

By: Representative Zuber

To: Accountability,
Efficiency, Transparency;
Appropriations

HOUSE BILL NO. 1434

1 AN ACT TO REVISE THE MISSISSIPPI ACCOUNTABILITY AND
 2 TRANSPARENCY ACT OF 2008; TO AMEND SECTION 27-104-153, MISSISSIPPI
 3 CODE OF 1972, TO REVISE THE DEFINITION OF "AGENCY" TO INCLUDE
 4 COUNTIES AND MUNICIPALITIES; TO AMEND SECTION 27-104-155,
 5 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT BY JULY 1, 2023, EACH
 6 COUNTY WITH A POPULATION OF 80,000 OR GREATER AND EACH
 7 MUNICIPALITY WITH A POPULATION OF 10,000 OR GREATER SHALL CREATE
 8 AND MAINTAIN AN ACCOUNTABILITY AND TRANSPARENCY WEBSITE FOR THE
 9 COUNTY OR MUNICIPALITY OR SET UP A SEPARATE SECTION FOR THE COUNTY
 10 OR MUNICIPALITY ON THE COUNTY'S OR MUNICIPALITY'S CURRENT WEBSITE;
 11 TO AMEND SECTION 27-104-163, MISSISSIPPI CODE OF 1972, TO CONFORM
 12 TO THE PROVISIONS OF THIS ACT; TO BRING FORWARD SECTIONS
 13 27-104-161, 27-104-103 AND 7-7-211, MISSISSIPPI CODE OF 1972, FOR
 14 THE PURPOSE OF POSSIBLE AMENDMENT; AND FOR RELATED PURPOSES.

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

16 **SECTION 1.** Section 27-104-153, Mississippi Code of 1972, is
 17 amended as follows:

18 27-104-153. As used in Sections 27-104-151 through
 19 27-104-159:

20 (a) "Searchable website" means an Internet site that:

21 (i) Allows the public to access information
 22 identified in Sections 27-104-151 through 27-104-159 without any
 23 fee or charge to the public for that access;



24 (ii) Provides keyword or other efficient search
25 capability to support the public's ability to find, aggregate and
26 display that information with reasonable ease by accessing a
27 single website; and

28 (iii) Allows the public to programmatically search
29 and access all data in a serialized machine readable format, such
30 as XML, via a Web-services application programming interface.

31 (b) "Agency" means a state agency, department,
32 institution, board, commission, council, office, bureau, division,
33 committee or subcommittee of the state. The term "agency"
34 includes individual agencies and programs as well as multiple
35 agencies whenever programs and activities involve more than one
36 (1) agency. The term "agency" includes all elective offices in
37 the executive, legislative and judicial branches of state
38 government. * * *

39 (c) "Entity" or "recipient" means a corporation,
40 association, union, limited liability company, limited liability
41 partnership, grantee, contractor, county, municipality or other
42 local government entity, or any other legal business entity,
43 including a nonprofit entity. The term "entity" or "recipient"
44 does not include an individual recipient of state public
45 assistance.

46 (d) "Expenditure of state funds" means the disbursement
47 or transfer of any funds, from any source or funds, whether
48 appropriated or nonappropriated, from any agency. The term



49 "expenditure of state funds" includes the expenditures from bond
50 proceeds.

51 (e) "Funding action" means the transfer of funds from a
52 state agency to another entity for a specific purpose. These
53 would include subgranting of funds for specific purposes or the
54 funding through bonds or other authority specific projects and
55 actions.

56 (f) "Funding source" means the state account against
57 which an expenditure is recorded.

58 (g) "State audit or report" means any audit or report
59 issued by the State Auditor, Joint Legislative Committee on
60 Performance Evaluation and Expenditure Review (PEER) or an
61 executive body relating to the entity or recipient of funds or to
62 the budget program or activity or agency.

