a code of conduct that prohibits a conflict of interest with the responsibilities of an agent of the institution with respect to FFELP or private education loans. All agents with responsibility for loans must be informed annually of the provisions of the code.	Published on website. All relevant agents must be annually informed of the provisions of the code of conduct.

## Appendix C: Higher Education Act (HEA) Institutional Disclosure Requirements

Subject Area	Requirement Applies to	Summary of Requirement	How Disclosed
Preferred Lender Lists	Institutions Participating in Title IV, HEA Loan Programs That Participate in a Preferred Lender Arrangement	Each institution must annually make available in print or other medium to students attending the institution and their families list of the specific lenders for private education loans or for title IV, HEA loans that the institution recommends, promotes, or endorses in accordance with a preferred lender arrangement.	Made available to students and families in print or other medium
Preferred Lender Arrangements	Institutions Participating in Title IV, HEA Loan Programs That Participate in a Preferred Lender Arrangement	Institutions or institution-affiliated organizations (e.g., alumni organizations, foundations) that participate in a preferred lender arrangement must comply with the code of conduct provisions in HEA. Institution-affiliated organizations are required to prominently publish the code of conduct on their websites and annually inform agents with responsibility for education loans of the provisions of the code	Published on website. All relevant agents must be annually informed of the provisions of the code of conduct. Provided in publications, mailings, or electronic messages or materials that are distributed to prospective or current students and their families.
Private Education Loans	Institutions Participating in Title IV, HEA Loan Programs That Participate in a Preferred Lender Arrangement	Each institution must provide on its website, and in publications, mailings, or electronic messages, or materials that are distributed to prospective or current students and their families that describe the financial aid opportunities available to students attending the institution and that describe or discuss private education loans, the information required to be disclosed for each type of private loan offered pursuant to preferred lender arrangement.	Published on website. Provided in publications, mailings, or electronic messages or materials that are distributed to prospective or current students and their families.
Annual Report on Preferred Lender Arrangements	Institutions Participating in Title IV, HEA Loan Programs That Participate in a Preferred Lender Arrangement	Each institution and each institution-affiliated organization must make an annual report to the Dept of Education that includes for each lender in a preferred lender arrangement with the institution or institution-affiliated organization the required information. The information in the report must be made available to the public and provided to current students and students planning to attend the institution and their families.	Made available to the public and provided to current students and students planning to attend the institution and their families.

Source: National Postsecondary Education Cooperative, *Information Required to be Disclosed Under the Higher Education Act of 1965: Suggestions for Dissemination*, 2009.

**APPENDIX D: RECOMMENDATIONS FROM IBHE COMMITTEE TO REVIEW  
PRIORITIES, PRODUCTIVITY, AND ACCOUNTABILITY, AUGUST 23, 2005**

**STATE-LEVEL “REGULATORY RELIEF” PROPOSALS FOR  
ILLINOIS PUBLIC UNIVERSITIES**

**Subcommittee B Recommendations (Item #CA-4 August 23, 2005). Illinois Board of Higher Education: Committee to review Priorities, Productivity, and Accountability: Final Report.**

**I. Actions NOT Requiring Statutory and/or Rule Changes That Can Be  
Initiated Immediately**

1. Compile a list of data elements in RAMP not really needed or used in budget development and eliminate.

**Key Benefits:** Reduces administrative burden/costs.

**Required Action:** Change in IBHE practice in consultation with public universities.

2. Identify overlap between IBHE (RAMP) and legislative (ISL) budget information submissions. Use RAMP submissions as primary basis for addressing legislative staff data requirements with addenda as necessary to address special staff data needs.

**Key Benefits:** Reduces administrative burden/costs.

**Required Action:** Change in IBHE and legislative staff practices in consultation with public universities.

3. Reexamine purpose of the IBHE Cost Study and reevaluate its role relative to RAMP and other IBHE data collection activities

**Key Benefits:** Reduces administrative burden/costs.

**Required Action:** Change in IBHE practice in consultation with public universities.

4. Discontinue Baccalaureate Follow-Up Survey or revise schedule to once every third or fourth year.

**Key Benefits:** Reduces administrative burden/costs.

**Required Action:** Change in IBHE practice in consultation with public universities.

5. Examine information requested as part of annual “Results Reports” to determine what might be eliminated or collected on a more periodic basis (i.e., every 2-3 years).

**Key Benefits:** Reduces administrative burden/costs.

**Required Action:** Change in IBHE practice in consultation with public universities.

**II. Actions Requiring Statutory and/or Rule Changes That Should be  
Pursued Immediately**

1. Allow public universities to process all payments (appropriated and non-appropriated funds) locally.

**Key Benefits:** Eliminate duplication of effort between universities and Comptroller. Eliminate need for two payroll and voucher processing systems. Allows for timely payment to vendors, resulting in possible cost savings. Allows for single source for reporting employee activity.

