

**REPORT OF CONFERENCE COMMITTEE**

**MR. SPEAKER AND MADAM PRESIDENT:**

We, the undersigned conferees, have had under consideration the amendments to the following entitled BILL:

H. B. No. 1801: Appropriation; State Department of Education - General Programs, Education Reform Act and Vocational Education.

We, therefore, respectfully submit the following report and recommendation:

- 1. That the Senate recede from its Amendment No. 1.
  
- 2. That the House and Senate adopt the following amendment:

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

6           **SECTION 1.** The following sum, or so much thereof as may be  
7 necessary, is hereby appropriated out of any money in the State  
8 General Fund not otherwise appropriated, for the purpose of  
9 defraying the expenses of the State Department of Education, and  
10 excluding the expenses of the Vocational and Technical Education  
11 Division, for the fiscal year beginning July 1, 2002, and ending  
12 June 30, 2003..... \$       71,752,792.00.

13           **SECTION 2.** The following sum, or so much thereof as may be  
14 necessary, is hereby appropriated out of any money in any special  
15 fund in the State Treasury to the credit of the State Department  
16 of Education which is comprised of special source funds collected  
17 by or otherwise available to the department, for the purpose of  
18 defraying the expenses of the department for the fiscal year  
19 beginning July 1, 2002, and ending June 30, 2003.....  
20 ..... \$       620,636,825.00.

21           **SECTION 3.** The following sum, or so much thereof as may be  
22 necessary, is hereby appropriated out of any money in the State  
23 Treasury to the credit of the Health Care Expendable Fund, for the  
24 purpose of defraying the expenses of the State Department of  
25 Education for the Mississippi Eye Screening Program for providing  
26 vision safety services for the fiscal year beginning July 1, 2002,  
27 and ending June 30, 2003..... \$           250,000.00.

28           **SECTION 4.** With the funds appropriated under the provisions  
29 of Sections 1, 2 and 3, the following positions are authorized:

30       AUTHORIZED POSITIONS:

|    |               |           |     |
|----|---------------|-----------|-----|
| 31 | Permanent:    | Full Time | 486 |
| 32 |               | Part Time | 0   |
| 33 | Time-Limited: | Full Time | 48  |
| 34 |               | Part Time | 1   |

35       Funds are provided herein to adjust the Variable Compensation  
36 Plan to ensure that all full-time employees receive a pay increase  
37 equal to fifty percent (50%) of the realignment component of the  
38 Variable Compensation Plan or Six Hundred Dollars (\$600.00),  
39 whichever is greater, beginning on January 1, 2003.

40       With the funds herein appropriated, it is the intention of  
41 the Legislature that it shall be the agency's responsibility to  
42 make certain that funds required to be appropriated for "Personal  
43 Services" for Fiscal Year 2004 do not exceed Fiscal Year 2003  
44 funds appropriated for that purpose, unless programs, positions or  
45 pay increases are added to the agency's budget by the Mississippi  
46 Legislature. Based on data provided by the Legislative Budget  
47 Office, the State Personnel Board shall, on July 1, 2002, publish  
48 separate annual projection reports, based on July 1, 2002 data,  
49 for the period of July 1, 2002 through December 31, 2002, and  
50 January 1, 2003 through June 30, 2003, that project the annual  
51 cost to fully fund all appropriated positions in compliance with  
52 the provisions of this act. It shall be the responsibility of the  
53 agency head to ensure that no single personnel action increases  
54 this projected cost and/or the Fiscal Year 2003 appropriation for  
55 "Personal Services," as annualized on a semi-annual basis in  
56 accordance with the provisions of this act. If, at the end of any  
57 calendar month, the State Personnel Board determines that the  
58 agency has taken action(s) which would cause the agency to exceed  
59 this projected annual cost or the Fiscal Year 2003 "Personal  
60 Services" appropriated level, when annualized in compliance with  
61 the provisions of this act, then only those actions which reduce  
62 the projected annual cost and/or the appropriation requirement  
63 will be processed by the State Personnel Board until such time as

64 the requirements of this provision are met.

