

By: Senator(s) Carmichael

To: Appropriations

## SENATE BILL NO. 2833

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 SECTIONS 27-104-3 AND 27-104-203, MISSISSIPPI CODE OF 1972,  
14 TO CONFORM TO THE PROVISIONS OF THIS ACT; AND FOR RELATED  
15 PURPOSES.

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

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

23 (2) The OSS shall have the authority to analyze the  
24 administrative operations of the select agencies, boards and



25 commissions that are subject to this process, and develop an  
26 implementation plan to bring the business services of those select  
27 agencies, boards and commissions into the OSS in an orderly  
28 transition, beginning from and after July 1, 2019, with complete  
29 transition no later than July 1, 2020. The primary intent of this  
30 section is to increase the accountability and efficiency of those  
31 select agencies, boards and commissions, and not to usurp the  
32 regulatory or licensing authority of any agency, board or  
33 commission.

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



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

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

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

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

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

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

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



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

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

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

(7) The department shall make a report to the Accountability, Efficiency and Transparency Committees and the Appropriations Committees of the House of Representatives and the Senate during the 2020 legislative session regarding the implementation plan and any related costs to establish the OSS or projected savings from the implementation of this section. The report shall also include any technical legislative or administrative recommendation for further consideration, including, but not limited to, funding-out language for existing contracts. If it is determined after analyzing the operations of these select agencies, boards and commissions that it is not practicable or advantageous to the state for OSS to assume the responsibility of certain functions, the reasons for such a decision shall be included in the report.

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



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

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

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

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

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

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



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

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



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

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

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

**SECTION 3.** Section 27-104-203, Mississippi Code of 1972, is amended as follows:

27-104-203. From and after July 1, 2016, no state agency shall charge another state agency a fee, assessment, rent, audit fee, personnel fee or other charge for services or resources received. The provisions of this section shall not apply (a) to grants, contracts, pass-through funds, project fees or other charges for services between state agencies and the Board of



173 Trustees of State Institutions of Higher Learning, any public  
174 university, the Mississippi Community College Board, any public  
175 community or junior college, and the State Department of  
176 Education, nor (b) to charges for services between the Board of  
177 Trustees of State Institutions of Higher Learning, any public  
178 university, the Mississippi Community College Board, any public  
179 community or junior college, and the State Department of  
180 Education, nor (c) to federal grants, pass-through funds, cost  
181 allocation charges, surplus property charges or project fees  
182 between state agencies as approved or determined by the State  
183 Fiscal Officer, nor (d) telecommunications, data center services,  
184 and/or other information technology services that are used on an  
185 as-needed basis and those costs shall be passed through to the  
186 using agency, nor (e) to federal grants, special funds, or  
187 pass-through funds, available for payment by state agencies to the  
188 Department of Finance and Administration related to Mississippi  
189 Management and Reporting Systems (MMRS) Statewide Application  
190 charges and utilities as approved or determined by the State  
191 Fiscal Officer. The Board of Trustees of State Institutions of  
192 Higher Learning, any public university, the Mississippi Community  
193 College Board, any public community or junior college, and the  
194 State Department of Education shall retain the authority to charge  
195 and be charged for expenditures that they deemed nonrecurring in  
196 nature by the State Fiscal Officer, nor (f) to any fee structure





197 implemented by the OSS to recover the direct and indirect costs of  
198 providing shared services.

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

