

By: Representatives Sanford, Barnett, Sykes

To: Education

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 689

1 AN ACT TO AMEND SECTION 43-5-1, MISSISSIPPI CODE OF 1972, TO  
2 AUTHORIZE THE STATE BOARD OF EDUCATION TO ESTABLISH PRIVATE  
3 FOUNDATIONS OR NONPROFIT CORPORATIONS FOR THE PURPOSE OF ENGAGING  
4 IN FUNDRAISING ACTIVITIES AND RECEIVING AND DISBURSING NONPUBLIC  
5 FUNDS FOR THE BENEFIT OF THE MISSISSIPPI SCHOOL FOR THE DEAF, THE  
6 MISSISSIPPI SCHOOL FOR THE BLIND AND THE STATE DEPARTMENT OF  
7 EDUCATION; TO AMEND SECTION 43-5-11, MISSISSIPPI CODE OF 1972, TO  
8 REQUIRE THE BOARD TO INCLUDE FINANCIAL DATA ON THE FOUNDATION OR  
9 NONPROFIT CORPORATION IN ITS ANNUAL LEGISLATIVE REPORT ON THE  
10 SCHOOLS FOR THE BLIND AND THE DEAF; AND FOR RELATED PURPOSES.

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

12 **SECTION 1.** Section 43-5-1, Mississippi Code of 1972, is  
13 amended as follows:

14 43-5-1. (1) The State Board of Education shall be the Board  
15 of Trustees of the Mississippi School for the Deaf and the  
16 Mississippi School for the Blind and shall retain all powers and  
17 duties granted by law to the Board of Trustees of the Mississippi  
18 School for the Deaf and the Mississippi School for the Blind.

19 Wherever the term Board of Trustees of the Mississippi School for  
20 the Deaf and Mississippi School for the Blind appears in any law,  
21 the same shall mean the State Board of Education.



22           (2) The provisions of this section shall not be construed to  
23 require any consolidation or combination of the Mississippi School  
24 for the Deaf and the Mississippi School for the Blind other than  
25 where economies can be realized through the common utilization of  
26 maintenance personnel and equipment, physical facilities, vehicles  
27 and administrative personnel, where the same can be done without  
28 impairment of the effectiveness of the educational programs of the  
29 two (2) institutions or the welfare of the students.

30           (3) The provisions of this section shall not be construed to  
31 require any consolidation of services involving curriculum or  
32 instructional programs of the two (2) institutions.

33           (4) The State Board of Education, on behalf of each of these  
34 institutions, shall have the power to receive and hold property,  
35 real and personal, and to accept and use as provided by law,  
36 separate from the needs of the other institutions, all bequests,  
37 devices and donations made or which may in the future be made to  
38 or for it, and shall continue to enjoy the rights and privileges  
39 heretofore conferred upon it by law and such as are necessary now,  
40 or hereafter, to accomplish the purposes of its own establishment  
41 and operation and maintenance hereunder, provided that the same be  
42 not inconsistent with or in conflict with this chapter.

43           (5) The State Board of Education may form and establish a  
44 private foundation or nonprofit corporation for the purpose of  
45 generating revenue to help defray costs incurred in the operation  
46 and maintenance of the Mississippi School for the Deaf. The



47 private foundation or nonprofit corporation may engage in  
48 fundraising activities on behalf of the school and receive and  
49 disburse funds generated by those activities and from bequests,  
50 devices and any other donations made to the Mississippi School for  
51 the Deaf. The private foundation or nonprofit corporation shall  
52 adopt guidelines for the disbursement of funds and shall be  
53 subject to the reporting requirements of Section 43-5-11. All  
54 funds held by the private foundation or nonprofit corporation must  
55 remain with the foundation or nonprofit corporation until  
56 disbursement and may not be transferred to the State General Fund.  
57 Public funds may not be deposited into the account of the private  
58 foundation or nonprofit corporation established for the benefit of  
59 the Mississippi School for the Deaf, and the Legislature may not  
60 appropriate any State General Fund or Special Fund monies to the  
61 private foundation or nonprofit corporation. All monies received  
62 by the private foundation or nonprofit corporation must be  
63 maintained separately from funds allocated to the State Board of  
64 Education for operating and administrative costs associated with  
65 the Mississippi School for the Deaf. A private foundation or  
66 nonprofit corporation established for the benefit of the  
67 Mississippi School for the Deaf is subject to annual financial  
68 audits by the State Auditor and by auditors of donors in the same  
69 manner as required for state agencies.