65 Any transfers or escalations shall be made in accordance with  
66 the terms, conditions and procedures established by law.

67 No general funds authorized to be expended herein shall be  
68 used to replace federal funds and/or other special funds which are  
69 being used for salaries authorized under the provisions of this  
70 act and which are withdrawn and no longer available.

71 The State Department of Education shall prepare and present  
72 to the Joint Legislative Budget Committee and the Department of  
73 Finance and Administration and make available to the Legislature  
74 an accounting of program expenditures for all programs once at the  
75 beginning of the legislative session and once at the end of the  
76 fiscal year. The department at the same time shall present a  
77 summary report for each program.

78 **SECTION 5.** Of the funds appropriated in Section 2, Forty-six  
79 Million Dollars (\$46,000,000.00) shall be derived from the School  
80 Ad Valorem Reduction Fund and Thirty-eight Million Four Hundred  
81 Seventy-three Thousand Two Hundred Forty-four Dollars  
82 (\$38,473,244.00) shall be derived from the Education Enhancement  
83 Fund deposited pursuant to Sections 27-65-75 and 27-67-31,  
84 Mississippi Code of 1972, for the following purposes:

|    |  |    |                  |
|----|--|----|------------------|
| 85 | School Ad Valorem Reduction .....        | \$ | 46,000,000.00    |
| 86 | Grants to school districts for capital   |    |                  |
| 87 | facilities and buses .....               | \$ | 16,000,000.00    |
| 88 | Instructional Materials .....            | \$ | 18,533,637.00    |
| 89 | Tech Prep Bond Service.....              | \$ | 3,219,175.00     |
| 90 | Implementing Performance Based Data      |    |                  |
| 91 | Collection and Accreditation Model ..... | \$ | 274,937.00       |
| 92 | Administrator Training.....              | \$ | 120,675.00       |
| 93 | World Class Teacher Program.....         | \$ | 125,000.00       |
| 94 | Mississippi School Boards                |    |                  |
| 95 | Continuing Training .....                | \$ | 47,041.00        |
| 96 | School Board Training .....              | \$ | 58,697.00        |
| 97 | Education Technology Council .....       | \$ | <u>94,082.00</u> |
| 98 | TOTAL .....                              | \$ | 84,473,244.00    |

99 No school district shall expend any funds, received under the

100 School Ad Valorem Reduction Grant, unless such school district has  
 101 specifically identified the amount of said grant within the  
 102 published budget as required by Section 37-61-9, Mississippi Code  
 103 of 1972. The published budget shall include the following  
 104 statement: "Ad Valorem taxes will be \$\_\_\_\_\_ less as a result  
 105 of the Ad Valorem Reduction Grants enacted by the Mississippi  
 106 Legislature in 1992."

107 **SECTION 6.** Of the funds appropriated in Section 2, Two  
 108 Million One Hundred Thousand Dollars (\$2,100,000.00) shall be  
 109 derived from the Technology in Classroom Fund 3203.

110 **SECTION 7.** Of the funds appropriated under the provisions of  
 111 Section 2, funds in the amount of One Million Five Hundred  
 112 Eighty-five Thousand Six Hundred Fifty-three Dollars  
 113 (\$1,585,653.00) shall come from income derived from the principal  
 114 of the Education Improvement Trust Fund created by Section 206A,  
 115 Mississippi Constitution of 1890, and One Million Five Hundred  
 116 Eighty-five Thousand Six Hundred Fifty-three Dollars  
 117 (\$1,585,653.00) shall be used for the School for Math and Science.

