

By: Representative Read

To: Appropriations

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1058

1 AN ACT TO ESTABLISH THE OFFICE OF SHARED SERVICES (OSS)
2 WITHIN THE DEPARTMENT OF FINANCE AND ADMINISTRATION TO OPERATE AS
3 THE CENTRAL BUSINESS OFFICE FOR SELECT AGENCIES AND TO PROVIDE
4 SHARED SERVICES TO THOSE SELECT AGENCIES; TO PROVIDE THAT THE OSS
5 AUTHORITY INCLUDES CERTAIN ADMINISTRATIVE FUNCTIONS OF THE SELECT
6 AGENCIES; TO PROVIDE THAT THE OSS SHALL ESTABLISH A FEE STRUCTURE
7 THAT WILL ALLOW IT TO RECOVER THE DIRECT AND INDIRECT COSTS OF
8 PROVIDING SHARED SERVICES, WHICH WILL BE PAID BY THE SELECT
9 AGENCIES RECEIVING THE SERVICES; TO PROVIDE THAT THE DEPARTMENT
10 SHALL MAKE A REPORT TO CERTAIN LEGISLATIVE COMMITTEES DURING THE
11 2019 LEGISLATIVE SESSION REGARDING THE OSS; TO SPECIFY THE
12 AGENCIES THAT WILL BE SUBJECT TO THE AUTHORITY OF THE OSS; TO
13 AMEND SECTION 27-104-3, MISSISSIPPI CODE OF 1972, TO CONFORM TO
14 THE PROVISIONS OF THIS ACT; AND FOR RELATED PURPOSES.

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

16 **SECTION 1.** (1) There is established the Office of Shared
17 Services (OSS) within the Department of Finance and Administration
18 to operate as the central business office for select agencies,
19 boards and commissions, to provide shared services to those select
20 agencies, boards and commissions, with the services to be
21 phased-in according to a timetable developed by the department.

22 (2) The OSS shall have the authority to analyze the
23 administrative operations of the select agencies, boards and
24 commissions that are subject to this process, and develop an



25 implementation plan to bring the business services of those select
26 agencies, boards and commissions into the OSS in an orderly
27 transition, beginning from and after July 1, 2018, with complete
28 transition no later than July 1, 2019. The primary intent of this
29 section is to increase the accountability and efficiency of those
30 select agencies, boards and commissions, and not to usurp the
31 regulatory or licensing authority of any agency, board or
32 commission.

33 (3) The implementation plan shall include titles of agency
34 positions whose functions will be eliminated or transferred to
35 OSS, and shall include any contracted service that will be
36 eliminated or transferred according to the assumption of the
37 function by the OSS. The department is authorized to determine
38 the methodology for implementing shared services and the
39 transition order for select agencies, boards and commission. The
40 department may contract with private vendors to develop the
41 business case and implementation plan. The department may by rule
42 describe the business services to be provided by the OSS and their
43 applicability to each select agency, board and commission. The
44 administrative head of each select agency, board and commission
45 shall comply with the schedule of services developed and issued by
46 the OSS and shall not spend appropriated funds to provide or
47 contract for services to be provided by the OSS.



48 (4) The OSS authority shall include administrative functions
49 of the select agencies, boards and commissions including, but not
50 limited to:

51 (a) Accounting services, which includes general
52 accounting services, accounts receivable, accounts payable,
53 financial statement preparations, budget preparation, inventory
54 and the related;

55 (b) Human resource services, which includes transaction
56 processing associated with employment activities and the related;

57 (c) Information technology services, which includes
58 network, desktop, telecommunications, application, and
59 infrastructure support and resources to include technology
60 procurement and the related;

61 (d) Payroll and travel services, which includes
62 preparation and distribution of payroll and travel payments and
63 the related;

64 (e) Purchasing and contracting services, which includes
65 all functional steps in the procurement cycle for the acquisition
66 of goods and services, from specification development and
67 solicitation to contract review and transaction processing, and
68 the related;

69 (f) Facilities operation and maintenance services,
70 which includes the leasing of office, meeting and training space
71 or providing same in state-owned buildings and the related; and



72 (g) Administrative services, which includes staffing of
73 reception, switchboard and the related.

74 (5) The OSS shall establish a fee structure as part of the
75 implementation plan that will allow OSS to recover the direct and
76 indirect costs of providing shared services, to be paid by the
77 select agencies, boards and commissions receiving the services.

