

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.