118 **SECTION 8.** In compliance with the "Mississippi Performance  
 119 Budget and Strategic Planning Act of 1994," it is the intent of  
 120 the Legislature that the funds provided in Sections 1 and 2 shall  
 121 be utilized in the most efficient and effective manner possible to  
 122 achieve the intended mission of this agency. Based on the funding  
 123 authorized, this agency shall make every effort to attain the  
 124 targeted performance measures provided below:

|  | FY2003        |
|--|---------------|
| <u>Performance Measures</u>                | <u>Target</u> |
| Special Education                          |               |
| Approved Funding for Children (Persons)    | 70,574,469    |
| Teacher Units Approved for Funding (Units) | 4,350         |
| Child Nutrition                            |               |
| Number of Meals Required (Millions)        | 129           |
| Cost per Meal (Dollars)                    | 2.19          |
| Special Projects                           |               |
| Building Projects Approved (Projects)      | 100           |
| Project Approval Rate (Percent)            | 90            |

|     |  |         |
|-----|--|---------|
| 136 | Mississippi School For Math and Science            |         |
| 137 | Students Enrolled (Persons)                        | 270     |
| 138 | Cost per Student (Dollars)                         | 14,590  |
| 139 | Educational Accountability                         |         |
| 140 | Performance Accreditation Visits (Visits)          | 30      |
| 141 | Tests Administered (Persons)                       | 453,341 |
| 142 | Compliance & Performance Reviews (Actions)         | 70      |
| 143 | Education Training & Development                   |         |
| 144 | Administrators Trained (Persons)                   | 1,200   |
| 145 | Administrators Trained (Percent)                   | 35      |
| 146 | Technical Assistance to School Districts (Percent) | 90      |
| 147 | Compensatory Education                             |         |
| 148 | Title I Projects Awarded (Programs)                | 152     |
| 149 | Review and Approve Delinquent Programs (Programs)  | 4       |
| 150 | Average Expenditure per Child (Dollars)            | 612     |
| 151 | Community & Outreach Services                      |         |
| 152 | Requested Available Federal Funding (percent)      | 100     |
| 153 | Mississippi School Attendance Officers             |         |
| 154 | Resolutions to Referrals (Percent)                 | 85      |
| 155 | School Visits (Number)                             | 50,000  |
| 156 | Mississippi Teacher Center                         |         |
| 157 | Teachers Recruited in Shortage Areas (Number)      | 450     |

158       A reporting of the degree to which the performance targets  
159 set above have been or are being achieved shall be provided in the  
160 agency's budget request submitted to the Joint Legislative Budget  
161 Committee for Fiscal Year 2004.

162       **SECTION 9.** In addition to any other funds herein  
163 appropriated, the following sum, or so much thereof as may be  
164 necessary, is hereby appropriated out of any money in the State  
165 General Fund not otherwise appropriated, for the purpose of  
166 defraying the expenses of the Vocational and Technical Education  
167 Division of the State Department of Education for the fiscal year  
168 beginning July 1, 2002, and ending June 30, 2003.....  
169 ..... \$ 68,171,637.00.

170       **SECTION 10.** In addition to any other funds herein  
171 appropriated, the following sum, or so much thereof as may be

172 necessary, is hereby appropriated out of any money in any special  
173 fund in the State Treasury to the credit of the Vocational and  
174 Technical Education Division of the State Department of Education  
175 which is comprised of special source funds collected by or  
176 otherwise available to the division, for the purpose of defraying  
177 the expenses of the division for the fiscal year beginning July 1,  
178 2002, and ending June 30, 2003..... \$ 23,792,646.00.

179 **SECTION 11.** With the funds appropriated under the provisions  
180 of Sections 9 and 10, the following positions are authorized:

181 AUTHORIZED POSITIONS:

|     |               |           |    |
|-----|---------------|-----------|----|
| 182 | Permanent:    | Full Time | 63 |
| 183 |               | Part Time | 0  |
| 184 | Time-Limited: | Full Time | 0  |
| 185 |               | Part Time | 0  |

186 Funds are provided herein to adjust the Variable Compensation  
187 Plan to ensure that all full-time employees receive a pay increase  
188 equal to fifty percent (50%) of the realignment component of the  
189 Variable Compensation Plan or Six Hundred Dollars (\$600.00),  
190 whichever is greater, beginning on January 1, 2003.

