

By: Representative Zuber

To: Accountability,  
Efficiency, Transparency;  
Municipalities

HOUSE BILL NO. 40

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, 2024, 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, 2024, 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, 2024, 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, 2023.

