

By: Senator(s) Gordon, Thames, Farris,  
Kirby, Chaney, Frazier, Little, Walls,  
Williamson

To: Appropriations

SENATE BILL NO. 3133

1 AN ACT MAKING AN APPROPRIATION FOR THE PURPOSE OF DEFRAYING  
2 THE EXPENSES OF THE STATE DEPARTMENT OF AUDIT FOR FISCAL YEAR  
3 2003.

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, 2002, and ending June 30, 2003..... \$ 5,922,977.00.

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, 2002, and ending  
21 June 30, 2003..... \$ 4,173,381.00.

22 **SECTION 3.** Of the funds appropriated under the provisions of  
23 Sections 1 and 2, not more than the amounts set forth below shall  
24 be expended for the respective major objects or purposes of  
25 expenditure:

26 MAJOR OBJECTS OF EXPENDITURE:

27 Personal Services:



28	Salaries, Wages and Fringe Benefits..	\$	8,359,734.00
29	Travel and Subsistence.....		821,564.00
30	Contractual Services.....		808,937.00
31	Commodities.....		86,123.00
32	Capital Outlay:		
33	Other Than Equipment.....		0.00
34	Equipment.....		20,000.00
35	Subsidies, Loans and Grants.....		<u>0.00</u>
36	Total.....	\$	10,096,358.00
37	FUNDING:		
38	General Funds.....	\$	5,922,977.00
39	Special Funds.....		<u>4,173,381.00</u>
40	Total.....	\$	10,096,358.00

41 AUTHORIZED POSITIONS:

42	Permanent:	Full Time.....	174
43		Part Time.....	1
44	Time-Limited:	Full Time.....	0
45		Part Time.....	0

46 Funds are provided herein to adjust the Variable Compensation  
47 Plan to ensure that all full-time employees receive a pay increase  
48 equal to fifty percent (50%) of the realignment component of the  
49 Variable Compensation Plan or Six Hundred Dollars (\$600.00),  
50 whichever is greater, beginning on January 1, 2003.

51 With the funds herein appropriated, it is the intention of  
52 the Legislature that it shall be the agency's responsibility to  
53 make certain that funds required to be appropriated for "Personal  
54 Services" for Fiscal Year 2004 do not exceed Fiscal Year 2003  
55 funds appropriated for that purpose, unless programs, positions or  
56 pay increases are added to the agency's budget by the Mississippi  
57 Legislature. Based on data provided by the Legislative Budget  
58 Office, the State Personnel Board shall, on July 1, 2002, publish  
59 separate annual projection reports, based on July 1, 2002 data,  
60 for the period of July 1, 2002 through December 31, 2002, and



61 January 1, 2003 through June 30, 2003, that project the annual  
62 cost to fully fund all appropriated positions in compliance with  
63 the provisions of this act. It shall be the responsibility of the  
64 agency head to ensure that no single personnel action increases  
65 this projected cost and/or the Fiscal Year 2003 appropriation for  
66 "Personal Services," as annualized on a semi-annual basis in  
67 accordance with the provisions of this act. If, at the end of any  
68 calendar month, the State Personnel Board determines that the  
69 agency has taken action(s) which would cause the agency to exceed  
70 this projected annual cost or the Fiscal Year 2003 "Personal  
71 Services" appropriated level, when annualized in compliance with  
72 the provisions of this act, then only those actions which reduce  
73 the projected annual cost and/or the appropriation requirement  
74 will be processed by the State Personnel Board until such time as  
75 the requirements of this provision are met.

76 Any transfers or escalations shall be made in accordance with  
77 the terms, conditions, and procedures established by law.

78 No general funds authorized to be expended herein shall be  
79 used to replace federal funds and/or other special funds which are  
80 being used for salaries authorized under the provisions of this  
81 act and which are withdrawn and no longer available.

82 **SECTION 4.** In addition to the sums appropriated herein, the  
83 Office of the State Auditor is hereby authorized to receive,  
84 budget, and expend, with the approval of the Department of Finance  
85 and Administration, any special funds made available to comply  
86 with the Single Audit Act of 1984. These special funds may be  
87 used to employ staff, reallocate existing staff, and pay related  
88 expenses, or to engage private accountants, as necessary, to  
89 comply with the provisions of the Act.

90 **SECTION 5.** Within the funds provided herein, audits of the  
91 Institute for Technology Development (ITD) are to be performed by  
92 the State Auditor in accordance with Sections 31-29-3 and  
93 31-29-25, Mississippi Code of 1972. In conducting these audits,



94 the State Auditor may rely to the maximum extent possible upon  
 95 audits of ITD conducted by independent auditors in accordance with  
 96 the provisions of the "Standards for Audit of Governmental  
 97 Organizations, Programs, Activities and Functions" published by  
 98 the Comptroller General of the United States and Circular A-133  
 99 "Audits of Institutions of Higher Learning and Other Non-Profit  
 100 Institutions" published by the Office of Management and Budget.  
 101 ITD shall present the results of any and all such audits to the  
 102 State Auditor for review and incorporation into his reports to the  
 103 Legislative Budget Committee. The audits to be provided to the  
 104 State Auditor by ITD shall include at least one (1) annual  
 105 financial and compliance audit and one (1) audit of its indirect  
 106 costs and associated billing rate agreements.

107 **SECTION 6.** In compliance with the "Mississippi Performance  
 108 Budget and Strategic Planning Act of 1994," it is the intent of  
 109 the Legislature that the funds provided herein shall be utilized  
 110 in the most efficient and effective manner possible to achieve the  
 111 intended mission of this agency. Based on the funding authorized,  
 112 this agency shall make every effort to attain the targeted  
 113 performance measures provided below:

114		FY2003
115	<u>Performance Measures</u>	<u>Target</u>
116	Post Audit	
117	Audits Completed (Engagements)	150
118	Billable Audit Hours (Hours)	155,300
119	Technical Assistance	
120	Inquiries (Action)	10,000
121	Cost per Inquiry (\$)	21.46
122	Technicalities (Actions)	4,000
123	Cost per Technicality (\$)	0.38
124	Average Daily Attendance	
125	ADA Examination (Actions)	10,240
126	Cost per Attendance Count (\$)	48.87



127 Cost per School (\$) 574.54

128 A reporting of the degree to which the performance targets  
129 set above have been or are being achieved shall be provided in the  
130 agency's budget request submitted to the Joint Legislative Budget  
131 Committee for Fiscal Year 2004.

132 **SECTION 7.** The money herein appropriated shall be paid by  
133 the State Treasurer out of any money in the State Treasury to the  
134 credit of the proper fund or funds as set forth in this act, upon  
135 warrants issued by the State Fiscal Officer; and the State Fiscal  
136 Officer shall issue his warrants upon requisitions signed by the  
137 proper person, officer or officers in the manner provided by law.

138 **SECTION 8.** This act shall take effect and be in force from  
139 and after July 1, 2002.

