

By: Senator(s) Hyde-Smith, Lee (35th),  
Chaney, Wilemon, Kirby, Michel

To: Education

SENATE BILL NO. 2918

1 AN ACT TO AMEND SECTION 37-7-301, MISSISSIPPI CODE OF 1972,  
2 TO AUTHORIZE SCHOOL BOARDS TO IMPLEMENT A FINANCIAL LITERACY  
3 CURRICULUM FOR STUDENTS IN GRADES 10 AND 11; AND FOR RELATED  
4 PURPOSES.

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

6 **SECTION 1.** Section 37-7-301, Mississippi Code of 1972, is  
7 amended as follows:

8 37-7-301. The school boards of all school districts shall  
9 have the following powers, authority and duties in addition to all  
10 others imposed or granted by law, to wit:

11 (a) To organize and operate the schools of the district  
12 and to make such division between the high school grades and  
13 elementary grades as, in their judgment, will serve the best  
14 interests of the school;

15 (b) To introduce public school music, art, manual  
16 training and other special subjects into either the elementary or  
17 high school grades, as the board shall deem proper;

18 (c) To be the custodians of real and personal school  
19 property and to manage, control and care for same, both during the  
20 school term and during vacation;

21 (d) To have responsibility for the erection, repairing  
22 and equipping of school facilities and the making of necessary  
23 school improvements;

24 (e) To suspend or to expel a pupil or to change the  
25 placement of a pupil to the school district's alternative school  
26 or home-bound program for misconduct in the school or on school  
27 property, as defined in Section 37-11-29, on the road to and from  
28 school, or at any school-related activity or event, or for conduct

29 occurring on property other than school property or other than at  
30 a school-related activity or event when such conduct by a pupil,  
31 in the determination of the school superintendent or principal,  
32 renders that pupil's presence in the classroom a disruption to the  
33 educational environment of the school or a detriment to the best  
34 interest and welfare of the pupils and teacher of such class as a  
35 whole, and to delegate such authority to the appropriate officials  
36 of the school district;

37 (f) To visit schools in the district, in their  
38 discretion, in a body for the purpose of determining what can be  
39 done for the improvement of the school in a general way;

40 (g) To support, within reasonable limits, the  
41 superintendent, principal and teachers where necessary for the  
42 proper discipline of the school;

43 (h) To exclude from the schools students with what  
44 appears to be infectious or contagious diseases; provided,  
45 however, such student may be allowed to return to school upon  
46 presenting a certificate from a public health officer, duly  
47 licensed physician or nurse practitioner that the student is free  
48 from such disease;

49 (i) To require those vaccinations specified by the  
50 State Health Officer as provided in Section 41-23-37, Mississippi  
51 Code of 1972;

52 (j) To see that all necessary utilities and services  
53 are provided in the schools at all times when same are needed;

54 (k) To authorize the use of the school buildings and  
55 grounds for the holding of public meetings and gatherings of the  
56 people under such regulations as may be prescribed by said board;

57 (l) To prescribe and enforce rules and regulations not  
58 inconsistent with law or with the regulations of the State Board  
59 of Education for their own government and for the government of  
60 the schools, and to transact their business at regular and special  
61 meetings called and held in the manner provided by law;

62           (m) To maintain and operate all of the schools under  
63 their control for such length of time during the year as may be  
64 required;

65           (n) To enforce in the schools the courses of study and  
66 the use of the textbooks prescribed by the proper authorities;

67           (o) To make orders directed to the superintendent of  
68 schools for the issuance of pay certificates for lawful purposes  
69 on any available funds of the district and to have full control of  
70 the receipt, distribution, allotment and disbursement of all funds  
71 provided for the support and operation of the schools of such  
72 school district whether such funds be derived from state  
73 appropriations, local ad valorem tax collections, or otherwise.  
74 The local school board shall be authorized and empowered to  
75 promulgate rules and regulations that specify the types of claims  
76 and set limits of the dollar amount for payment of claims by the  
77 superintendent of schools to be ratified by the board at the next  
78 regularly scheduled meeting after payment has been made;