63 **SECTION 2.** Section 27-104-155, Mississippi Code of 1972, is
64 amended as follows:

65 27-104-155. (1) The Department of Finance and
66 Administration shall develop and operate a searchable website that
67 includes information on expenditures of state funds from all
68 funding sources. The website shall have a unique and simplified
69 website address, and the department shall require each agency that
70 maintains a generally accessible Internet site or for which a
71 generally accessible Internet site is maintained to include a link
72 on the front page of the agency's Internet site to the searchable
73 website required under this section.



74 (a) With regard to disbursement of funds, the website
75 shall include, but not be limited to:

76 (i) The name and principal location of the entity
77 or recipients of the funds, excluding release of information
78 relating to an individual's place of residence, the identity of
79 recipients of state or federal assistance payments, and any other
80 information deemed confidential by state or federal law relating
81 to privacy rights;

82 (ii) The amount of state funds expended;

83 (iii) A descriptive purpose of the funding action
84 or expenditure;

85 (iv) The funding source of the expenditure;

86 (v) The budget program or activity of the
87 expenditure;

88 (vi) The specific source of authority and
89 descriptive purpose of the expenditure, to include a link to the
90 funding authorization document(s) in a searchable PDF form;

91 (vii) The specific source of authority for the
92 expenditure including, but not limited to, a grant, subgrant,
93 contract, or the general discretion of the agency director,
94 provided that if the authority is a grant, subgrant or contract,
95 the website entry shall include a grant, subgrant or contract
96 number or similar information that clearly identifies the specific
97 source of authority. The information required under this
98 paragraph includes data relative to tax exemptions and credits;



99 (viii) The expending agency;
100 (ix) The type of transaction;
101 (x) The expected performance outcomes achieved for
102 the funding action or expenditure;
103 (xi) Links to any state audit or report relating
104 to the entity or recipient of funds or the budget program or
105 activity or agency; and
106 (xii) Any other information deemed relevant by the
107 Department of Finance and Administration.
108 (b) When the expenditure of state funds involves the
109 expenditure of bond proceeds, the searchable website must include
110 a clear, detailed description of the purpose of the bonds, a
111 current status report on the project or projects being financed by
112 the bonds, and a current status report on the payment of the
113 principal and interest on the bonds.
114 (c) The searchable website must include access to an
115 electronic summary of each grant, including amendments; subgrant,
116 including amendments; contract, including amendments; and payment
117 voucher that includes, wherever possible, a hyperlink to the
118 actual document in a searchable PDF format, subject to the
119 restrictions in paragraph (d) of this * * * subsection. The
120 Department of Finance and Administration may cooperate with other
121 agencies to accomplish the requirements of this paragraph.
122 (d) Nothing in Sections 27-104-151 through 27-104-159
123 shall permit or require the disclosure of trade secrets or other



124 proprietary information, including confidential vendor
125 information, or any other information that is required to be
126 confidential by state or federal law.

127 (e) The information available from the searchable
128 website must be updated no later than fourteen (14) days after the
129 receipt of data from an agency, and the Department of Finance and
130 Administration shall require each agency to provide to the
131 department access to all data that is required to be accessible
132 from the searchable website within fourteen (14) days of each
133 expenditure, grant award, including amendments; subgrant,
134 including amendments; or contract, including amendments; executed
135 by the agency.

136 (f) The searchable website must include all information
137 required by this section for all transactions that are initiated
138 in fiscal year 2015 or later. In addition, all information that
139 is included on the searchable website from the date of the
140 inception of the website until July 1, 2014, must be maintained on
141 the website according to the requirements of this section before
142 July 1, 2014, and remain accessible for ten (10) years from the
143 date it was originally made available. All data on the searchable
144 website must remain accessible to the public for a minimum of ten
145 (10) years.

146 (g) For the purposes of this subsection (1), the term
147 "contract" includes, but is not limited to, personal and
148 professional services contracts.



