MISSISSIPPI LEGISLATURE REGULAR SESSION 2004

By: Representatives Brown, Mayo

To: Education; Appropriations

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1251

AN ACT TO AMEND SECTION 37-37-3, MISSISSIPPI CODE OF 1972, TO DELETE THE REQUIREMENT THAT EXAMINERS SHALL MAKE AUDITS OF ALL REPORTS MADE TO THE STATE EDUCATIONAL FINANCE COMMISSION; TO AMEND SECTION 37-37-7, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE STATE AUDITOR MAY ESTABLISH POLICIES AND PROCEDURES RELATING TO AUDITS IN SCHOOLS; TO AMEND SECTION 37-37-9, MISSISSIPPI CODE OF 1972, TO REQUIRE THE STATE AUDITOR TO MAKE A COMPREHENSIVE ANNUAL REPORT TO THE STATE DEPARTMENT OF EDUCATION AND TO THE EDUCATION COMMITTEES OF THE MISSISSIPPI HOUSE OF REPRESENTATIVES AND THE SENATE; TO AMEND SECTION 37-37-13, MISSISSIPPI CODE OF 1972, TO REVISE THE REPORTING STANDARDS BY REQUIRING THE STATE BOARD OF EDUCATION TO INCLUDE REPORTING STANDARDS FOR SCHOOL DISTRICTS AS PART OF THE STANDARDS FOR THE ACCREDITATION OF SCHOOL DISTRICTS; TO REPEAL SECTION 37-37-8, MISSISSIPPI CODE OF 1972, WHICH REQUIRES EXAMINERS TO MAKE AN ACTUAL COUNT OF STUDENTS; TO REPEAL SECTION 37-37-11, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR THE MINIMUM NUMBER OF AUDITS IN A SCHOOL DURING A SCHOLASTIC YEAR; TO REPEAL SECTION 37-37-15, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR USE OF REDUCED AVERAGE DAILY ATTENDANCE FIGURES; TO REPEAL SECTION 37-37-17, MISSISSIPPI CODE OF 1972, WHICH REQUIRES A SCHOOL DISTRICT TO PROVIDE THE NECESSARY FUNDS TO COVER THE REDUCTION OF MINIMUM EDUCATION PROGRAM FUNDS; TO REPEAL SECTION 37-37-19, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR THE REDUCTION OF EARNED CREDITS AGAINST THE STATE PUBLIC SCHOOL BUILDING FUND; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 37-37-3, Mississippi Code of 1972, is amended as follows:

37-37-3. In addition to all auditors and other employees now or hereafter provided by law, the State Auditor <u>may</u> appoint and employ examiners in the Department of Audit. <u>The</u> examiners shall * * * make such audits as may be necessary to determine the correctness and accuracy of all reports made to the State Department of Education * * * by any school district or school official concerning the number of educable students in any school district, the number of students enrolled in any school district, the number of students in average daily attendance in any school

district, and the number of students being transported or entitled to transportation to any of the public schools of this state.

SECTION 2. Section 37-37-7, Mississippi Code of 1972, is amended as follows:

37-37-7. (1) In making audits under the provisions of this chapter, the examiners may call the attendance rolls at the schools, make field investigations and surveys, make checks of the number of students being transported upon publicly or privately owned buses, and make other and further examinations and investigations as may be necessary to determine whether or not the students reported are actually enrolled in and attending the public schools or are actually being transported or entitled to transportation to such public schools.

(2) In addition to the powers and duties of examiners in subsection (1), the State Auditor may establish policies and procedures to ensure the accuracy and reliability of student data used to determine state funding for local school districts, which may include, but are not limited to, the following:

(a) On-site audits;

(b) An auditing process that ensures the timeliness and accuracy of reports generated by school districts of this state regarding all student transactions;

(c) An auditing process that provides for the timeliness, process and accuracy of the electronic transmission of all student data to the Mississippi Department of Education, including, but not limited to, student enrollment, attendance, transportation, absenteeism, graduation and dropouts and other student data and administrative functions as deemed necessary; and

(d) An audit of the accuracy and validity of all student transactions using the Mississippi Student Information System.

Reviews and audits shall be conducted with advance notice, except that unannounced audits may be made upon the determination

of the State Auditor when they are necessary due to complaints or valid concerns. Examiners shall make every effort to work with school districts in scheduling audits in consideration of instructional activities such as statewide student testing days. The Department of Education and the school district shall cooperate fully with examiners in providing any related information requested in order to properly conduct the review or audit.

SECTION 3. Section 37-37-9, Mississippi Code of 1972, is amended as follows:

37-37-9. Upon completion of each review or audit, the State Auditor shall prepare a * * * report setting forth the audit results and findings * * *, specifically noting all exceptions or violations of any existing law. Copies thereof shall be furnished to the State Department of Education * * * and each school district reviewed or audited. The original copy shall be retained in the office of the State Auditor as a permanent record thereof and shall be subject to public inspection. The State Auditor shall complete a comprehensive annual report summarizing results of reviews or audits each year and provide the report to the State Department of Education and to the education committees of the Mississippi House of Representatives and Senate.

SECTION 4. Section 37-37-13, Mississippi Code of 1972, is amended as follows:

37-37-13. The State Board of Education shall include reporting standards for school districts as part of the standards for accreditation of school districts. These standards shall include penalties within the accreditation system for adverse findings resulting from any reviews or audits conducted under this chapter or through any reviews the State Department of Education may make.

SECTION 5. Section 37-37-8, Mississippi Code of 1972, which requires examiners to make an actual count of students, is repealed.

SECTION 6. Section 37-37-11, Mississippi Code of 1972, which provides for the minimum number of audits in a school during a scholastic year, is repealed.

SECTION 7. Section 37-37-15, Mississippi Code of 1972, which provides for use of reduced average daily attendance figures, is repealed.

SECTION 8. Section 37-37-17, Mississippi Code of 1972, which requires a school district to provide the necessary funds to cover the reduction of minimum education program funds, is repealed.

SECTION 9. Section 37-37-19, Mississippi Code of 1972, which provides for the reduction of earned credits against the State Public School Building Fund, is repealed.

SECTION 10. This act shall take effect and be in force from and after its passage.

ST: State Auditor; authorize to establish policies and procedures for accounting of student average daily attendance.