79           (p) To select all school district personnel in the  
80 manner provided by law, and to provide for such employee fringe  
81 benefit programs, including accident reimbursement plans, as may  
82 be deemed necessary and appropriate by the board;

83           (q) To provide athletic programs and other school  
84 activities and to regulate the establishment and operation of such  
85 programs and activities;

86           (r) To join, in their discretion, any association of  
87 school boards and other public school-related organizations, and  
88 to pay from local funds other than minimum foundation funds, any  
89 membership dues;

90           (s) To expend local school activity funds, or other  
91 available school district funds, other than minimum education  
92 program funds, for the purposes prescribed under this paragraph.  
93 "Activity funds" shall mean all funds received by school officials  
94 in all school districts paid or collected to participate in any

95 school activity, such activity being part of the school program  
96 and partially financed with public funds or supplemented by public  
97 funds. The term "activity funds" shall not include any funds  
98 raised and/or expended by any organization unless commingled in a  
99 bank account with existing activity funds, regardless of whether  
100 the funds were raised by school employees or received by school  
101 employees during school hours or using school facilities, and  
102 regardless of whether a school employee exercises influence over  
103 the expenditure or disposition of such funds. Organizations shall  
104 not be required to make any payment to any school for the use of  
105 any school facility if, in the discretion of the local school  
106 governing board, the organization's function shall be deemed to be  
107 beneficial to the official or extracurricular programs of the  
108 school. For the purposes of this provision, the term  
109 "organization" shall not include any organization subject to the  
110 control of the local school governing board. Activity funds may  
111 only be expended for any necessary expenses or travel costs,  
112 including advances, incurred by students and their chaperons in  
113 attending any in-state or out-of-state school-related programs,  
114 conventions or seminars and/or any commodities, equipment, travel  
115 expenses, purchased services or school supplies which the local  
116 school governing board, in its discretion, shall deem beneficial  
117 to the official or extracurricular programs of the district,  
118 including items which may subsequently become the personal  
119 property of individuals, including yearbooks, athletic apparel,  
120 book covers and trophies. Activity funds may be used to pay  
121 travel expenses of school district personnel. The local school  
122 governing board shall be authorized and empowered to promulgate  
123 rules and regulations specifically designating for what purposes  
124 school activity funds may be expended. The local school governing  
125 board shall provide (i) that such school activity funds shall be  
126 maintained and expended by the principal of the school generating  
127 the funds in individual bank accounts, or (ii) that such school

128 activity funds shall be maintained and expended by the  
129 superintendent of schools in a central depository approved by the  
130 board. The local school governing board shall provide that such  
131 school activity funds be audited as part of the annual audit  
132 required in Section 37-9-18. The State Auditor shall prescribe a  
133 uniform system of accounting and financial reporting for all  
134 school activity fund transactions;

135 (t) To contract, on a shared savings, lease or  
136 lease-purchase basis, for energy efficiency services and/or  
137 equipment as provided for in Section 31-7-14, not to exceed ten  
138 (10) years;

139 (u) To maintain accounts and issue pay certificates on  
140 school food service bank accounts;

141 (v) (i) To lease a school building from an individual,  
142 partnership, nonprofit corporation or a private for-profit  
143 corporation for the use of such school district, and to expend  
144 funds therefor as may be available from any nonminimum program  
145 sources. The school board of the school district desiring to  
146 lease a school building shall declare by resolution that a need  
147 exists for a school building and that the school district cannot  
148 provide the necessary funds to pay the cost or its proportionate  
149 share of the cost of a school building required to meet the  
150 present needs. The resolution so adopted by the school board  
151 shall be published once each week for three (3) consecutive weeks  
152 in a newspaper having a general circulation in the school district  
153 involved, with the first publication thereof to be made not less  
154 than thirty (30) days prior to the date upon which the school  
155 board is to act on the question of leasing a school building. If  
156 no petition requesting an election is filed prior to such meeting  
157 as hereinafter provided, then the school board may, by resolution  
158 spread upon its minutes, proceed to lease a school building. If  
159 at any time prior to said meeting a petition signed by not less  
160 than twenty percent (20%) or fifteen hundred (1500), whichever is

