
OLR Bill Analysis

sHB 6887 (as amended by House "A")*

AN ACT CONCERNING HIGHER EDUCATION MANAGEMENT AND FISCAL ACCOUNTABILITY.

SUMMARY

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

The bill requires the BOR to appoint a compliance officer by January 1, 2026, to conduct regular audits and report to the BOR (§ 3).

The bill also specifies that constituent units of higher education, as currently required of budgeted agencies and quasi-public agencies, must submit expense information requested by the comptroller for inclusion on the comptroller's online database of expenditures. This includes data related to contracts, grants, payroll, and pensions, but does not require creation of unavailable data or technology systems or require disclosure of information protected by law (§ 4).

*House Amendment "A" requires the BOR to appoint a compliance officer, instead of establishing an internal audit office; adds the provision on submitting expenditure data for the comptroller's database; and eliminates requirements for (1) the comptroller to do a randomized post-audit examination of Connecticut State Colleges and Universities' (CSCU) records and expenditures and (2) constituent units to submit quarterly budget and expense data to the comptroller for the statewide fiscal transparency program and databases.

EFFECTIVE DATE: July 1, 2025

POLICIES

Under the bill, the BOR must adopt or amend certain policies, as

outlined above, applicable to each constituent unit it oversees (the state universities and Connecticut State Community College) and the CSCU central office. The UConn Board of Trustees must adopt or amend the same policies for UConn.

For purchasing cards, the policies must address:

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

For state vehicles, the policies must address:

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

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

Residency

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

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

BOR COMPLIANCE OFFICER

The bill requires the BOR to appoint a compliance officer by January 1, 2026, to regularly audit records and expenditures at the state universities, Connecticut State Community College, and the CSCU central office, as often as the officer deems necessary, for:

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

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

BACKGROUND

Constituent Units of Higher Education

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

COMMITTEE ACTION

Higher Education and Employment Advancement Committee

Joint Favorable Substitute

Yea 18 Nay 0 (02/27/2025)

Appropriations Committee

Joint Favorable

Yea 38 Nay 12 (05/05/2025)