

BILL ANALYSIS

Senate Research Center
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S.B. 1718
By: Williams
Subcommittee on Higher Education
3/27/2003
As Filed

DIGEST AND PURPOSE

The comptroller, through the e-Texas Recommendations, recommends an improvement in the system of appropriating the state's money to an institution of higher education to ensure that institutions function within their educational and general funds. As proposed, S.B. 1718 requires formulas for basic funding of institutions of higher education to include positive and negative adjustments, as necessary, of estimated educational and general funds to account for the institutions' reconciliation of those funds for the preceding biennium. This bill also requires the Texas Higher Education Coordinating Board to adopt a uniform system of financial accounting that takes into account all educational and general funds received by an institution of higher education and that requires each institution to reconcile the estimated amount of those funds, used to determine state appropriations for the institution for the most recently completed state fiscal biennium, to the actual amount of educational and general funds that the institution received during that biennium.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 61.059(c), Education Code, to include the requirement that formulas for basic funding include a positive or negative adjustment, as appropriate, of the estimated amount of educational and general funds to be received by an institution for the biennium for which the formulas are established, to account for the institution's reconciliation of those funds for the preceding biennium as computed and reported under Section 61.065 (Reporting; Accounting). Makes a nonsubstantive change.

SECTION 2. Amends Section 61.065, Education Code, by adding Subsections (c) and (d), as follows:

(b) Requires the Texas Higher Education Coordinating Board (THECB) to adopt a uniform system of financial accounting of all educational and general funds received by an institution of higher education, including tuition, certain fees, and proceeds from the sale or educational and general equipment received by an institution. Requires the uniform system to require each institution to reconcile the estimated amount of educational and general funds used to determine state appropriations for the institution for the most recently completed state fiscal biennium to the actual amount of educational and general funds that the institution received during that biennium.

(d) Requires each institution to report its reconciliation under Subchapter (c) to THECB, the comptroller, and the Legislative Budget Board at the time required by THECB.

SECTION 3. Effective date: upon passage or September 1, 2003.