161 less, of the qualified electors of the school district involved  
162 shall be filed with the school board requesting that an election  
163 be called on the question, then the school board shall, not later  
164 than the next regular meeting, adopt a resolution calling an  
165 election to be held within such school district upon the question  
166 of authorizing the school board to lease a school building. Such  
167 election shall be called and held, and notice thereof shall be  
168 given, in the same manner for elections upon the questions of the  
169 issuance of the bonds of school districts, and the results thereof  
170 shall be certified to the school board. If at least three-fifths  
171 (3/5) of the qualified electors of the school district who voted  
172 in such election shall vote in favor of the leasing of a school  
173 building, then the school board shall proceed to lease a school  
174 building. The term of the lease contract shall not exceed twenty  
175 (20) years, and the total cost of such lease shall be either the  
176 amount of the lowest and best bid accepted by the school board  
177 after advertisement for bids or an amount not to exceed the  
178 current fair market value of the lease as determined by the  
179 averaging of at least two (2) appraisals by certified general  
180 appraisers licensed by the State of Mississippi. The term "school  
181 building" as used in this paragraph (v)(i) shall be construed to  
182 mean any building or buildings used for classroom purposes in  
183 connection with the operation of schools and shall include the  
184 site therefor, necessary support facilities, and the equipment  
185 thereof and appurtenances thereto such as heating facilities,  
186 water supply, sewage disposal, landscaping, walks, drives and  
187 playgrounds. The term "lease" as used in this paragraph (v)(i)  
188 may include a lease/purchase contract;

189 (ii) If two (2) or more school districts propose  
190 to enter into a lease contract jointly, then joint meetings of the  
191 school boards having control may be held but no action taken shall  
192 be binding on any such school district unless the question of  
193 leasing a school building is approved in each participating school

194 district under the procedure hereinabove set forth in paragraph  
195 (v)(i). All of the provisions of paragraph (v)(i) regarding the  
196 term and amount of the lease contract shall apply to the school  
197 boards of school districts acting jointly. Any lease contract  
198 executed by two (2) or more school districts as joint lessees  
199 shall set out the amount of the aggregate lease rental to be paid  
200 by each, which may be agreed upon, but there shall be no right of  
201 occupancy by any lessee unless the aggregate rental is paid as  
202 stipulated in the lease contract. All rights of joint lessees  
203 under the lease contract shall be in proportion to the amount of  
204 lease rental paid by each;

205 (w) To employ all noninstructional and noncertificated  
206 employees and fix the duties and compensation of such personnel  
207 deemed necessary pursuant to the recommendation of the  
208 superintendent of schools;

209 (x) To employ and fix the duties and compensation of  
210 such legal counsel as deemed necessary;

211 (y) Subject to rules and regulations of the State Board  
212 of Education, to purchase, own and operate trucks, vans and other  
213 motor vehicles, which shall bear the proper identification  
214 required by law;

215 (z) To expend funds for the payment of substitute  
216 teachers and to adopt reasonable regulations for the employment  
217 and compensation of such substitute teachers;

218 (aa) To acquire in its own name by purchase all real  
219 property which shall be necessary and desirable in connection with  
220 the construction, renovation or improvement of any public school  
221 building or structure. Whenever the purchase price for such real  
222 property is greater than Fifty Thousand Dollars (\$50,000.00), the  
223 school board shall not purchase the property for an amount  
224 exceeding the fair market value of such property as determined by  
225 the average of at least two (2) independent appraisals by  
226 certified general appraisers licensed by the State of Mississippi.