**Required Action:** Statutory change: 15 ILCS 405/1 et seq. Administrative rules change. Agency rules change (Comptroller/CMS).

2. Eliminate redundant expenditure reviews and specific audits on state grants and contracts (e.g., HECA grants).

**Key Benefits:** Reduces administrative burden/costs. Eliminates duplicative reviews already covered within the scope of annual institutional financial audits.

**Required Action:** Administrative rule changes. Agency rules change (IBHE, other state agencies).

3. Raise threshold levels for required contractual obligation filings with the Comptroller's office to statutory bidding levels.

**Key Benefits:** Reduces administrative burden/costs. Lessen need for university/Comptroller coordination and reconciliations.

**Required Action:** Statutory change: 30 ILCS 500/20-80. Administrative rules change. Agency rules change (Comptroller).

4. Increase the threshold for individual Procurement Card transactions; allow use of a procurement card for the purchase of other services and travel expenses.

**Key Benefits:** Reduces administrative burden/costs. Increases convenience and "bulk" purchasing power.

**Required Action:** Statutory change: 30 ILCS 105/13.3. Administrative rules change. Agency rules change (CMS).

5. Modify property control requirements (i.e. eliminate state reporting requirements, increase level for property tags, modify the reportable fixed asset level, permit disposal of property outside CMS Surplus Property Division, allow retention of sale proceeds for equipment purchased with non-state funds).

**Key Benefits:** Utilizes procedures consistent with university operations rather than procedures applicable to state agencies. Preserves Auditor General audit function for property records. Reduces administrative costs.

**Required Action:** Statutory change: 30 ILCS 605/1 et. seq. Agency rules change (Comptroller/CMS).

6. Eliminate requirement for IBHE approval of leases exceeding five years for land, buildings and facilities supporting scientific research.

**Key Benefits:** Accelerates project completion.

**Required Action:** Statutory change: each public university act.

7. Eliminate requirement for submission of annual three-year capital plan to IBHE detailing projects to be funded with bond revenue; report submitted to Illinois Economic and Fiscal Commission or change reporting cycle to every three years.

**Key Benefits:** Reduces administrative burden/costs.

**Required Action:** Statutory change: 110 ILCS 205/9.11.

8. Eliminate need for IBHE approval of non-instructional capital improvements or amend statute to include definition of those projects requiring approval.

**Key Benefits:** Accelerates project completion.

**Required Action:** Statutory change: 110 ILCS 205/9.08. Administrative rules change.

### **III. Actions Requiring Statutory and/or Rule Changes That Likely Can Only Be Achieved in the Mid-Term (2-3 Years)**

1. Implement proposed amendments to the State Procurement Code as submitted by IPHEC in December 2003, including the exemption of certain purchases from the code (i.e., books, periodicals, copyrighted material, entertainment and college sports contracts), allowing leases not funded by State appropriations of up to 25 years in length, extending the existing inflationary adjustment of commodities and service bid thresholds to professional and artistic services, etc.

**Key Benefits:** Reduces administrative burden/costs while preserving controls and standards. Facilitates institutional planning and flexibility. Better positions universities to negotiate cost savings with vendors.

**Required Action:** Statutory change: 30 ILCS 500/1-1 et seq. Administrative rules changes. Agency rules change (CMS, etc.)

2. Standardize capitalized asset dollar thresholds between the Property Control Law, the State Finance Act, CMS Administrative Rules, and SAMS.

**Key Benefits:** Reduces administrative burden/costs; facilitates institutional planning. Reduces required paperwork; simplifies asset filings.

**Required Action:** Statutory change: various. Administrative rules change. Agency rules change (Comptroller/CMS).

3. Restructure the Auditor General audit schedule from annual financial and compliance audits to annual financial/biennial compliance audits.

**Key Benefits:** Reduces administrative burden/costs while preserving controls and standards. Allows correction of compliance issues within 2-year schedule consistent with most state agencies.

**Required Action:** Statutory change: 30 ILCS 5/1 et seq. Administrative rules change. Agency rules change (Comptroller/OAG). *NOTE – May not be feasible if change in federal law is also required (A-133 reporting requirement)*

4. Eliminate documentation requirements for the transfer of paperwork between state agencies (grant and contract billings).

**Key Benefits:** Reduces administrative burden/costs by limiting unwieldy paper transactions.

**Required Action:** Administrative rules change. Agency rules change (various).

5. Increase sealed bid thresholds significantly (i.e. from \$28,000 for small purchases to \$100,000).

**Key Benefits:** Reduces administrative costs; accelerates timeliness of purchases. Better positions universities to negotiate cost savings with vendors.

**Required Action:** Statutory change: various, Administrative rules change. Agency rules change (CMS).

6. Expand electronic transfer of expenditure data from universities to the Comptroller.

**Key Benefits:** Reduces administrative burden/costs.

**Required Action:** Change in Comptroller practice.

7. Extend required cost savings payback period in guaranteed energy savings contracts (i.e. performance contracts) as authorized by the Public University Energy Conservation Act from 10 years to 20 years.