191 With the funds herein appropriated, it is the intention of  
192 the Legislature that it shall be the agency's responsibility to  
193 make certain that funds required to be appropriated for "Personal  
194 Services" for Fiscal Year 2004 do not exceed Fiscal Year 2003  
195 funds appropriated for that purpose, unless programs, positions or  
196 pay increases are added to the agency's budget by the Mississippi  
197 Legislature. Based on data provided by the Legislative Budget  
198 Office, the State Personnel Board shall, on July 1, 2002, publish  
199 separate annual projection reports, based on July 1, 2002 data,  
200 for the period of July 1, 2002 through December 31, 2002, and  
201 January 1, 2003 through June 30, 2003, that project the annual  
202 cost to fully fund all appropriated positions in compliance with  
203 the provisions of this act. It shall be the responsibility of the  
204 agency head to ensure that no single personnel action increases  
205 this projected cost and/or the Fiscal Year 2003 appropriation for  
206 "Personal Services," as annualized on a semi-annual basis in  
207 accordance with the provisions of this act. If, at the end of any

208 calendar month, the State Personnel Board determines that the  
209 agency has taken action(s) which would cause the agency to exceed  
210 this projected annual cost or the Fiscal Year 2003 "Personal  
211 Services" appropriated level, when annualized in compliance with  
212 the provisions of this act, then only those actions which reduce  
213 the projected annual cost and/or the appropriation requirement  
214 will be processed by the State Personnel Board until such time as  
215 the requirements of this provision are met.

216 Any transfers or escalations shall be made in accordance with  
217 the terms, conditions and procedures established by law.

218 No general funds authorized to be expended herein shall be  
219 used to replace federal funds and/or other special funds which are  
220 being used for salaries authorized under the provisions of this  
221 act and which are withdrawn and no longer available.

222 **SECTION 12.** Of the funds appropriated under the provisions  
223 of Sections 9 and 10, an amount not to exceed Two Hundred  
224 Twenty-nine Thousand Six Hundred Eighty-four Dollars (\$229,684.00)  
225 is authorized for the support of Vocational and Technical  
226 Education Programs as authorized in Section 37-31-13, Mississippi  
227 Code of 1972, for a period in excess of ten (10) months in a  
228 calendar year.

229 **SECTION 13.** Of the funds appropriated under the provisions  
230 of Section 10, Seven Million Eight Hundred Sixty-three Thousand  
231 Seven Hundred Forty-six Dollars (\$7,863,746.00) shall be derived  
232 from the Education Enhancement Fund pursuant to Sections 27-65-75  
233 and 27-67-31, Mississippi Code of 1972.

234 **SECTION 14.** It is the intention of the Legislature that the  
235 Vocational and Technical Education Division of the State  
236 Department of Education shall, with the funds appropriated in  
237 Section 9, transfer no more than One Hundred Thousand Dollars  
238 (\$100,000.00) to the Mississippi Soil and Water Conservation  
239 Commission for the purpose of providing matching funds to purchase  
240 soil conservation equipment.

241 **SECTION 15.** Of the funds appropriated in Sections 9 and 10,  
242 no more than One Hundred Thousand Dollars (\$100,000.00) is  
243 provided for the purpose of supporting the Future Farmers of

244 America Center.

245           **SECTION 16.** In compliance with the "Mississippi Performance  
246 Budget and Strategic Planning Act of 1994," it is the intent of  
247 the Legislature that the funds provided herein shall be utilized  
248 in the most efficient and effective manner possible to achieve the  
249 intended mission of this agency. Based on the funding authorized,  
250 this agency shall make every effort to attain the targeted  
251 performance measures provided below:

|   | FY2003        |
|---|---------------|
| <u>Performance Measures</u>                                   | <u>Target</u> |
| 254           Vocational - Secondary Programs                 |               |
| 255                   Increase in students served (Percent)   | 0             |
| 256   |               |
| 257                   LEAs served (Sites)                     | 152           |
| 258   |               |
| 259           Vocational - Post Secondary Programs            |               |
| 260                   Short-term students served (Persons)    | 4,000         |
| 261                   Short-term Adult Prog Classes (Classes) | 450           |
| 262                   Short-term cost per student (Dollars)   | 70            |
| 263   |               |

264           A reporting of the degree to which the performance targets  
265 set above have been or are being achieved shall be provided in the  
266 agency's budget request submitted to the Joint Legislative Budget  
267 Committee for Fiscal Year 2004.

