

By: Senator(s) Hopson, Polk, Blackwell,  
McLendon, Simmons (13th)

To: Appropriations

## SENATE BILL NO. 3047

1 AN ACT MAKING AN APPROPRIATION FOR THE PURPOSE OF DEFRAYING  
2 THE EXPENSES OF THE STATE DEPARTMENT OF AUDIT FOR FISCAL YEAR  
3 2026.

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

5 **SECTION 1.** The following sum, or so much thereof as may be  
6 necessary, is hereby appropriated out of any funds in the State  
7 General Fund not otherwise appropriated, for the purpose of paying  
8 salaries and defraying the expenses of the State Department of  
9 Audit in making the audits and investigations of public offices of  
10 the state and counties as provided by Section 7-7-201 et seq.,  
11 Mississippi Code of 1972, for the fiscal year beginning  
12 July 1, 2025, and ending June 30, 2026.....\$ 8,877,123.00.

13 **SECTION 2.** The following sum, or so much thereof as may be  
14 necessary, is hereby appropriated out of any special funds in the  
15 State Treasury to the credit of the State Department of Audit's  
16 special fund account for the purpose of paying salaries and  
17 defraying the expenses of the State Department of Audit in making  
18 the audits and investigations of public offices of the state and



19 counties as provided by Section 7-7-201 et seq., Mississippi Code  
20 of 1972, for the fiscal year beginning July 1, 2025, and ending  
21 June 30, 2026.....\$ 5,172,795.00.

22 **SECTION 3.** Of the funds appropriated under the provisions of  
23 this act, the following positions are authorized:

24 AUTHORIZED HEADCOUNT:

25 Permanent: 147

26 Time-Limited: 0

27 With the funds herein appropriated, it shall be the agency's  
28 responsibility to make certain that funds required for Personal  
29 Services for Fiscal Year 2027 do not exceed Fiscal Year 2026 funds  
30 appropriated for that purpose unless programs or positions are  
31 added to the agency's Fiscal Year 2026 budget by the Mississippi  
32 Legislature. The Legislature shall determine the agency's  
33 personal services appropriation, which the State Personnel Board  
34 shall publish. The agency's personal services appropriation may  
35 consist of restricted funds for approved vacancies for Fiscal Year  
36 2026 that may be utilized to fill vacant Fiscal Year 2025  
37 headcount. It shall be the agency's responsibility to ensure that  
38 the funds provided for vacancies are used to increase headcount  
39 and not for promotions, title changes, in-range salary adjustments  
40 or any other mechanism for increasing salaries for current  
41 employees. It is the Legislature's intention that no employee  
42 salary falls below the minimum salary established by the  
43 Mississippi State Personnel Board.



44           Additionally, the State Personnel Board shall determine and  
45   publish the projected annualized payroll costs based on current  
46   employees. It shall be the responsibility of the agency head to  
47   ensure that actual personnel expenditures for Fiscal Year 2026 do  
48   not exceed the data provided by the Legislative Budget Office. If  
49   the agency's Fiscal Year 2026 projected cost exceeds the  
50   annualized costs, no salary actions shall be processed by the  
51   State Personnel Board except for new hires determined to be  
52   essential for the agency.

53           Any transfers or escalations shall be made in accordance with  
54   the terms, conditions, and procedures established by law or  
55   allowable under the terms set forth within this act. The State  
56   Personnel Board shall not escalate positions without written  
57   approval from the Department of Finance and Administration. The  
58   Department of Finance and Administration shall not provide written  
59   approval to escalate any funds for salaries and/or positions  
60   without proof of availability of new or additional funds above the  
61   appropriated level.

62           No general funds authorized to be expended herein shall be  
63   used to replace federal funds and/or other special funds used for  
64   salaries authorized under the provisions of this act and which are  
65   withdrawn and no longer available.

66           None of the funds herein appropriated shall be used in  
67   violation of the Internal Revenue Service's Publication 15-A



68 relating to the reporting of income paid to contract employees, as  
69 interpreted by the Office of the State Auditor.