149 (2) The Board of Trustees of State Institutions of Higher
150 Learning shall create the IHL Accountability and Transparency
151 website to include its executive office and the institutions of
152 higher learning no later than July 1, 2012. This website shall:

153 (a) Provide access to existing financial reports,
154 financial audits, budgets and other financial documents that are
155 used to allocate, appropriate, spend and account for appropriated
156 funds;

157 (b) Have a unique and simplified website address;

158 (c) Be directly accessible via a link from the main
159 page of the Department of Finance and Administration website, as
160 well as the IHL website and the main page of the website of each
161 institution of higher learning;

162 (d) Include other links, features or functionality that
163 will assist the public in obtaining and reviewing public financial
164 information;

165 (e) Report expenditure information currently available
166 within these enterprise resource planning (ERP) computer systems;
167 and

168 (f) Design the reporting format using the existing
169 capabilities of these ERP computer systems.

170 (3) The Mississippi Community College Board shall create the
171 Community and Junior Colleges Accountability and Transparency
172 website to include its executive office and the community and
173 junior colleges no later than July 1, 2012. This website shall:



174 (a) Provide access to existing financial reports,
175 financial audits, budgets and other financial documents that are
176 used to allocate, appropriate, spend and account for appropriated
177 funds;

178 (b) Have a unique and simplified website address;

179 (c) Be directly accessible via a link from the main
180 page of the Department of Finance and Administration website, as
181 well as the Mississippi Community College Board website and the
182 main page of the website of each community and junior college;

183 (d) Include other links, features or functionality that
184 will assist the public in obtaining and reviewing public financial
185 information;

186 (e) Report expenditure information currently available
187 within the computer system of each community and junior college;
188 and

189 (f) Design the reporting format using the existing
190 capabilities of the computer system of each community and junior
191 college.

192 (4) Not later than January 1, 2016, the owner or owners of a
193 community hospital, as defined in Section 41-13-10, shall create
194 and maintain an accountability and transparency website for the
195 community hospital or set up a separate section for the community
196 hospital on the current website of the owner or owners. This
197 website of the community hospital or section of the website of the
198 owner or owners shall:



199 (a) Provide access to existing financial reports,
200 financial audits, budgets and other financial documents of the
201 community hospital that are used to allocate, appropriate, spend
202 and account for public funds;

203 (b) Have a unique and simplified website address if it
204 is a new website for the community hospital, or be an easily
205 accessible section of the website of the owner or owners;

206 (c) Include links, features or functionality that will
207 assist the public in obtaining and reviewing public financial
208 information of the community hospital;

209 (d) Report expenditure information of the community
210 hospital in functional expenditure categories that is currently
211 available within the computer system of the community hospital;
212 and

213 (e) Design the reporting format using the existing
214 capabilities of the computer system or systems of the owner or
215 owners of the community hospital.

216 (5) By July 1, 2023, each county with a population of eighty
217 thousand (80,000) or more according to the latest federal
218 decennial census shall create and maintain an accountability and
219 transparency website for the county or set up a separate section
220 on the county's current website. This website of the county or
221 section of the website of the county shall:

222 (a) Provide access to existing financial reports,
223 financial audits, budgets and other financial documents of the



224 county that are used to allocate, appropriate, spend and account
225 for public funds;

226 (b) Have a unique and simplified website address if it
227 is a new website, or be an easily accessible section of the
228 current website of the county;

229 (c) Include links, features or functionality that will
230 assist the public in obtaining and reviewing public financial
231 information of the county;

232 (d) Report expenditure information of the county in
233 functional expenditure categories that is currently available
234 within the computer system of the county; and

235 (e) Design the reporting format using the existing
236 capabilities of the computer system or systems of the county.