**Key Benefits:** Provides greater flexibility and incentives for universities to negotiate performance contracts with vendors.

**Required Action:** Statutory change: 110 ILCS 62/20.

8. Eliminate requirement that no contracts for awards subject to the State Procurement Code may be entered into for 30 days following the notice of award posting in the Procurement Bulletin. *NOTE – This requirement was added as part of FY 2005 budget implementation legislation signed into law on July 30, 2004 (Public Act 093-0839).*

**Key Benefits:** Eliminates unnecessary barrier to timely acquisition of contracted goods and services.

**Required Action:** Statutory change: 30 ILCS 500/5-30.

#### **IV. Actions Requiring Statutory and/or Rule Changes That, While Desirable, Likely Can Only Be Achieved in the Long-Term (3 or More Years) After Significant Consultation**

1. Consolidate non-personnel appropriation lines or eliminate 2% transfer limit and approval requirements.

**Key Benefit:** Facilitates institutional financial planning and flexibility.

**Required Action:** Statutory change: 30 ILCS 105/13.5.

2. Allow carryover of state appropriation authority to address long-term needs, and/or re-appropriate unexpended appropriation authority

**Key Benefit:** Allows carryover of unspent/unobligated appropriations to future periods rather than requiring spending within state fiscal year. Facilitates long-term institutional financial planning.

**Required Action:** Statutory change: 30 ILCS 105/25.

3. Allow lump sum transfer of funds from the Comptroller to the universities.

**Key Benefits:** Facilitates institutional financial planning and flexibility

**Required Action:** Administrative rules change. Agency rules change (Comptroller).

4. Provide direct appropriation and design/build authority for all capital projects to institutions, eliminating the CDB role and Capital Development Board Construction Administration Fee.

**Key Benefits:** Accelerates project completion and potential cost savings. Eliminates 3.0% construction administration fee and related costs. Reduces duplication in project documentation and oversight.

**Required Action:** Statutory change: 20 ILCS 3105/1 et seq. Administrative rules change. Agency rules change (CDB).

5. Eliminate contract-filing requirement with state Comptroller (*Note – similar to proposal II-3*)

**Key Benefits:** Reduces administrative burden, resulting in lower administrative costs.

**Required Action:** Statutory change: 30 ILCS 500/20-80. Administrative rules change. Agency rules change (Comptroller).

6. Restructure the State Universities Civil Service System from a regulatory/employer role to a “compliance” audit role.

**Key Benefits:** Consolidates duplicative, time consuming efforts. Streamlines the hiring process thereby reducing administrative burden/cost.

**Required Action:** Statutory change: 110 ILCS 70/0.01 et seq. Administrative rules change.

7. Consolidate (or eliminate duplicative) reporting required under the State Employment Records Act and that required by the Department of Human Rights concerning employees (number, salary levels, etc.)

**Key Benefits:** Reduces administrative burden/cost.

**Required Action:** Statutory change: 5 ILCS 410/1 et seq.

8. Eliminate annual report on sick-leave payouts or make a biennial report.

**Key Benefits:** Reduces administrative burden/cost.

**Required Action:** Statutory change: 40 ILCS 5/15-158.3 (b)

9. Evaluate prospects for increased institutional authority in benefit design for the employee group insurance program

**Key Benefits:** Increases institutional flexibility and competitiveness in employee recruitment and retention. Potential cost savings.

**Required Action:** Statutory change: various. Administrative rules change. Agency rules change (CMS)

**APPENDIX E: HOUSE RESOLUTION 918**

HOUSE RESOLUTION 918

BE IT RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-SIXTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that a Blue Ribbon Committee on Higher Education Mandates is established within the Board of Higher Education to review State mandates on public universities to determine whether the mandates (1) are necessary for the health and safety of students in compliance with federal laws, (2) are essential to the academic integrity of public university systems, (3) exceed federal requirements, or (4) are superfluous to the core academic programs of public universities; and be it further

RESOLVED, That the Committee shall include members from organizations representing the interests of university administrators, university governing board members, university faculty and staff, and the business community, Board of Higher Education personnel, 2 representatives from statewide teacher organizations representing faculty and staff, and others as deemed necessary by the Committee; the Committee shall make recommendations to the General Assembly on the elimination of unnecessary and costly statutory and regulatory mandates on public universities by filing a report as provided in Section 3.1 of the General Assembly Organization Act on or before August 1, 2010; upon filing its report, the Committee is dissolved; and be it further

RESOLVED, That the 96th General Assembly declares that there shall be a moratorium on the passage of legislation during the 96th General Assembly that imposes any unfunded mandates on public universities; and be it further

RESOLVED, That a suitable copy of this resolution be presented to the Board of Higher Education.