227 If the board shall be unable to agree with the owner of any such  
228 real property in connection with any such project, the board shall  
229 have the power and authority to acquire any such real property by  
230 condemnation proceedings pursuant to Section 11-27-1 et seq.,  
231 Mississippi Code of 1972, and for such purpose, the right of  
232 eminent domain is hereby conferred upon and vested in said board.  
233 Provided further, that the local school board is authorized to  
234 grant an easement for ingress and egress over sixteenth section  
235 land or lieu land in exchange for a similar easement upon  
236 adjoining land where the exchange of easements affords substantial  
237 benefit to the sixteenth section land; provided, however, the  
238 exchange must be based upon values as determined by a competent  
239 appraiser, with any differential in value to be adjusted by cash  
240 payment. Any easement rights granted over sixteenth section land  
241 under such authority shall terminate when the easement ceases to  
242 be used for its stated purpose. No sixteenth section or lieu land  
243 which is subject to an existing lease shall be burdened by any  
244 such easement except by consent of the lessee or unless the school  
245 district shall acquire the unexpired leasehold interest affected  
246 by the easement;

247 (bb) To charge reasonable fees related to the  
248 educational programs of the district, in the manner prescribed in  
249 Section 37-7-335;

250 (cc) Subject to rules and regulations of the State  
251 Board of Education, to purchase relocatable classrooms for the use  
252 of such school district, in the manner prescribed in Section  
253 37-1-13;

254 (dd) Enter into contracts or agreements with other  
255 school districts, political subdivisions or governmental entities  
256 to carry out one or more of the powers or duties of the school  
257 board, or to allow more efficient utilization of limited resources  
258 for providing services to the public;



259           (ee) To provide for in-service training for employees  
260 of the district. Until June 30, 1994, the school boards may  
261 designate two (2) days of the minimum school term, as defined in  
262 Section 37-19-1, for employee in-service training for  
263 implementation of the new statewide testing system as developed by  
264 the State Board of Education. Such designation shall be subject  
265 to approval by the State Board of Education pursuant to uniform  
266 rules and regulations;

267           (ff) As part of their duties to prescribe the use of  
268 textbooks, to provide that parents and legal guardians shall be  
269 responsible for the textbooks and for the compensation to the  
270 school district for any books which are not returned to the proper  
271 schools upon the withdrawal of their dependent child. If a  
272 textbook is lost or not returned by any student who drops out of  
273 the public school district, the parent or legal guardian shall  
274 also compensate the school district for the fair market value of  
275 the textbooks;

276           (gg) To conduct fund-raising activities on behalf of  
277 the school district that the local school board, in its  
278 discretion, deems appropriate or beneficial to the official or  
279 extracurricular programs of the district; provided that:

280                 (i) Any proceeds of the fund-raising activities  
281 shall be treated as "activity funds" and shall be accounted for as  
282 are other activity funds under this section; and

283                 (ii) Fund-raising activities conducted or  
284 authorized by the board for the sale of school pictures, the  
285 rental of caps and gowns or the sale of graduation invitations for  
286 which the school board receives a commission, rebate or fee shall  
287 contain a disclosure statement advising that a portion of the  
288 proceeds of the sales or rentals shall be contributed to the  
289 student activity fund;

290           (hh) To allow individual lessons for music, art and  
291 other curriculum-related activities for academic credit or

292 nonacademic credit during school hours and using school equipment  
293 and facilities, subject to uniform rules and regulations adopted  
294 by the school board;

295           (ii) To charge reasonable fees for participating in an  
296 extracurricular activity for academic or nonacademic credit for  
297 necessary and required equipment such as safety equipment, band  
298 instruments and uniforms;

299           (jj) To conduct or participate in any fund-raising  
300 activities on behalf of or in connection with a tax-exempt  
301 charitable organization;

302           (kk) To exercise such powers as may be reasonably  
303 necessary to carry out the provisions of this section;

304           (ll) To expend funds for the services of nonprofit arts  
305 organizations or other such nonprofit organizations who provide  
306 performances or other services for the students of the school  
307 district;

308           (mm) To expend federal No Child Left Behind Act funds,  
309 or any other available funds that are expressly designated and  
310 authorized for that use, to pay training, educational expenses,  
311 salary incentives and salary supplements to employees of local  
312 school districts; except that incentives shall not be considered  
313 part of the local supplement as defined in Section 37-151-5(o),  
314 nor shall incentives be considered part of the local supplement  
315 paid to an individual teacher for the purposes of Section  
316 37-19-7(1). Mississippi Adequate Education Program funds or any  
317 other state funds may not be used for salary incentives or salary  
318 supplements as provided in this paragraph (mm);