237 (6) By July 1, 2023, each municipality with a population of
238 ten thousand (10,000) or more according to the latest federal
239 decennial census shall create and maintain an accountability and
240 transparency website for the municipality or set up a separate
241 section on the municipality's current website. This website of
242 the municipality or section of the website of the municipality
243 shall:

244 (a) Provide access to existing financial reports,
245 financial audits, budgets and other financial documents of the
246 municipality that are used to allocate, appropriate, spend and
247 account for public funds;



248 (b) Have a unique and simplified website address if it
249 is a new website, or be an easily accessible section of the
250 current website of the municipality;

251 (c) Include links, features or functionality that will
252 assist the public in obtaining and reviewing public financial
253 information of the municipality;

254 (d) Report expenditure information of the municipality
255 in functional expenditure categories that is currently available
256 within the computer system of the municipality; and

257 (e) Design the reporting format using the existing
258 capabilities of the computer system or systems of the
259 municipality.

260 **SECTION 3.** Section 27-104-163, Mississippi Code of 1972, is
261 amended as follows:

262 27-104-163. The Department of Finance and Administration
263 shall publish on its searchable website notice of any regular
264 meeting held by a state agency, other than a legislative
265 committee, in accordance with Section 25-41-13. For purposes of
266 this section, the term "state agency" means an agency, department,
267 institution, board, commission, council, office, bureau, division,
268 committee or subcommittee of the state. However, the term "state
269 agency" does not include institutions of higher learning * * * and
270 community and junior colleges * * *.

271 **SECTION 4.** Section 27-104-161, Mississippi Code of 1972, is
272 brought forward as follows:



273 27-104-161. No provision of Sections 27-104-151 through
274 27-104-159 shall be construed as conferring upon the Department of
275 Finance and Administration any authority to review, approve or
276 deny any expenditures or contracts entered into by the Legislature
277 or any of its committees, or to impose any requirement on the
278 Legislature or any of its committees to take any action other than
279 to disclose expenditures and contracts entered into on or after
280 July 1, 2011. For the purposes of this section, the term
281 "contract" includes, but is not limited to, personal and
282 professional services contracts.

283 **SECTION 5.** Section 27-104-103, Mississippi Code of 1972, is
284 brought forward as follows:

285 27-104-103. (1) The Department of Finance and
286 Administration shall have the following duties and powers:

287 (a) To provide administrative guidance to the various
288 departments and agencies of state government;

289 (b) To facilitate the expedient delivery of services
290 and programs for the benefit of the citizens of the state;

291 (c) To analyze and develop efficient management
292 practices and assist departments and agencies in implementing
293 effective and efficient work management systems;

294 (d) To conduct management review of state agencies and
295 departments and recommend a management plan to state departments
296 and agencies when corrective action is required;



297 (e) To, at least annually, report to the Governor and
298 the Legislature on programs and actions taken to improve the
299 conduct of state operations and to prepare and recommend
300 management programs for effective and efficient management of the
301 operations of state government;

302 (f) To allocate the federal-state programs funds to the
303 departments responsible for the delivery of the programs and
304 services for which the appropriation was made;

305 (g) To coordinate the planning functions of all
306 agencies in the executive branch of government and review any and
307 all plans which are developed by those agencies and departments;

308 (h) To collect and maintain the necessary data on which
309 to base budget and policy development issues;

310 (i) To develop and analyze policy recommendations to
311 the Governor;

312 (j) To develop and manage the executive budget process;

313 (k) To prepare the executive branch budget
314 recommendations;

315 (l) To review and monitor the expenditures of the
316 executive agencies and departments of government;

317 (m) To manage the state's fiscal affairs;

318 (n) To administer programs relating to general
319 services, public procurement, insurance and the Bond Advisory
320 Division;

321 (o) To administer the state's aircraft operation.



