

By: Senator(s) Tollison

To: Education

SENATE BILL NO. 2092

1 AN ACT TO AMEND SECTION 37-61-9, MISSISSIPPI CODE OF 1972, TO
2 REVISE THE ADMINISTRATIVE LIMIT ON BUDGET EXPENDITURES IN EACH
3 SCHOOL DISTRICT FOR CERTAIN ADMINISTRATION COSTS; AND FOR RELATED
4 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 August of
9 each year, the local school board of each school district, with
10 the assistance of the superintendent of schools, shall prepare and
11 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 commencing 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 August of
19 each year, the local school board of each school district, with



20 the assistance of the superintendent of schools, shall prepare and
21 file with the State Department of Education such budgetary
22 information as the State Board of Education may require. The
23 State Board of Education shall prescribe and provide forms to each
24 school district for this purpose.

25 (3) Prior to the adoption of a budget pursuant to 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 prior to the adoption of the budget
31 with advance notice. After final adoption of the budget, a
32 synopsis of such budget in a form prescribed by the State
33 Department of Audit shall be published in a newspaper having
34 general circulation in the school district on a date different
35 from the date on which the county or any municipality therein may
36 publish its budget.

37 (4) There shall be imposed limitations on budgeted
38 expenditures in each school district for certain administration
39 costs, as defined hereinafter, in an amount not greater than One
40 Hundred Fifty Thousand Dollars (\$150,000.00) plus four percent
41 (4%) of the expenditures * * * each year. For purposes of this
42 subsection, "administration costs" shall be defined as
43 expenditures for salaries and fringe benefits paid for central
44 administration costs from all sources of revenue, excluding



45 federal funds, in the following expenditure functions as defined
46 in the MISSISSIPPI PUBLIC SCHOOL DISTRICT FINANCIAL ACCOUNTING
47 MANUAL:

48 2300 = Support Services - General Administration
49 2310 = Board of Education Services
50 2320 = Executive Administration Services
51 2330 = Special Area Administration Services
52 2500 = Business Services
53 2510 = Fiscal Services
54 2520 = Purchasing Services
55 2530 = Warehousing and Distributing Services
56 2540 = Printing, Publishing and Duplicating Services
57 2590 = Other Support Services - Business

58 Any costs classified as "administration costs" for purposes
59 of this subsection which can be demonstrated by the local school
60 district to be an expenditure that results in a net cost savings
61 to the district that may otherwise require budget expenditures for
62 functions not covered under the definition of administration costs
63 herein may be excluded from the limitations imposed herein. The
64 local school board shall make a specific finding of such costs and
65 spread such finding upon its minutes, which shall be subject to
66 the approval of the Office of Educational Accountability of the
67 State Department of Education. Any school district required to
68 make expenditure cuts, as a result of application of this
69 subsection, shall not be required to reduce such expenditures more



70 than twenty-five percent (25%) in any year in order to comply with
71 this mandate.

72 The State Auditor shall ensure that functions in all
73 expenditure categories to which this administrative limitation
74 applies shall be properly classified.

75 This section shall not apply to central administration with
76 five (5) or less full-time employees, or to those school districts
77 which can substantiate that comparable reductions have occurred in
78 administrative costs for the five-year period immediately prior to
79 school year 1993-1994. In the event the application of this
80 section may jeopardize the fiscal integrity or operations of the
81 school district, have an adverse impact on the ability of the
82 district to deliver educational services, or otherwise restrict
83 the district from achieving or maintaining a quality education
84 program, the State Board of Education shall be authorized to
85 exempt the application of this section to such school district
86 pursuant to rules and regulations of the State Board of Education
87 consistent with the intent of this section.

88 **SECTION 2.** This act shall take effect and be in force from
89 and after July 1, 2018.