70 (6) The State Board of Education may form and establish a  
71 private foundation or nonprofit corporation for the purpose of



72 generating revenue to help defray costs incurred in the operation  
73 and maintenance of the Mississippi School for the Blind. The  
74 private foundation or nonprofit corporation may engage in  
75 fundraising activities on behalf of the school and receive and  
76 disburse funds generated by those activities and from bequests,  
77 devices and any other donations made to the Mississippi School for  
78 the Blind. The private foundation or nonprofit corporation shall  
79 adopt guidelines for the disbursement of funds and shall be  
80 subject to the reporting requirements of Section 43-5-11. All  
81 funds held by the private foundation or nonprofit corporation must  
82 remain with the foundation or nonprofit corporation until  
83 disbursement and may not be transferred to the State General Fund.  
84 Public funds may not be deposited into the account of the private  
85 foundation or nonprofit corporation established for the benefit of  
86 the Mississippi School for the Blind, and the Legislature may not  
87 appropriate any State General Fund or Special Fund monies to the  
88 private foundation or nonprofit corporation. All monies received  
89 by the private foundation or nonprofit corporation must be  
90 maintained separately from funds allocated to the State Board of  
91 Education for operating and administrative costs associated with  
92 the Mississippi School for the Blind. A private foundation or  
93 nonprofit corporation established for the benefit of the  
94 Mississippi School for the Blind is subject to annual financial  
95 audits by the State Auditor and by auditors of donors in the same  
96 manner as required for state agencies.



97           **SECTION 2.** Section 43-5-11, Mississippi Code of 1972, is  
98 amended as follows:

99           43-5-11. The State Board of Education shall make a report to  
100 every \* \* \* regular session of the Legislature, showing the needs  
101 and condition and status of the School for the Blind and the  
102 School for the Deaf. Such report to the Legislature shall show  
103 how the money appropriated to the schools has been expended during  
104 the preceding year, beginning and ending with the fiscal year of  
105 each school, and must include a detailed financial statement of  
106 all monies received and expended by any private foundations or  
107 nonprofit corporations established for the benefit of the  
108 Mississippi School for the Deaf and/or the Mississippi School for  
109 the Blind under Section 43-5-1. Such report shall exhibit the  
110 salaries paid to teachers, officers and employees and each and  
111 every item of receipt and expenditure. Each report shall be  
112 balanced and shall begin with the balance at the end of the  
113 preceding fiscal year. If any property belonging to the state or  
114 either school is used for profit, such report shall show the  
115 expenses incurred in managing the property and the amount received  
116 from the same. Such report shall also show a summary of the gross  
117 receipts and gross disbursements for each fiscal year and shall  
118 show the money on hand at the beginning of the fiscal period of  
119 each school preceding each session of the Legislature and the  
120 necessary amount of expenses to be incurred from \* \* \* the date of  
121 the report to January 1 next following.



122           SECTION 3. (1) The State Board of Education may form and  
123 establish a private foundation or nonprofit corporation for the  
124 purpose of generating revenue to help defray costs incurred in the  
125 operation and maintenance of the State Department of Education.  
126 The private foundation or nonprofit corporation may engage in  
127 fundraising activities on behalf of the school and receive and  
128 disburse funds generated by those activities and from bequests,  
129 devices and any other donations made to the department. The  
130 private foundation or nonprofit corporation shall adopt guidelines  
131 for the disbursement of funds and shall be subject to the  
132 reporting requirements of Section 37-1-12 of this section. All  
133 funds held by the private foundation or nonprofit corporation must  
134 remain with the foundation or nonprofit corporation until  
135 disbursement and may not be transferred to the State General Fund.  
136 Public funds may not be deposited into the account of the private  
137 foundation or nonprofit corporation established for the benefit of  
138 the department, and the Legislature may not appropriate any State  
139 General Fund or Special Fund monies to the private foundation or  
140 nonprofit corporation. All monies received by the private  
141 foundation or nonprofit corporation must be maintained separately  
142 from funds allocated to the State Board of Education for operating  
143 and administrative costs associated with the department. A  
144 private foundation or nonprofit corporation established for the  
145 benefit of the State Department of Education is subject to annual



146 financial audits by the State Auditor and by auditors of donors in  
147 the same manner as required for state agencies.

148 (2) The annual report of the State Board of Education made  
149 to every regular session of the Legislature, must include a  
150 detailed financial statement of all monies received and expended  
151 by any private foundation or nonprofit corporation established for  
152 the benefit of the department. Such report shall exhibit the  
153 salaries paid to officers and employees and each and every item of  
154 receipt and expenditure. The financial statement shall be  
155 balanced and shall begin with the balance at the end of the  
156 preceding fiscal year. If any property belonging to the state or  
157 either school is used for profit, the financial statement shall  
158 show the expenses incurred in managing the property and the amount  
159 received from the same. The financial statement shall also show a  
160 summary of the gross receipts and gross disbursements for each  
161 fiscal year and shall show the money on hand at the beginning of  
162 the fiscal period of each school preceding each session of the  
163 Legislature and the necessary amount of expenses to be incurred  
164 from the date of the report to January 1 next following.

165 **SECTION 4.** This act shall take effect and be in force from  
166 and after July 1, 2019.

