

By: Representative Read

To: Appropriations

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: State Board of Architecture,
96 Athletic Commission, Mississippi Auctioneer Commission, State



97 Board of Barber Examiners, State Board of Chiropractic Examiners,
98 State Board of Cosmetology, State Board of Dental Examiners, Board
99 of Licensure for Professional Engineers and Surveyors, State Board
100 of Registration for Foresters, State Board of Funeral Services,
101 Board of Registered Professional Geologists, State Board of
102 Massage Therapy, Mississippi Motor Vehicle Commission, Mississippi
103 Board of Nursing Home Administrators, State Board of Optometry,
104 State Board of Physical Therapy, State Board of Examiners for
105 Licensed Professional Counselors, Mississippi Board of Psychology,
106 State Board of Public Accountancy, Mississippi Real Estate
107 Appraiser Licensing and Certification Board, Board of Examiners
108 for Social Workers and Marriage and Family Therapists, and the
109 State Board of Veterinary Medicine.

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

112 27-104-3. In addition to other powers and duties prescribed
113 by statute, the Department of Finance and Administration shall
114 have the following powers and duties, with regard to fiscal
115 management:

116 (a) Provide direct technical assistance and training to
117 state agencies and departments in implementing generally accepted
118 accounting principles, in preparing financial statements as
119 required by law, and in management and executive development.

120 (b) Provide temporary administrative services in
121 financial accounting and public administration to any state



122 agency, department or institution upon request of the governing
123 board of the state agency, department or institution.

124 (c) Prepare and issue a comprehensive reference manual
125 or manuals of policies and procedures for each state agency and
126 department to use, which may include chapters on purchasing,
127 personnel, payroll, travel, chart of accounts, fund
128 classifications, receipts, warrants, expenditures, fixed assets,
129 property inventory, and maintaining financial records and
130 preparing financial reports as required and prescribed by law.
131 The manual shall be revised on a continuing basis. The manual
132 shall be prepared and revised in consultation with the State
133 Auditor's office.

134 (d) Provide assistance to any state agency, department
135 or institution in collecting a fee or other valid obligation that
136 another agency, department or institution has failed to pay to it.
137 For purposes of this paragraph, the agency, department or
138 institution seeking to collect the funds shall be referred to as
139 the "creditor agency," and the agency, department or institution
140 that has not paid the creditor agency shall be referred to as the
141 "delinquent agency." A valid obligation may be evidenced by an
142 invoice or any other documentation as may be required by the
143 Department of Finance and Administration, hereinafter referred to
144 as the department. A creditor agency may request assistance from
145 the department, and the department may require the creditor agency
146 to furnish detailed information regarding the obligation. Upon



147 determining that the delinquent agency owes the creditor agency a
148 specific amount, the State Fiscal Officer shall pay to the
149 creditor agency that amount out of any funds in the State Treasury
150 to the credit of the delinquent agency. The State Fiscal Officer
151 shall notify the creditor agency and the delinquent agency of the
152 total amount of funds transferred. Either agency may appeal the
153 transfer of funds or the failure to transfer funds, under rules
154 and regulations promulgated by the department and approved by the
155 Office of the State Auditor. The Department of Finance and
156 Administration shall report any actions taken under this paragraph
157 (d) to the Chairmen of the Appropriations Committees of the House
158 of Representatives and the Senate on a quarterly basis.

159 (e) To issue a request for an ACA-compliant health
160 insurance policy, or policies, to offer health insurance coverage
161 to the full-time equivalent employees not otherwise eligible to
162 participate in the State and School Employees' Health Insurance
163 Plan; and to issue a request for administrative support in order
164 to meet reporting requirements under Internal Revenue Code Section
165 6056 and to comply with the Patient Protection and Affordable Care
166 Act of 2010.

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

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