319           (nn) To use any available funds, not appropriated or  
320 designated for any other purpose, for reimbursement to the  
321 state-licensed employees from both in-state and out-of-state, who  
322 enter into a contract for employment in a school district, for the  
323 expense of moving when the employment necessitates the relocation  
324 of the licensed employee to a different geographical area than

325 that in which the licensed employee resides before entering into  
326 the contract. The reimbursement shall not exceed One Thousand  
327 Dollars (\$1,000.00) for the documented actual expenses incurred in  
328 the course of relocating, including the expense of any  
329 professional moving company or persons employed to assist with the  
330 move, rented moving vehicles or equipment, mileage in the amount  
331 authorized for county and municipal employees under Section  
332 25-3-41 if the licensed employee used his personal vehicle or  
333 vehicles for the move, meals and such other expenses associated  
334 with the relocation. No licensed employee may be reimbursed for  
335 moving expenses under this section on more than one (1) occasion  
336 by the same school district. Nothing in this section shall be  
337 construed to require the actual residence to which the licensed  
338 employee relocates to be within the boundaries of the school  
339 district that has executed a contract for employment in order for  
340 the licensed employee to be eligible for reimbursement for the  
341 moving expenses. However, the licensed employee must relocate  
342 within the boundaries of the State of Mississippi. Any individual  
343 receiving relocation assistance through the Critical Teacher  
344 Shortage Act as provided in Section 37-159-5 shall not be eligible  
345 to receive additional relocation funds as authorized in this  
346 paragraph;

347 (oo) To use any available funds, not appropriated or  
348 designated for any other purpose, to reimburse persons who  
349 interview for employment as a licensed employee with the district  
350 for the mileage and other actual expenses incurred in the course  
351 of travel to and from the interview at the rate authorized for  
352 county and municipal employees under Section 25-3-41;

353 (pp) Consistent with the report of the Task Force to  
354 Conduct a Best Financial Management Practices Review, to improve  
355 school district management and use of resources and identify cost  
356 savings as established in Section 8 of Chapter 610, Laws of 2002,  
357 local school boards are encouraged to conduct independent reviews

358 of the management and efficiency of schools and school districts.  
359 Such management and efficiency reviews shall provide state and  
360 local officials and the public with the following:

361 (i) An assessment of a school district's  
362 governance and organizational structure;

363 (ii) An assessment of the school district's  
364 financial and personnel management;

365 (iii) An assessment of revenue levels and sources;

366 (iv) An assessment of facilities utilization,  
367 planning and maintenance;

368 (v) An assessment of food services, transportation  
369 and safety/security systems;

370 (vi) An assessment of instructional and  
371 administrative technology;

372 (vii) A review of the instructional management and  
373 the efficiency and effectiveness of existing instructional  
374 programs; and

375 (viii) Recommended methods for increasing  
376 efficiency and effectiveness in providing educational services to  
377 the public;

378 (qq) To enter into agreements with other local school  
379 boards for the establishment of an educational service agency  
380 (ESA) to provide for the cooperative needs of the region in which  
381 the school district is located, as provided in Section 37-7-345.  
382 This paragraph shall repeal on July 1, 2007;

383 (rr) To implement a financial literacy program for  
384 students in Grades 10 and 11. The board may review the national  
385 programs and obtain free literature from various nationally  
386 recognized programs. After review of the different programs, the  
387 board may certify a program that is most appropriate for the  
388 school districts' needs. If a district implements a financial  
389 literacy program, then any student in Grade 10 or 11 may  
390 participate in the program. The financial literacy program shall

391 include, but is not limited to, instruction in the same areas of  
392 personal business and finance as required under Section  
393 37-1-3(2)(b). The school board may coordinate with volunteer  
394 teachers from local community organizations, including, but not  
395 limited to, the following: United States Department of  
396 Agriculture Rural Development, United States Department of Housing  
397 and Urban Development, Junior Achievement, bankers and other  
398 nonprofit organizations. Nothing in this paragraph shall be  
399 construed as to require school boards to implement a financial  
400 literacy program;

