

By: Representative Robinson (84th)

To: Education

HOUSE BILL NO. 933

1 AN ACT TO AMEND SECTION 37-61-9, MISSISSIPPI CODE OF 1972, TO
2 REQUIRE CERTAIN SCHOOL DISTRICT AND LOCAL OFFICIALS TO ATTEND
3 BUDGET HEARINGS HELD BY THE LOCAL SCHOOL BOARD IN EACH SCHOOL
4 DISTRICT; AND FOR RELATED PURPOSES.

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

6 SECTION 1. Section 37-61-9, Mississippi Code of 1972, is
7 amended as follows:

8 37-61-9. (1) On or before the fifteenth day of July of each
9 year, the local school board of each school district, with the
10 assistance of the superintendent of schools or administrative
11 superintendent, shall prepare and file with the levying authority
12 for the school district, as defined in Section 37-57-1, at least
13 two (2) copies of a budget of estimated expenditures for the
14 support, maintenance and operation of the public schools of the
15 school district for the fiscal year beginning on July 1 of such
16 year. Such budget shall be prepared on forms prescribed and
17 provided by the State Auditor and shall contain such information
18 as the State Auditor may require.

19 (2) In addition, on or before the fifteenth day of July of
20 each year, the local school board of each school district, with
21 the assistance of the superintendent of schools or administrative
22 superintendent, shall prepare and file with the State Department
23 of Education such budgetary information as the State Board of
24 Education may require. The State Board of Education shall
25 prescribe and provide forms to each school district for this
26 purpose.

27 (3) Before the adoption of a budget in accordance with this

28 section, the school board of each school district shall hold at
29 least one (1) public hearing to provide the general public with an
30 opportunity to comment on the taxing and spending plan
31 incorporated in the proposed budget. The public hearing shall be
32 held at least one (1) week before the adoption of the budget with
33 advance notice. In order for the general public to receive
34 information concerning the proposed budget, the following persons
35 shall be present at the hearing: (a) the board of supervisors of
36 the county and the governing authorities of any municipality in
37 the school district; (b) the local superintendent of schools; (c)
38 the local school board members; (d) the local school board
39 attorney; and (e) any fiscal officers of the school district.
40 After final adoption of the budget, a synopsis of such budget in a
41 form prescribed by the State Department of Audit shall be
42 published in a newspaper having general circulation in the school
43 district on a date different from the date on which the county or
44 any municipality therein may publish its budget.

45 (4) Beginning with the fiscal year 1995-1996, there shall be
46 imposed limitations on budgeted expenditures for certain
47 administration costs, as defined hereinafter, in an amount not
48 greater than One Hundred Fifty Thousand Dollars (\$150,000.00) plus
49 four percent (4%) of the expenditures of all school districts each
50 year. For purposes of this subsection, "administration costs"
51 shall be defined as expenditures for salaries and fringe benefits
52 paid for central administration costs from all sources of revenue
53 in the following expenditure functions as defined in the
54 MISSISSIPPI PUBLIC SCHOOL DISTRICT FINANCIAL ACCOUNTING MANUAL:

55 2300 = Support Services - General Administration
56 2310 = Board of Education Services
57 2320 = Executive Administration Services
58 2330 = Special Area Administration Services
59 2500 = Business Services
60 2510 = Fiscal Services

- 61 2520 = Purchasing Services
- 62 2530 = Warehousing and Distributing Services
- 63 2540 = Printing, Publishing and Duplicating Services
- 64 2590 = Other Support Services - Business
- 65 2800 = Support Services - Central
- 66 2810 = Planning, Research, Development and Evaluation
- 67 2820 = Information Services
- 68 2830 = Staff Services
- 69 2840 = Data Processing Services

70 Any costs classified as "administration costs" for purposes of
71 this subsection which can be demonstrated by the local school
72 district to be an expenditure that results in a net cost savings
73 to the district that may otherwise require budget expenditures for
74 functions not covered under the definition of administration costs
75 herein may be excluded from the limitations imposed herein. The
76 local school board shall make a specific finding of such costs and
77 spread such finding upon its minutes, which shall be subject to
78 the approval of the Office of Educational Accountability of the
79 State Department of Education. Any school district required to
80 make expenditure cuts, as a result of application of this
81 subsection, shall not be required to reduce such expenditures more
82 than twenty-five percent (25%) in any year in order to comply with
83 this mandate.

84 The State Auditor shall ensure that functions in all
85 expenditure categories to which this administrative limitation
86 applies shall be properly classified.

87 This section shall not apply to central administration with
88 five (5) or less full-time employees, or to those school districts
89 which can substantiate that comparable reductions have occurred in
90 administrative costs for the five-year period immediately before
91 school year 1993-1994. In the event the application of this
92 section may jeopardize the fiscal integrity or operations of the
93 school district, have an adverse impact on the ability of the

94 district to deliver educational services or otherwise restrict the
95 district from achieving or maintaining a quality education
96 program, the State Board of Education shall be authorized to
97 exempt the application of this section to such school district in
98 accordance with rules and regulations of the State Board of
99 Education consistent with the intent of this section.

100 Before June 30, 1997, the State Board of Education shall
101 review the definition of "administrative costs" and the results of
102 the limitation prescribed in this subsection. Based upon these
103 results, the State Board of Education shall recommend to the
104 Legislature that this subsection be continued, amended as
105 necessary or repealed.

106 SECTION 2. This act shall take effect and be in force from
107 and after July 1, 1999.