70       **SECTION 4.** In compliance with the "Mississippi Performance  
71 Budget and Strategic Planning Act of 1994," it is the intent of  
72 the Legislature that the funds provided herein shall be utilized  
73 in the most efficient and effective manner possible to achieve the  
74 intended mission of this agency. Based on the funding authorized,  
75 this agency shall make every effort to attain the targeted  
76 performance measures provided below:

77		FY2026
78	<u>Performance Measures</u>	<u>Target</u>
79	Finance & Compliance	
80	County Government Audits- Percent	
81	Audited by CPA Firms	60.00
82	County Government Audits- Percent	
83	Audited by OSA	40.00
84	Single Audit Federal Program Coverage -	
85	Percent Audited by CPA Firms	60.00
86	Single Audit Federal Program Coverage -	
87	Percent Audited by OSA	40.00
88	ACFR Opinion Units - Percent General	
89	Fund Assets	75.00
90	ACFR Opinion Units - Percent General	
91	Fund Reserves	75.00
92	Technical Assistance	



93	Number of Technical Assistance Inquiries	6,400
94	Cost per Technical Assistance Inquiry	15.00
95	Percent Customer Satisfaction Rating of	
96	70% or Higher	75.00
97	Investigations	
98	Recovered Embezzled and/or Misspent	
99	Funds as a Result of Investigations	
100	Conducted by this Office	600,000.00
101	Recovered Funds as a Percent of Total	
102	Misspent Funds	18.00
103	Performance Audits	
104	Number of Performance Audit Reports	
105	Completed	10
106	Number of Positive Changes Recommended	
107	in Performance Audits or Bond Monitoring	
108	Reports	25

109 A reporting of the degree to which the performance targets  
110 set above have been or are being achieved shall be provided in the  
111 agency's budget request submitted to the Joint Legislative Budget  
112 Committee for Fiscal Year 2027.

113 **SECTION 5.** It is the intention of the Legislature that  
114 whenever two (2) or more bids are received by this agency for the  
115 purchase of commodities or equipment, and whenever all things  
116 stated in such received bids are equal with respect to price,  
117 quality and service, the Mississippi Industries for the Blind



shall be given preference. A similar preference shall be given to the Mississippi Industries for the Blind whenever purchases are made without competitive bids.

**SECTION 6.** Of the funds appropriated in Section 2 of this act, it is the intention of the Legislature that Thirty Thousand Dollars (\$30,000.00) is provided for the purpose of paying fees for a CPA Review Course for the Office of the State Auditor's employees to be reimbursed over a 12-month period by the employee taking the course.

**SECTION 7.** It is the intention of the Legislature that the State Auditor is hereby authorized to escalate, budget and expend funds from any source made available to comply with the Single Audit Act of 1984 for the purpose of employing staff, paying related expenses, or to engage private accountants, as necessary, to comply with the provisions of the act, in accordance with rules and regulations of the Department of Finance and Administration in a manner consistent with the escalation of federal funds.

**SECTION 8.** No more than One Million Dollars (\$1,000,000.00) may be provided to defray expenses incurred by the Office of the State Auditor pursuant to the rules and regulations of the United States Department of Justice Federal Equitable Sharing Program. These funds may only be used for nonbudgeted law enforcement purposes by the Office of the State Auditor.

**SECTION 9.** It is the intention of the Legislature that the State Department of Audit shall maintain complete accounting and



143 personnel records related to the expenditure of all funds  
144 appropriated under this act and that such records shall be in the  
145 same format and level of detail as maintained for Fiscal Year  
146 2025. It is further the intention of the Legislature that the  
147 agency's budget request for Fiscal Year 2027 shall be submitted to  
148 the Joint Legislative Budget Committee in a format and level of  
149 detail comparable to the format and level of detail provided  
150 during the Fiscal Year 2026 budget request process.

151       **SECTION 10.** Of the funds appropriated in Section 2 of this  
152 act, it is the intention of the Legislature that Two Hundred  
153 Thousand Dollars (\$200,000.00) is provided for the purpose of the  
154 Accountancy Fellowship Program as provided by Section 7-7-204, et  
155 seq., Mississippi Code of 1972.

156       **SECTION 11.** The money herein appropriated shall be paid by  
157 the State Treasurer out of any money in the State Treasury to the  
158 credit of the proper fund or funds as set forth in this act, upon  
159 warrants issued by the State Fiscal Officer; and the State Fiscal  
160 Officer shall issue his warrants upon requisitions signed by the  
161 proper person, officer or officers in the manner provided by law.

162       **SECTION 12.** This act shall take effect and be in force from  
163 and after July 1, 2025, and shall stand repealed from and after  
164 June 30, 2025.