78 (6) The department is authorized and empowered to adopt
79 rules and establish guidelines to implement this section.

80 (7) The department shall make a report to the
81 Accountability, Efficiency and Transparency Committees and the
82 Appropriations Committees of the House of Representatives and the
83 Senate during the 2019 legislative session regarding the
84 implementation plan and any related costs to establish the OSS or
85 projected savings from the implementation of this section. The
86 report shall also include any technical legislative or
87 administrative recommendation for further consideration, including
88 but not limited to funding-out language for existing contracts.
89 If it is determined after analyzing the operations of these select
90 agencies, boards and commissions that it is not practicable or
91 advantageous to the state for OSS to assume the responsibility of
92 certain functions, the reasons for such a decision shall be
93 included in the report.

94 (8) The following agencies, boards and commissions shall be
95 subject to the authority of the OSS: Athletic Commission,
96 Mississippi Auctioneer Commission, State Board of Chiropractic



97 Examiners, State Board of Cosmetology, State Board of Registration
98 for Foresters, State Board of Funeral Services, Board of
99 Registered Professional Geologists, State Board of Massage
100 Therapy, Mississippi Motor Vehicle Commission, Mississippi Board
101 of Nursing Home Administrators, State Board of Physical Therapy,
102 State Board of Examiners for Licensed Professional Counselors and
103 Mississippi Board of Psychology.

104 **SECTION 2.** Section 27-104-3, Mississippi Code of 1972, is
105 amended as follows:

106 27-104-3. In addition to other powers and duties prescribed
107 by statute, the Department of Finance and Administration shall
108 have the following powers and duties, with regard to fiscal
109 management:

110 (a) Provide direct technical assistance and training to
111 state agencies and departments in implementing generally accepted
112 accounting principles, in preparing financial statements as
113 required by law, and in management and executive development.

114 (b) Provide temporary administrative services in
115 financial accounting and public administration to any state
116 agency, department or institution upon request of the governing
117 board of the state agency, department or institution.

118 (c) Prepare and issue a comprehensive reference manual
119 or manuals of policies and procedures for each state agency and
120 department to use, which may include chapters on purchasing,
121 personnel, payroll, travel, chart of accounts, fund



122 classifications, receipts, warrants, expenditures, fixed assets,
123 property inventory, and maintaining financial records and
124 preparing financial reports as required and prescribed by law.
125 The manual shall be revised on a continuing basis. The manual
126 shall be prepared and revised in consultation with the State
127 Auditor's office.

128 (d) Provide assistance to any state agency, department
129 or institution in collecting a fee or other valid obligation that
130 another agency, department or institution has failed to pay to it.
131 For purposes of this paragraph, the agency, department or
132 institution seeking to collect the funds shall be referred to as
133 the "creditor agency," and the agency, department or institution
134 that has not paid the creditor agency shall be referred to as the
135 "delinquent agency." A valid obligation may be evidenced by an
136 invoice or any other documentation as may be required by the
137 Department of Finance and Administration, hereinafter referred to
138 as the department. A creditor agency may request assistance from
139 the department, and the department may require the creditor agency
140 to furnish detailed information regarding the obligation. Upon
141 determining that the delinquent agency owes the creditor agency a
142 specific amount, the State Fiscal Officer shall pay to the
143 creditor agency that amount out of any funds in the State Treasury
144 to the credit of the delinquent agency. The State Fiscal Officer
145 shall notify the creditor agency and the delinquent agency of the
146 total amount of funds transferred. Either agency may appeal the



147 transfer of funds or the failure to transfer funds, under rules
148 and regulations promulgated by the department and approved by the
149 Office of the State Auditor. The Department of Finance and
150 Administration shall report any actions taken under this paragraph
151 (d) to the Chairmen of the Appropriations Committees of the House
152 of Representatives and the Senate on a quarterly basis.

153 (e) To issue a request for an ACA-compliant health
154 insurance policy, or policies, to offer health insurance coverage
155 to the full-time equivalent employees not otherwise eligible to
156 participate in the State and School Employees' Health Insurance
157 Plan; and to issue a request for administrative support in order
158 to meet reporting requirements under Internal Revenue Code Section
159 6056 and to comply with the Patient Protection and Affordable Care
160 Act of 2010.

161 (f) To establish an Office of Shared Services to
162 operate as a central business office for select boards and
163 commissions as provided in Section 1 of this act.

164 **SECTION 3.** This act shall take effect and be in force from
165 and after July 1, 2018.

