

University of Connecticut
&
University of Connecticut Health Center
2014 Session
Proposed Legislative Requests

1. Conform Public Higher Education Purchasing Statutes with Department of Administrative Services Statutes

Background:

The below requested language conforms public higher education's purchasing statutes with the current Department of Administrative Services' (DAS) practice and statutory framework regarding accessing better prices for goods and commodities through purchasing consortia. In 2008, the Department of Administrative Services changed their statutes, now codified as 4a-53, to allow DAS to utilize purchasing consortia to access more competitive pricing. The proposed language allows all of the Connecticut public colleges and universities to do the same.

Legislative Language Requested:

Section XX. Section 10a-151b (b) of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (effective upon passage):

(a) Notwithstanding the provisions of chapter 58, and sections 4-98, 4a-4, 4a-5, 4a-6, 4d-2, and 4d-5 to the contrary, a chief executive officer may purchase equipment, supplies and contractual services, execute personal service agreements, as defined in section 4-212, or lease personal property compatible, where relevant, with standards for computer architecture established by the Department of Administrative Services, without the approval of the Comptroller, the Secretary of the Office of Policy and Management or the Commissioner of Administrative Services, provided the chief executive officer consults with the commissioner and such purchases are made in accordance with this section and in accordance with policies which are (1) adopted by the board of trustees of the constituent unit after reasonable opportunity for interested persons to present their views, and (2) subject to section 4-175. For purposes of this section, "chief executive officer" means the chief executive officer of a constituent unit of the state system of higher education or the chief executive officer of an institution within the jurisdiction of such a constituent unit. The provisions of sections 4-212 to 4-219, inclusive, and section 9 of public act 93-336* shall not apply to personal service agreements executed pursuant to this section.

(b) Purchases made pursuant to this section shall be based, when possible, on competitive bids or competitive negotiation. Such chief executive officer shall solicit competitive bids or proposals by sending notice to prospective suppliers and by posting notice on a public bulletin board in such officer's office. Such notice shall contain a notice of state contract requirements pursuant to section 4a-60. Each bid or proposal shall be kept sealed until opened publicly at the time stated in the notice soliciting such bid or proposal. Sealed bids or proposals shall include bids or proposals sealed within an envelope or maintained within a safe and secure electronic environment until such time as they are publicly opened. If the amount of the expenditure is estimated to exceed fifty thousand dollars, not later than five calendar days before the final date of submitting

competitive bids or proposals, competitive bids or proposals shall be solicited by public notice posted on the Internet. All purchases fifty thousand dollars or less in amount shall be made in the open market, but shall, when possible, be based on at least three competitive quotations. If desired by the constituent unit, competitive quotations may include quotations submitted to the constituent unit within a safe and secure electronic environment. The constituent unit shall not refuse to consider a bid, proposal or quotation because it is not submitted electronically.

(c) Notwithstanding the provisions of subsection (b) of this section to the contrary, competitive bidding or competitive negotiation is not required in the case of (1) minor purchases of ten thousand dollars or less in amount, (2) purchases made pursuant to subsection (k) of this section, or (3) emergency purchases. Whenever an emergency exists by reason of extraordinary conditions or contingencies that could not reasonably be foreseen and guarded against, or because of unusual trade or market conditions, the chief executive officer may, if it is for the best interest of the state, make purchases without competitive bidding. A statement of all emergency purchases made under the provisions of this subsection shall be set forth in the annual report of the chief executive officer.

(d) Nothing in this section shall exempt a constituent unit or chief executive officer from complying with the provisions of sections 4a-60 and 4a-61.

(e) No person, firm or corporation disqualified pursuant to section 4a-52a, or by the Commissioner of Administrative Services pursuant to section 4a-63 from bidding on contracts with the Department of Administrative Services may bid pursuant to this section.

(f) A chief executive officer who enters into a contract under this section which fails to meet the requirements of this section shall be personally liable for the costs of such contract and such contract shall be void and of no effect. Any amount paid under such contract may be recovered from such chief executive officer by the state in a civil action.

(g) Nothing in this section shall be construed to prevent a chief executive officer from participating in a contract for the purchase of equipment, supplies or services with the Department of Administrative Services pursuant to chapter 58.

(h) Nothing in this section shall be construed to prevent a constituent unit from entering into a corporate sponsorship agreement which contains provisions for the barter of goods and services, provided such agreement is entered into in accordance with policies and procedures governing such agreements pursuant to subsection (a) of this section.

(i) For the period from July 1, 2002, to June 30, 2006, inclusive, any funds or revenues collected from ticket sales by the contractor hired by Western Connecticut State University to operate and manage its O'Neill Center, shall not be deemed to be state funds for the purposes of sections 4-32 and 4-33 and may be deposited in the contractor's account for a period of time not to exceed forty days, during which time the contractor shall pay all expenses related to the event for which the tickets were sold and make an accounting of the portion of the funds to be remitted to the university, and then remit such funds to the university pursuant to the terms of the contract. Upon receipt of such funds, the university shall deposit such funds in accordance with the provisions of sections 4-32 and 4-33.

