

By: Robinson (84th)

To: Education

HOUSE BILL NO. 320

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 * * *, shall prepare
11 and file with the levying authority for the school district, as
12 defined in Section 37-57-1, at least two (2) copies of a budget of
13 estimated expenditures for the support, maintenance and operation
14 of the public schools of the school district for the fiscal year
15 beginning on July 1 of such year. Such budget shall be prepared
16 on forms prescribed and provided by the State Auditor and shall
17 contain such information as the State Auditor may require.

18 (2) In addition, on or before the fifteenth day of July of
19 each year, the local school board of each school district, with
20 the assistance of the superintendent of schools * * *, shall
21 prepare and file with the State Department of Education such
22 budgetary information as the State Board of Education may require.

23 The State Board of Education shall prescribe and provide forms to
24 each school district for this purpose.

25 (3) Before the adoption of a budget in accordance with this
26 section, the school board of each school district shall hold at
27 least one (1) public hearing to provide the general public with an
28 opportunity to comment on the taxing and spending plan
29 incorporated in the proposed budget. The public hearing shall be
30 held at least one (1) week before the adoption of the budget with
31 advance notice. In order for the general public to receive
32 information concerning the proposed budget, the following persons
33 shall be present at the hearing: (a) the board of supervisors of
34 the county and the governing authorities of any municipality in
35 the school district; (b) the local superintendent of schools; (c)
36 the local school board members; (d) the local school board
37 attorney; and (e) any fiscal officers of the school district.

38 After final adoption of the budget, a synopsis of such budget in a
39 form prescribed by the State Department of Audit shall be
40 published in a newspaper having general circulation in the school
41 district on a date different from the date on which the county or
42 any municipality therein may publish its budget.

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

52 MISSISSIPPI PUBLIC SCHOOL DISTRICT FINANCIAL ACCOUNTING MANUAL:

53 2300 = Support Services - General Administration

- 54 2310 = Board of Education Services
- 55 2320 = Executive Administration Services
- 56 2330 = Special Area Administration Services
- 57 2500 = Business Services
- 58 2510 = Fiscal Services
- 59 2520 = Purchasing Services
- 60 2530 = Warehousing and Distributing Services
- 61 2540 = Printing, Publishing and Duplicating Services
- 62 2590 = Other Support Services - Business
- 63 2800 = Support Services - Central
- 64 2810 = Planning, Research, Development and Evaluation
- 65 2820 = Information Services
- 66 2830 = Staff Services
- 67 2840 = Data Processing Services

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

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

85 This section shall not apply to central administration with
86 five (5) or less full-time employees, or to those school districts
87 which can substantiate that comparable reductions have occurred in
88 administrative costs for the five-year period immediately before
89 school year 1993-1994. In the event the application of this
90 section may jeopardize the fiscal integrity or operations of the
91 school district, have an adverse impact on the ability of the
92 district to deliver educational services or otherwise restrict the
93 district from achieving or maintaining a quality education
94 program, the State Board of Education shall be authorized to
95 exempt the application of this section to such school district in
96 accordance with rules and regulations of the State Board of
97 Education consistent with the intent of this section.

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

104 SECTION 2. This act shall take effect and be in force from
105 and after July 1, 2000.