268           **SECTION 17.** With respect to agency programs whose operation  
269 is dependent on the receipt of federal funds, it is the intent of  
270 the Legislature, except as hereinafter provided, that no funds  
271 from the State General Fund be expended to administer, support or  
272 in any way continue such programs should federal funds for their  
273 operation be reduced or become unavailable and that no funds from  
274 the State General Fund available for expenditure under this act  
275 shall be used to replace federal funds in any major object of  
276 expenditure.

277           **SECTION 18.** It is the intention of the Legislature that the  
278 State Department of Education and Vocational and Technical  
279 Education Division shall maintain complete accounting and



280 personnel records related to the expenditure of all funds  
281 appropriated under this act and that such records shall be in the  
282 same format and level of detail as maintained for Fiscal Year  
283 2002. The Department of Finance and Administration shall insure  
284 that financial controls comparable to those utilized for Fiscal  
285 Year 2002 are maintained throughout Fiscal Year 2003 for this  
286 agency. The State Personnel Board shall insure that personnel  
287 controls and records comparable to those utilized for Fiscal Year  
288 2002 are maintained throughout Fiscal Year 2003 for this agency.  
289 It is further the intention of the Legislature that the agency's  
290 budget request for Fiscal Year 2004 shall be submitted to the  
291 Joint Legislative Budget Committee in a format and level of detail  
292 comparable to the format and level of detail provided during the  
293 Fiscal Year 2003 budget request process.

294       **SECTION 19.** Of the funds provided in Section 1 for the  
295 purpose of providing financial assistance for the education of  
296 exceptional children as determined under Section 37-23-63,  
297 Mississippi Code of 1972, children who are certified by the  
298 designated authority as requiring inpatient care in a private  
299 intermediate care facility for the mentally retarded or  
300 psychiatric residential treatment facility, with Medicaid  
301 reimbursement, shall be eligible and entitled to receive state  
302 financial assistance under the provisions of Section 37-23-69, in  
303 an amount not to exceed Five Thousand Dollars (\$5,000.00) from  
304 state funds, per child per school year, if an approved private  
305 school is operated as an integral part of the facility which  
306 provides twenty-four (24) hours a day monitoring, treatment and  
307 education, except that the State Department of Education is  
308 authorized to pilot a fee-for-service based cost system for  
309 children served through Millcreek Schools, Inc.

310       **SECTION 20.** Of the funds provided in Section 1, Five Hundred  
311 Twenty-one Thousand Five Hundred Seventeen Dollars (\$521,517.00)  
312 shall be used to provide for a Director of School Nurses in the  
313 State Department of Education and the implementation of three (3)  
314 pilot projects for a variety of school health programs in an  
315 elementary school setting. Evaluations shall be developed to

316 determine the program's effect to drop-out rates, suspensions,  
317 expulsions, attendance and test scores.

318         Income generated by the school-based clinics shall remain  
319 available for expenditure by the programs utilizing any special  
320 fund authority provided in Section 2 for use by the State  
321 Department of Education and the pilots shall remain the same as in  
322 Fiscal Year 2002.

323         **SECTION 21.** It is the intention of the Legislature that the  
324 State Department of Education shall have the authority to accept,  
325 budget and expend any source funds not to exceed Thirty Million  
326 Dollars (\$30,000,000.00), that become available to the department  
327 to carry out the provisions of those funds in a manner consistent  
328 with the rules and regulations of the Department of Finance and  
329 Administration.