(j) Notwithstanding the provisions of subsections (a) and (b) of this section, a chief executive officer may not extend a contract with a value of fifty thousand dollars or more per year to perform janitorial, building maintenance, security or food and beverage services unless: (1) Such contract is in effect on May 1, 2005; (2) such extension is for a period of one year from the date such contract would otherwise expire; and (3) any such extension includes any applicable increase in the standard wage and the payroll burden to administer the standard wage, as established by the Labor Department.

(k) The chief executive officer of a constituent unit may purchase, or make expenditures related to the development of, any technology, product or process for the purpose of testing such technology, product or process in the operation of the constituent unit on a trial basis, if (1) such technology, product or process (A) is part of or related to a research program at the constituent unit, (B) has the potential, as determined by the chief executive officer, to provide economic benefit to the state, (C) will not adversely affect the safety of any individual, and (D) has potential for commercialization, and (2) the chief executive officer has received a recommendation to test such technology, product or process from a constituent unit committee whose membership includes the chief purchasing official, the chief academic officer and the chief economic development officer for the constituent unit, or their designees.

(l) The chief executive officer of a constituent unit that purchases or makes expenditures related to the development of any technology, product or process for the purpose of testing such technology, product or process in the operation of the constituent unit on a trial basis, pursuant to subsection (k) of this section, shall, not later than January first of the year following such purchase or expenditure, submit a report, on the number of times such constituent unit tested such technology, product or process during the last twelve months, or if such tests are not complete, will test such technology, product or process in the next twelve months, to the joint standing committees of the General Assembly having cognizance of matters relating to higher education and commerce, in accordance with section 11-4a.

(NEW) (m) The chief executive officer of constituent unit may join with federal agencies, other state governments, political subdivisions of this state or nonprofit organizations in cooperative purchasing plans when the best interests of the state would be served thereby.

(NEW) (n) The state, through the chief executive officer of a constituent unit, may purchase equipment, supplies, materials and services from a person who has a contract to sell such property or services to other state governments, political subdivisions of this state, nonprofit organizations or public purchasing consortia, in accordance with the terms and conditions of such contract.

2. Revisions to UConn Statutes for Revenue Bond Projects

Background:

The University requests a legislative change to address issues related to construction and renovation projects financed by University fees. Specifically, this change would clarify that University fee revenue used to finance all or part of auxiliary services projects like residence halls, parking garages, and dining halls does not count against the state debt service commitment. This change is necessary so that key projects funded through University fees can move forward. It is important to note that the proposed legislation does NOT increase the state's debt service commitment as these projects will be financed either through existing UCONN 2000/Next Generation CT funding or through University generated fees.

Legislative Language:

Section XX. Sec. 10a-109f of the general statutes is repealed and the following is substituted in lieu thereof (effective upon passage):

(a) The university may, when directed by vote of its board of trustees and **for obligations secured by the state debt service commitment** subject to the limitations in the authorized funding amount, borrow money and enter into financing transactions proceedings in anticipation of assured revenues or project revenues **or other funding sources** in the name of the university, on behalf of the state, and issue securities in connection with such proceedings, as follows: (1) To finance the cost of UConn 2000 or any one project thereof, or more than one, or any combination of projects thereof; (2) to refund securities issued pursuant to

sections 10a-109a to 10a-109y, inclusive; and (3) to refund any such refunding borrowings. All securities issued in connection with assured revenues or project revenues financing transaction proceedings entered into pursuant to this section shall be authorized by a resolution approved by not less than a majority vote of its board of trustees.

3. Revisions to UConn Statutes for Leases with State Agencies and Quasi-Agencies

Background:

The University requests a legislative change to clarify that it can enter into leases for space with another state agency or quasi-agency in excess of \$50,000. This change merely deletes obsolete language which prohibited these leases and is being requested by UCONN 2000 bond counsel.

Legislative Language:

Section XX. Sec. 10a-109g (g) of the general statutes is repealed and the following is substituted in lieu thereof (effective upon passage):

(g) The proceeds of the securities of any issue shall be used solely for the purpose or purposes identified in the master indenture, and shall be disbursed in such manner and under such restrictions, if any, as the university may provide in the resolution authorizing the issuance of such securities or in the indenture or resolution securing the same. **[The university shall not lease or finance or lease-finance any land or building outside the Storrs campus through any other state agency or quasi-public agency other than those leases, financings or lease purchases in the ordinary course of its activities and provided the annual expenditure thereof during the period of agreements related thereto whether expressed as rent, debt service, lease purchase payments or the like does not exceed for each item which is the subject matter of the lease, finance or lease-finance agreement, fifty thousand dollars in any year and such limitation shall apply as long as the university is authorized in accordance with subsection (a) of this section to issue securities under sections 10a-109a to 10a-109y, inclusive.]** The resolution providing for the issuance of securities, and any indenture or resolution securing such securities, may contain such limitations upon the issuance of additional securities as the university may deem proper, and such additional securities shall be issued under such restrictions and limitations as may be prescribed by such indenture or resolution, provided, no such resolution or indenture shall include a covenant committing the university to the issuance of additional securities secured by a pledge of the state debt service commitment. The university may provide for the replacement of any securities which become mutilated, or are destroyed, stolen or lost. Securities may be issued under sections 10a-109a to 10a-109y, inclusive, without obtaining the consent of any department, division, commission, board, bureau, or agency of the state and without any other proceedings or the happening of any other conditions or things other than those proceedings, conditions or things which are specifically required by sections 10a-109a to 10a-109y, inclusive.