401 (ss) To collaborate with the State Board of Education,  
402 Community Action Agencies or the Department of Human Services to  
403 develop and implement a voluntary program to provide services for  
404 a full-day prekindergarten program that addresses the cognitive,  
405 social, and emotional needs of four-year-old and three-year-old  
406 children. The school board may utilize nonstate source special  
407 funds, grants, donations or gifts to fund the voluntary program;

408 (tt) With respect to any lawful, written obligation of  
409 a school district, including, but not limited to, leases  
410 (excluding leases of sixteenth section public school trust land),  
411 bonds, notes, or other agreement, to agree in writing with the  
412 obligee that the State Tax Commission or any state agency,  
413 department or commission created under state law may:

414 (i) Withhold all or any part (as agreed by the  
415 school board) of any monies which such local school board is  
416 entitled to receive from time to time under any law and which is  
417 in the possession of the State Tax Commission, or any state  
418 agency, department or commission created under state law; and

419 (ii) Pay the same over to any financial  
420 institution, trustee or other obligee, as directed in writing by  
421 the school board, to satisfy all or part of such obligation of the  
422 school district.

423           The school board may make such written agreement to withhold  
424 and transfer funds irrevocable for the term of the written  
425 obligation and may include in the written agreement any other  
426 terms and provisions acceptable to the school board. If the  
427 school board files a copy of such written agreement with the State  
428 Tax Commission, or any state agency, department or commission  
429 created under state law then the State Tax Commission or any state  
430 agency, department or commission created under state law shall  
431 immediately make the withholdings provided in such agreement from  
432 the amounts due the local school board and shall continue to pay  
433 the same over to such financial institution, trustee or obligee  
434 for the term of the agreement.

435           This paragraph (tt) shall not grant any extra authority to a  
436 school board to issue debt in any amount exceeding statutory  
437 limitations on assessed value of taxable property within such  
438 school district or the statutory limitations on debt maturities,  
439 and shall not grant any extra authority to impose, levy or collect  
440 a tax which is not otherwise expressly provided for, and shall not  
441 be construed to apply to sixteenth section public school trust  
442 land;

443           (uu) With respect to any matter or transaction that is  
444 competitively bid by a school district, to accept from any bidder  
445 as a good faith deposit or bid bond or bid surety, the same type  
446 of good faith deposit or bid bond or bid surety that may be  
447 accepted by the state or any other political subdivision on  
448 similar competitively bid matters or transactions. This paragraph  
449 (uu) shall not be construed to apply to sixteenth section public  
450 school trust land. The school board may authorize the investment  
451 of any school district funds in the same kind and manner of  
452 investments, including pooled investments, as any other political  
453 subdivision, including community hospitals; \* \* \*

454           (vv) To utilize the alternate method for the conveyance  
455 or exchange of unused school buildings and/or land, reserving a

456 partial or other undivided interest in the property, as  
457 specifically authorized and provided in Section 37-7-485,  
458 Mississippi Code of 1972; and

459 (ww) To implement a financial literacy curriculum for  
460 students in Grades 10 and 11 on or before the 2007-2008 school  
461 year. The board may review the national programs and obtain free  
462 literature from various nationally recognized programs. After  
463 review of the different programs, the board may certify a program  
464 that is most appropriate for the school districts' needs. Any  
465 student in Grade 10 or 11 may participate in the program. The  
466 financial literacy program shall include, but is not limited to,  
467 instruction in the same areas of personal business and finance as  
468 required under Section 37-1-3(2)(b). The school board may  
469 coordinate with volunteer teachers from local community  
470 organizations to offer the financial literacy curriculum,  
471 including, but not limited to, the following: United States  
472 Department of Agriculture Rural Development, United States  
473 Department of Housing and Urban Development, Junior Achievement,  
474 bankers and other nonprofit organizations.

475 **SECTION 2.** This act shall take effect and be in force from  
476 and after July 1, 2006.