

# SENATE BILL 1124

F2, P1

(0lr3559)

## ENROLLED BILL

— Budget and Taxation/Appropriations —

Introduced by **Senator Kasemeyer**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
President.

### CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 ~~University System of Maryland~~ ***Public Senior Higher Education Institutions***  
3 ***- Audits - Communicating Preliminary Findings***

4 FOR the purpose of requiring the Legislative Auditor to send ~~the Chancellor of the~~  
5 ~~University System of Maryland and the University System of Maryland Board~~  
6 ~~of Regents Audit Committee~~ a copy of certain discussion notes of a certain  
7 examination conducted by the Office of Legislative Audits of a ~~constituent~~  
8 ~~institution of the University System of Maryland;~~ ***public senior higher education***  
9 ***institution to the appropriate governing board of the institution;*** ~~requiring the~~  
10 ~~Chancellor to send the Board of Regents of the University System of Maryland a~~  
11 ~~copy of certain discussion notes at a certain time;~~ and generally relating to  
12 audits of ~~the constituent institutions of the University System of Maryland~~  
13 ***public senior higher education institutions.***

14 ~~BY repealing and reenacting, with amendments,~~

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#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics* indicate opposite chamber/conference committee amendments.



1 ~~Article—Education~~  
 2 ~~Section 12-108~~  
 3 ~~Annotated Code of Maryland~~  
 4 ~~(2008 Replacement Volume and 2009 Supplement)~~

5 BY adding to  
 6 Article – State Government  
 7 Section 2-1223.1  
 8 Annotated Code of Maryland  
 9 (2009 Replacement Volume)

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
 11 MARYLAND, That the Laws of Maryland read as follows:

12 ~~Article—Education~~

13 ~~12-108.~~

14 ~~(a) (1) The Board of Regents shall appoint a Chancellor of the University~~  
 15 ~~System of Maryland.~~

16 ~~(2) The Chancellor is the Chief Executive Officer of the University~~  
 17 ~~System of Maryland and the Chief of Staff for the Board.~~

18 ~~(b) (1) The Chancellor shall:~~

19 ~~(i) Advise the Board of Regents on systemwide policy;~~

20 ~~(ii) Conduct systemwide planning;~~

21 ~~(iii) Coordinate and arbitrate among the institutions and centers~~  
 22 ~~of the University;~~

23 ~~(iv) Assist the institutions in achieving performance goals in~~  
 24 ~~accordance with their adopted performance accountability plan;~~

25 ~~(v) Provide technical assistance to institutions and centers such~~  
 26 ~~as legal and financial services;~~

27 ~~(vi) ON RECEIPT OF THE DISCUSSION NOTES OF AN~~  
 28 ~~EXAMINATION CONDUCTED BY THE OFFICE OF LEGISLATIVE AUDITS OF A~~  
 29 ~~CONSTITUENT INSTITUTION OF THE UNIVERSITY SYSTEM OF MARYLAND~~  
 30 ~~UNDER § 2-1223.1 OF THE STATE GOVERNMENT ARTICLE, SEND A COPY OF THE~~  
 31 ~~DISCUSSION NOTES TO THE BOARD OF REGENTS;~~

32 ~~[(vi)] (vii) Perform the duties the Board assigns; and~~

- 1                   ~~[(vii)] (VIII) See that the policies of the Board are carried out.~~
- 2                   ~~(2) The Chancellor serves at the pleasure of the Board.~~
- 3                   ~~(3) The Chancellor is entitled to the compensation established by the~~  
4 ~~Board.~~
- 5                   ~~(e) The Chancellor may:~~
- 6                   ~~(1) Have the additional staff provided in the University budget; and~~
- 7                   ~~(2) (i) Create any position within the system administration office~~  
8 ~~and within existing funds available to the system administration office, to the extent~~  
9 ~~the cost of the position, including the cost of any fringe benefits, is funded from~~  
10 ~~existing funds.~~
- 11                   ~~(ii) This paragraph may not be construed to require any~~  
12 ~~additional State General Fund support.~~
- 13                   ~~(iii) The total number of positions authorized under this~~  
14 ~~paragraph shall be limited as specified annually in the State budget bill.~~
- 15                   ~~(d) (1) Each employee of the Board shall join the Teachers' Pension~~  
16 ~~System of the State of Maryland or the Employees' Pension System of the State of~~  
17 ~~Maryland.~~
- 18                   ~~(2) As an alternative, any employee in a position determined by the~~  
19 ~~Board to be a professional position may join the optional retirement program under~~  
20 ~~Title 30 of the State Personnel and Pensions Article.~~

## 21   Article – State Government

### 22   **2-1223.1.**

23                   ON THE PRELIMINARY COMPLETION OF AN EXAMINATION OF A  
24 ~~CONSTITUENT INSTITUTION OF THE UNIVERSITY SYSTEM OF MARYLAND~~  
25 PUBLIC SENIOR HIGHER EDUCATION INSTITUTION BY THE OFFICE OF  
26 LEGISLATIVE AUDITS, THE LEGISLATIVE AUDITOR SHALL SEND ~~THE~~  
27 ~~CHANCELLOR OF THE UNIVERSITY SYSTEM OF MARYLAND AND THE~~  
28 ~~UNIVERSITY SYSTEM OF MARYLAND BOARD OF REGENTS AUDIT COMMITTEE~~ A  
29 COPY OF THE DISCUSSION NOTES OF THE EXAMINATION RELATING TO ANY  
30 PRELIMINARY FINDINGS OF SUBSTANTIAL FISCAL IMPROPRIETY TO THE  
31 FOLLOWING INDIVIDUALS AND GOVERNING BOARDS OF THE RESPECTIVE  
32 INSTITUTIONS THAT WERE SUBJECT TO THE EXAMINATION:

1                   **(1) THE CHANCELLOR OF THE UNIVERSITY SYSTEM OF**  
 2 **MARYLAND AND THE UNIVERSITY SYSTEM OF MARYLAND BOARD OF REGENTS**  
 3 **AUDIT COMMITTEE;**

4                   **(2) THE PRESIDENT OF MORGAN STATE UNIVERSITY AND THE**  
 5 **FINANCE AND FACILITIES COMMITTEE OF THE BOARD OF REGENTS OF**  
 6 **MORGAN STATE UNIVERSITY; OR**

7                   **(3) THE PRESIDENT OF ST. MARY’S COLLEGE OF MARYLAND AND**  
 8 **THE FINANCE, INVESTMENT, AND AUDIT COMMITTEE OF THE BOARD OF**  
 9 **TRUSTEES OF ST. MARY’S COLLEGE OF MARYLAND.**

10           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 11   October 1, 2010.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.