330         **SECTION 22.** The State Department of Education shall transfer  
331 the designated amounts to the appropriate entities, which shall  
332 assume full responsibility for the expenditure of these funds in  
333 accordance with state laws and accept all responsibility for any  
334 improper expenditure. For the following: National Guard Youth  
335 Challenge Program, World Class Teacher Programs, USM Special  
336 Education Program, Soil and Water Conservation Commission,  
337 Mississippi School Boards Association, Mississippi Eye Screening  
338 Program and Very Special Arts, Arts Institute, Jackson State  
339 University Media Center, Jobs for Mississippi Graduates, and  
340 Mississippi Symphony, University of Southern Mississippi Safe  
341 Schools Program, Mississippi State University Center for Education  
342 Design, Writing and Thinking Institute and Greater Columbus Early  
343 Learning Center.

344         **SECTION 23.** Of the funds appropriated in Sections 1 and 2,  
345 the amount of Three Hundred Thousand Dollars (\$300,000.00) is  
346 provided for the Walnut Grove Correctional Facility.

347         **SECTION 24.** Of the funds appropriated in Section 1, the  
348 amounts of Three Hundred Thousand Dollars (\$300,000.00) is  
349 provided for the Writing and Thinking Institute and Seventy-five  
350 Thousand (\$75,000.00) is provided for the Very Special Arts  
351 Program.

352           **SECTION 25.** Of the funds appropriated herein, the State  
353 Department of Education shall expend an amount not to exceed Three  
354 Hundred Thousand Dollars (\$300,000.00) for the purpose of  
355 providing technical assistance and training to local school  
356 districts in the development of behavior modification plans and to  
357 provide funding to defray the costs of psychological evaluations  
358 performed upon a child in compliance with the Mississippi School  
359 Safety Act of 2001. Local school districts shall be required to  
360 report to the State Department of Education all expulsions of  
361 students as authorized under Section 6 of Senate Bill No. 2239,  
362 2001 Regular Session. The State Department of Education shall  
363 annually report to the Legislature by January of each year.

364           **SECTION 26.** Of the funds appropriated in Sections 9 and 10,  
365 an amount not to exceed One Million Three Hundred Thousand Dollars  
366 (\$1,300,000.00) shall be used for technological methods for  
367 agricultural programs.

368           **SECTION 27.** Of the funds appropriated in Section 1, an  
369 amount not to exceed One Million Eight Hundred Seventy-six  
370 Thousand Sixty-four Dollars (\$1,876,064.00) shall be transferred  
371 from the State Department of Education to the Mississippi National  
372 Guard for the support of the Youth Challenge Program at Camp  
373 Shelby.

374           **SECTION 28.** It is the intention of the Legislature that at  
375 least Twenty-one Million Dollars (\$21,000,000.00) be expended for  
376 textbooks as defined in Section 37-43-1. The State Department of  
377 Education shall report to the Legislature the amount of  
378 expenditures for each school district no later than October 31,  
379 2003.

380           **SECTION 29.** The money herein appropriated shall be paid by  
381 the State Treasurer out of any money in the State Treasury to the  
382 credit of the proper fund or funds as set forth in this act, upon  
383 warrants issued by the State Fiscal Officer; and the State Fiscal  
384 Officer shall issue his warrants upon requisitions signed by the  
385 proper person, officer or officers, in the manner provided by law.

386           **SECTION 30.** This act shall take effect and be in force from  
387 and after July 1, 2002.

CONFEREES FOR THE HOUSE

**X** \_\_\_\_\_

Charlie Capps, Jr.

**X** \_\_\_\_\_

Joseph L. Warren

**X** \_\_\_\_\_

Herb Frierson

CONFEREES FOR THE SENATE

**X** \_\_\_\_\_

Jack Gordon

**X** \_\_\_\_\_

Mike Chaney

**X** \_\_\_\_\_

Alice Harden