322 (2) The department shall have the following additional
323 powers and duties under Chapter 18 of Title 17:

324 (a) It shall acquire the site submitted by the
325 Mississippi Hazardous Waste Facility Siting Authority and, if
326 determined necessary, design, finance, construct and operate a
327 state commercial hazardous waste management facility;

328 (b) It may acquire by deed, purchase, lease, contract,
329 gift, devise or otherwise any real or personal property,
330 structures, rights-of-way, franchises, easements and other
331 interest in land which is necessary and convenient for the
332 construction or operation of the state commercial hazardous waste
333 management facility, upon such terms and conditions as it deems
334 advisable, hold, mortgage, pledge or otherwise encumber the same,
335 and lease, sell, convey or otherwise dispose of the same in such a
336 manner as may be necessary or advisable to carry out the purposes
337 of Chapter 18 of Title 17;

338 (c) It shall develop and implement, in consultation
339 with the Department of Environmental Quality, schedules of user
340 fees, franchise fees and other charges, including nonregulatory
341 penalties and surcharges applicable to the state commercial
342 hazardous waste management facility;

343 (d) It may employ consultants and contractors to
344 provide services including site acquisition, design, construction,
345 operation, closure, post-closure and perpetual care of the state
346 commercial hazardous waste management facility;



347 (e) It may apply for and accept loans, grants and gifts
348 from any federal or state agency or any political subdivision or
349 any private or public organization;

350 (f) It shall make plans, surveys, studies and
351 investigations as may be necessary or desirable with respect to
352 the acquisition, development and use of real property and the
353 design, construction, operation, closure and long-term care of the
354 state commercial hazardous waste management facility;

355 (g) It shall have the authority to preempt any local
356 ordinance or restriction which prohibits or has the effect of
357 prohibiting the establishment or operation of the state commercial
358 hazardous waste management facility;

359 (h) It may negotiate any agreement for site
360 acquisition, design, construction, operation, closure,
361 post-closure and perpetual care of the state commercial hazardous
362 waste management facility and may negotiate any agreement with any
363 local governmental unit pursuant to Chapter 18 of Title 17;

364 (i) It may promulgate rules and regulations necessary
365 to effectuate the purposes of Chapter 18 of Title 17 not
366 inconsistent therewith;

367 (j) If funds are not appropriated or if the
368 appropriated funds are insufficient to carry out the provisions of
369 Chapter 18 of Title 17, the department shall expend any funds
370 available to it from any source to defray its costs to implement
371 Chapter 18 of Title 17 through February 1, 1991.



372 (3) From and after July 1, 2016, the expenses of the
373 Department of Finance and Administration shall be defrayed by
374 appropriation from the State General Fund and all user charges and
375 fees authorized under law such as rents, MAGIC fees, and other
376 fees for services shall be deposited into the State General Fund
377 as authorized by law.

378 (4) From and after July 1, 2016, the Department of Finance
379 and Administration shall not charge another state agency a fee,
380 assessment, rent or other charge for services or resources
381 received by that state agency from the department.

382 **SECTION 6.** Section 7-7-211, Mississippi Code of 1972, is
383 brought forward as follows:

384 7-7-211. The department shall have the power and it shall be
385 its duty:

386 (a) To identify and define for all public offices of
387 the state and its subdivisions generally accepted accounting
388 principles or other accounting principles as promulgated by
389 nationally recognized professional organizations and to consult
390 with the State Fiscal Officer in the prescription and
391 implementation of accounting rules and regulations;

392 (b) To provide best practices, for all public offices
393 of regional and local subdivisions of the state, systems of
394 accounting, budgeting and reporting financial facts relating to
395 said offices in conformity with legal requirements and with
396 generally accepted accounting principles or other accounting



397 principles as promulgated by nationally recognized professional
398 organizations; to assist such subdivisions in need of assistance
399 in the installation of such systems; to revise such systems when
400 deemed necessary, and to report to the Legislature at periodic
401 times the extent to which each office is maintaining such systems,
402 along with such recommendations to the Legislature for improvement
403 as seem desirable;

