

By: Representative Scott (80th)

To: Universities and  
Colleges

## HOUSE BILL NO. 77

1 AN ACT TO AMEND SECTIONS 7-9-23 AND 7-7-1, MISSISSIPPI CODE  
2 OF 1972, TO AUTHORIZE THE BOARD OF TRUSTEES OF ANY  
3 COMMUNITY/JUNIOR COLLEGE DISTRICT AND THE BOARD OF TRUSTEES OF  
4 STATE INSTITUTIONS OF HIGHER LEARNING TO DESIGNATE THE STATE  
5 TREASURER AS THE CUSTODIAN OF ANY ENDOWMENT FUNDS GIVEN FOR THE  
6 BENEFIT OF ANY COLLEGE OR UNIVERSITY UNDER ITS JURISDICTION, AND  
7 TO AUTHORIZE AND DIRECT THE STATE TREASURER TO ACCOUNT FOR AND  
8 INVEST SUCH FUNDS IN THE MANNER PROVIDED BY LAW FOR OTHER STATE  
9 GENERAL AND SPECIAL FUNDS; AND FOR RELATED PURPOSES.

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

11 SECTION 1. Section 7-9-23, Mississippi Code of 1972, is  
12 amended as follows:

13 7-9-23. (1) The State Treasurer is designated as sole agent  
14 to receive on State Fiscal Officer's pay warrant and disburse any  
15 and all funds received from sources other than those designated by  
16 law on State Fiscal Officer's warrant, which funds are to be  
17 expended under the direction and supervision of state officials or  
18 agencies for the benefit of the state. The State Treasurer is  
19 authorized and directed to receive on State Fiscal Officer's pay  
20 warrant any and all funds above specified and to be credited, each  
21 fund to a trust account for which the donor intends it. The  
22 special trust account shall designate for what purpose it is  
23 donated, and the State Fiscal Officer's books and Treasurer's  
24 books shall carry it as such. All funds shall be paid out on  
25 requisition signed by the proper agent or agents, properly  
26 supported by itemized vouchers, designated so to do on a warrant  
27 issued by the State Fiscal Officer upon the State Treasurer.  
28 Funds intended to be controlled by this section are those coming  
29 from the federal government, foundations and individuals to be

30 expended for educational purposes, roads, agriculture, for making  
31 economic or social surveys, and for similar purposes. In no way  
32 shall this section interfere with or prevent the purpose of the  
33 donor. The state agent or official best fitted or qualified to  
34 direct the expenditure of a fund for a specified purpose or the  
35 official designated by the donor shall expend the funds, and is  
36 hereby given authority in the manner outlined herein.

37 (2) The board of trustees of any community/junior college on  
38 behalf of any endowment funds established for the benefit of a  
39 community/junior college under its jurisdiction, and the Board of  
40 Trustees of State Institutions of Higher Learning on behalf of any  
41 endowment funds established for the benefit of any university  
42 under their jurisdiction, in their discretion, may designate the  
43 State Treasurer as the custodian of the fund, by order spread upon  
44 their minutes. Any such funds so designated shall be deposited in  
45 the State Treasury. The State Treasurer may receive any and all  
46 such endowment funds and shall credit each fund to a trust account  
47 for which the donor intends it. The State Treasurer shall invest  
48 such funds: (a) in the same manner as are invested other funds  
49 deposited into the State General Fund, as provided in Section  
50 27-105-33; or (b) in the same manner as is invested the  
51 Mississippi Prepaid Affordable College Tuition Trust Fund, as  
52 provided in Section 37-155-9; or (c) in the same manner as is  
53 invested the Education Improvement Trust Fund, as provided in  
54 Section 7-9-103. The interest on such account shall be deposited  
55 to the credit of the endowment fund. The endowment trust account  
56 shall designate for what purpose it is donated, and the State  
57 Treasurer's books shall carry it as such. All endowment funds  
58 shall be paid out on requisition signed by the proper agent or  
59 agents of the community/junior college district or university, as  
60 the case may be, properly supported by itemized vouchers,  
61 designated on a warrant issued upon the State Treasurer. The  
62 official best qualified to direct the expenditure of an endowment  
63 fund or the official designated by the donor shall expend the  
64 funds, and is given authority in the manner outlined in the trust  
65 instrument. The board of trustees of any community/junior college  
66 or the Board of Trustees of State Institutions of Higher Learning

67 may withdraw any such trust funds deposited with the State  
68 Treasurer as custodian with thirty (30) days' written notice to  
69 the State Treasurer, or sooner as agreed to by the State  
70 Treasurer.

71 SECTION 2. Section 7-7-1, Mississippi Code of 1972, is  
72 amended as follows:

73 7-7-1. (1) As used in this chapter, the terms "State  
74 Auditor" and "Auditor" mean the Auditor of Public Accounts.

75 (2) As used in this chapter, the term "State Fiscal Officer"  
76 means the official created in Section 27-104-5, acting through the  
77 Bureau of Budget and Fiscal Management.

78 (3) "Agency" means any state board, commission, committee,  
79 council, department or unit thereof created by the Constitution or  
80 statutes if such board, commission, committee, council,  
81 department, unit or the head thereof is authorized to appoint  
82 subordinate staff by the Constitution or statute, except a  
83 legislative or judicial board, commission, committee, council,  
84 department or unit thereof.

85 (4) For the purposes of Sections 7-7-1 through 7-7-65, the  
86 term "public funds" shall mean all funds which are received,  
87 collected by, or available for the support of or expenditure by  
88 any state department, institution or agency, whether such funds be  
89 derived from taxes or from fees collected by such state  
90 department, institution or agency or from some other source, and  
91 which should be included in the entity of the state under  
92 generally accepted accounting principles, although such funds may  
93 not be required by law to be deposited in the State Treasury.

94 Funds such as endowment funds and research funds, special  
95 building and plant funds, funds of a proprietary function, and the  
96 like shall be excluded from the meaning of the term, unless  
97 specifically required by law to be handled through the State  
98 Treasury or unless deemed necessary by the State Fiscal Officer to  
99 be included, or unless specifically designated as provided under

100 Section 7-9-23(2).

101 All funds of state departments, institutions and agencies  
102 within the contemplation of this section that are not required by  
103 law to be deposited in the State Treasury, or are not declared to  
104 be exempt from the provisions of Sections 7-7-1 through 7-7-65 by  
105 the State Fiscal Officer shall be reported to the State Fiscal  
106 Officer in reports of revenues, expenditures, assets, liabilities,  
107 encumbrances, fund balances and other financial statements, at  
108 such times and in the form required by the State Fiscal Officer.

109 It is hereby declared to be the intent of this section to  
110 provide that all "public funds" necessary to present a complete  
111 and comprehensive statement of the fiscal operations of the state  
112 government shall be handled through the State Fiscal Officer,  
113 whether through State Fiscal Officer receipt warrants and  
114 disbursement warrants, as is generally provided, or through the  
115 method of reporting, as required herein.

116 SECTION 3. This act shall take effect and be in force from  
117 and after July 1, 1999.