404 (c) To study and analyze existing managerial policies,
405 methods, procedures, duties and services of the various state
406 departments and institutions upon written request of the Governor,
407 the Legislature or any committee or other body empowered by the
408 Legislature to make such request to determine whether and where
409 operations can be eliminated, combined, simplified and improved;

410 (d) To postaudit each year and, when deemed necessary,
411 preaudit and investigate the financial affairs of the departments,
412 institutions, boards, commissions, or other agencies of state
413 government, as part of the publication of a comprehensive annual
414 financial report for the State of Mississippi, or as deemed
415 necessary by the State Auditor. In complying with the
416 requirements of this paragraph, the department shall have the
417 authority to conduct all necessary audit procedures on an interim
418 and year-end basis;

419 (e) To postaudit and, when deemed necessary, preaudit
420 and investigate separately the financial affairs of (i) the
421 offices, boards and commissions of county governments and any



422 departments and institutions thereof and therein; (ii) public
423 school districts, departments of education and junior college
424 districts; and (iii) any other local offices or agencies which
425 share revenues derived from taxes or fees imposed by the State
426 Legislature or receive grants from revenues collected by
427 governmental divisions of the state; the cost of such audits,
428 investigations or other services to be paid as follows: Such part
429 shall be paid by the state from appropriations made by the
430 Legislature for the operation of the State Department of Audit as
431 may exceed the sum of Thirty-five Dollars (\$35.00) per man-hour
432 for the services of each staff person engaged in performing the
433 audit or other service plus the actual cost of any independent
434 specialist firm contracted by the State Auditor to assist in the
435 performance of the audit, which sum shall be paid by the county,
436 district, department, institution or other agency audited out of
437 its general fund or any other available funds from which such
438 payment is not prohibited by law. Costs paid for independent
439 specialists or firms contracted by the State Auditor shall be paid
440 by the audited entity through the State Auditor to the specialist
441 or firm conducting the postaudit.

442 Each school district in the state shall have its financial
443 records audited annually, at the end of each fiscal year, either
444 by the State Auditor or by a certified public accountant approved
445 by the State Auditor. Beginning with the audits of fiscal year
446 2010 activity, no certified public accountant shall be selected to



447 perform the annual audit of a school district who has audited that
448 district for three (3) or more consecutive years previously.
449 Certified public accountants shall be selected in a manner
450 determined by the State Auditor. The school district shall have
451 the responsibility to pay for the audit, including the review by
452 the State Auditor of audits performed by certified public
453 accountants;

454 (f) To postaudit and, when deemed necessary, preaudit
455 and investigate the financial affairs of the levee boards;
456 agencies created by the Legislature or by executive order of the
457 Governor; profit or nonprofit business entities administering
458 programs financed by funds flowing through the State Treasury or
459 through any of the agencies of the state, or its subdivisions; and
460 all other public bodies supported by funds derived in part or
461 wholly from public funds, except municipalities which annually
462 submit an audit prepared by a qualified certified public
463 accountant using methods and procedures prescribed by the
464 department;

465 (g) To make written demand, when necessary, for the
466 recovery of any amounts representing public funds improperly
467 withheld, misappropriated and/or otherwise illegally expended by
468 an officer, employee or administrative body of any state, county
469 or other public office, and/or for the recovery of the value of
470 any public property disposed of in an unlawful manner by a public
471 officer, employee or administrative body, such demands to be made



472 (i) upon the person or persons liable for such amounts and upon
473 the surety on official bond thereof, and/or (ii) upon any
474 individual, partnership, corporation or association to whom the
475 illegal expenditure was made or with whom the unlawful disposition
476 of public property was made, if such individual, partnership,
477 corporation or association knew or had reason to know through the
478 exercising of reasonable diligence that the expenditure was
479 illegal or the disposition unlawful. Such demand shall be
480 premised on competent evidence, which shall include at least one
481 (1) of the following: (i) sworn statements, (ii) written
482 documentation, (iii) physical evidence, or (iv) reports and
483 findings of government or other law enforcement agencies. Other
484 provisions notwithstanding, a demand letter issued pursuant to
485 this paragraph shall remain confidential by the State Auditor
486 until the individual against whom the demand letter is being filed
487 has been served with a copy of such demand letter. If, however,
488 such individual cannot be notified within fifteen (15) days using
489 reasonable means and due diligence, such notification shall be
490 made to the individual's bonding company, if he or she is bonded.
491 Each such demand shall be paid into the proper treasury of the
492 state, county or other public body through the office of the
493 department in the amount demanded within thirty (30) days from the
494 date thereof, together with interest thereon in the sum of one
495 percent (1%) per month from the date such amount or amounts were
496 improperly withheld, misappropriated and/or otherwise illegally



497 expended. In the event, however, such person or persons or such
498 surety shall refuse, neglect or otherwise fail to pay the amount
499 demanded and the interest due thereon within the allotted thirty
500 (30) days, the State Auditor shall have the authority and it shall
501 be his duty to institute suit, and the Attorney General shall
502 prosecute the same in any court of the state to the end that there
503 shall be recovered the total of such amounts from the person or
504 persons and surety on official bond named therein; and the amounts
505 so recovered shall be paid into the proper treasury of the state,
506 county or other public body through the State Auditor. In any
507 case where written demand is issued to a surety on the official
508 bond of such person or persons and the surety refuses, neglects or
509 otherwise fails within one hundred twenty (120) days to either pay
510 the amount demanded and the interest due thereon or to give the
511 State Auditor a written response with specific reasons for
512 nonpayment, then the surety shall be subject to a civil penalty in
513 an amount of twelve percent (12%) of the bond, not to exceed Ten
514 Thousand Dollars (\$10,000.00), to be deposited into the State
515 General Fund;

516 (h) To investigate any alleged or suspected violation
517 of the laws of the state by any officer or employee of the state,
518 county or other public office in the purchase, sale or the use of
519 any supplies, services, equipment or other property belonging
520 thereto; and in such investigation to do any and all things
521 necessary to procure evidence sufficient either to prove or



522 disprove the existence of such alleged or suspected violations.
523 The Department of Investigation of the State Department of Audit
524 may investigate, for the purpose of prosecution, any suspected
525 criminal violation of the provisions of this chapter. For the
526 purpose of administration and enforcement of this chapter, the
527 enforcement employees of the Department of Investigation of the
528 State Department of Audit have the powers of a law enforcement
529 officer of this state, and shall be empowered to make arrests and
530 to serve and execute search warrants and other valid legal process
531 anywhere within the State of Mississippi. All enforcement
532 employees of the Department of Investigation of the State
533 Department of Audit hired on or after July 1, 1993, shall be
534 required to complete the Law Enforcement Officers Training Program
535 and shall meet the standards of the program;

536 (i) To issue subpoenas, with the approval of, and
537 returnable to, a judge of a chancery or circuit court, in termtime
538 or in vacation, to examine the records, documents or other
539 evidence of persons, firms, corporations or any other entities
540 insofar as such records, documents or other evidence relate to
541 dealings with any state, county or other public entity. The
542 circuit or chancery judge must serve the county in which the
543 records, documents or other evidence is located; or where all or
544 part of the transaction or transactions occurred which are the
545 subject of the subpoena;



546 (j) In any instances in which the State Auditor is or
547 shall be authorized or required to examine or audit, whether
548 preaudit or postaudit, any books, ledgers, accounts or other
549 records of the affairs of any public hospital owned or owned and
550 operated by one or more political subdivisions or parts thereof or
551 any combination thereof, or any school district, including
552 activity funds thereof, it shall be sufficient compliance
553 therewith, in the discretion of the State Auditor, that such
554 examination or audit be made from the report of any audit or other
555 examination certified by a certified public accountant and
556 prepared by or under the supervision of such certified public
557 accountant. Such audits shall be made in accordance with
558 generally accepted standards of auditing, with the use of an audit
559 program prepared by the State Auditor, and final reports of such
560 audits shall conform to the format prescribed by the State
561 Auditor. All files, working papers, notes, correspondence and all
562 other data compiled during the course of the audit shall be
563 available, without cost, to the State Auditor for examination and
564 abstracting during the normal business hours of any business day.
565 The expense of such certified reports shall be borne by the
566 respective hospital, or any available school district funds other
567 than minimum program funds, subject to examination or audit. The
568 State Auditor shall not be bound by such certified reports and
569 may, in his or their discretion, conduct such examination or audit



570 from the books, ledgers, accounts or other records involved as may
571 be appropriate and authorized by law;

572 (k) The State Auditor shall have the authority to
573 contract with qualified public accounting firms to perform
574 selected audits required in paragraphs (d), (e), (f) and (j) of
575 this section, if funds are made available for such contracts by
576 the Legislature, or if funds are available from the governmental
577 entity covered by paragraphs (d), (e), (f) and (j). Such audits
578 shall be made in accordance with generally accepted standards of
579 auditing. All files, working papers, notes, correspondence and
580 all other data compiled during the course of the audit shall be
581 available, without cost, to the State Auditor for examination and
582 abstracting during the normal business hours of any business day;

583 (l) The State Auditor shall have the authority to
584 establish training courses and programs for the personnel of the
585 various state and local governmental entities under the
586 jurisdiction of the Office of the State Auditor. The training
587 courses and programs shall include, but not be limited to, topics
588 on internal control of funds, property and equipment control and
589 inventory, governmental accounting and financial reporting, and
590 internal auditing. The State Auditor is authorized to charge a
591 fee from the participants of these courses and programs, which fee
592 shall be deposited into the Department of Audit Special Fund.
593 State and local governmental entities are authorized to pay such
594 fee and any travel expenses out of their general funds or any



595 other available funds from which such payment is not prohibited by
596 law;

597 (m) Upon written request by the Governor or any member
598 of the State Legislature, the State Auditor may audit any state
599 funds and/or state and federal funds received by any nonprofit
600 corporation incorporated under the laws of this state;

601 (n) To conduct performance audits of personal or
602 professional service contracts by state agencies on a random
603 sampling basis, or upon request of the State Personal Service
604 Contract Review Board under Section 25-9-120(3);

605 (o) At the discretion of the State Auditor, the Auditor
606 may conduct risk assessments, as well as performance and
607 compliance audits based on Generally Accepted Government Auditing
608 Standards (GAGAS) of any state-funded economic development program
609 authorized under Title 57, Mississippi Code of 1972. After risk
610 assessments or program audits, the State Auditor may conduct
611 audits of those projects deemed high-risk, specifically as they
612 identify any potential wrongdoing or noncompliance based on
613 objectives of the economic development program. The Auditor is
614 granted authority to gather, audit and review data and information
615 from the Mississippi Development Authority or any of its agents,
616 the Department of Revenue, and when necessary under this
617 paragraph, the recipient business or businesses or any other
618 private, public or nonprofit entity with information relevant to
619 the audit project. The maximum amount the State Auditor may bill



620 the oversight agency under this paragraph in any fiscal year is
621 One Hundred Thousand Dollars (\$100,000.00), based on reasonable
622 and necessary expenses;

623 (p) To review and approve any independent auditor
624 selected by the Mississippi Lottery Corporation in accordance with
625 Section 27-115-89, to conduct an annual audit of the corporation;
626 and

627 (q) To conduct audits or investigations of the
628 Mississippi Lottery Corporation if in the opinion of the State
629 Auditor conditions justify such audits or investigations.

630 **SECTION 7.** This act shall take effect and be in force from
631 and after July 1, 2022.

