FY 2024
Impact Report

PEER MISSISSIPPI
Joint Legislative Committee on Performance
Evaluation and Expenditure Review

A Report to the Mississippi Legislature
Report #Impact2024
August 13, 2024

PEER Committee

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Table of Contents

Impact: Summary of Legislative Support

Projects

In FY 2024, PEER staff completed 10 projects, including one multi-volume project in collaboration with GlimpseK12.

The following list includes examples of project topics addressed by PEER staff:

- Alcoholic Beverage Control Division's compliance with Senate Bill 2844;
- additional appropriations granted by the Legislature;
- program outcomes resulting from the Early Learning Collaborative Act of 2013;
- charter school and the Charter School Authorizer Board funding; and,
- Parker's law convictions.

Legislative Assistance

PEER Committee rules state that PEER staff will provide assistance to any legislator or legislative committee upon request. During FY 2024, PEER staff completed 77 legislative assistance requests, ranging from simple information and data requests to more complex direct assistance on behalf of committees or subcommittees.

The following list illustrates the types of assistance provided by PEER staff:

- Parchman operation costs and potential revenue;
- doctors practicing under a foreign visa;
- school district performance;
- Mississippi Industries for the Blind;
- election statistics;
- COVID-19 vaccination incentives for Mississippi Department of Corrections inmates.

Appointee Background Investigations

Since 1977, Senate committees have routinely requested PEER staff to conduct background investigations of appointees to assess each appointee's compliance with statutory qualifications and general fitness to hold office prior to their consideration for advice and consent of the Senate. During FY 2024, PEER staff completed 101 background investigations of gubernatorial and other appointees named to state boards or commissions.

Report #690: A FY 2022 Comparative Expenditure Review of 30 Mississippi School Districts: Finance and Supply Chain (Volume I)

Report Highlights   August 9, 2023

CONCLUSION: A review of the finance and supply chain programs for 30 Mississippi school districts in FY 2022 showed opportunities for districts to strengthen their programs and increase efficiency. For example, seven districts do not provide monthly financial status reports to district and department administrators, and three districts lack a formal strategic plan. There was also wide variance in the performance of districts in key areas such as payroll processing costs, number of payroll errors, number of days to process invoices, and procurement costs per $100,000, suggesting that districts have room for improvement. Additionally, 12 districts had workers' compensation spending higher than the state median and regional peer average. This review was inhibited by some districts being unable to provide the requested finance and supply chain data and some districts providing questionable data (i.e., data based on estimates).

BACKGROUND

In FY 2023, PEER received funding to contract with Glimpse K12 (an education technology company headquartered in Huntsville, Alabama) to conduct a comparative review of 30 school districts. This report focuses on one of seven areas of review—finance and supply chain (Volume I). Other non-instructional reports include:

- Human Resources (Volume II);
- Information Technology (Volume III);
- Nutrition (Volume IV);
- Operations (Volume V); and,
- Transportation (Volume VI).

KEY FINDINGS

- **COVID-19 relief funds impacted district budgets in FY 2022.**
  COVID-19 impacted districts' abilities to achieve precision in their revenue and expenditure projections. District fund balances are expected to decrease as districts utilize remaining relief funds.
  - For the 30 districts reviewed, the median for the adopted budget as a percent of actual expenditures was 112%, and the median for the for the final budget as a percent of actual revenue was 103.2%.
- **Seven districts do not provide monthly financial status reports to district and department administrators.**
  Sharing financial information monthly promotes transparency, accountability, and informed decision-making.
- **Three districts do not have a formal strategic plan.**
  Strategic planning is crucial for managing district resources.

- **12 districts had workers' compensation spending higher than the state median and regional peer average.**
  Reducing workers' compensation costs requires districts to implement adequate safety measures, create a positive work environment, and promote employee wellness.
- **Estimated Annual Cost Savings in Finance Across the 30 Reviewed Districts: From $570,240 to $1,197,180.**
  Glimpse K12 calculated savings estimates based on potential efficiency improvements in payroll processing and reduction of worker's compensation costs. (See pages 6 through 7 for potential savings by district.)

A Look at Selected FY 2022 District Finance Metrics

- Across the 30 reviewed districts, annual operating revenue ranged from $5 million in Okolona to $217 million in Madison. Revenue per student ranged from $9,206 in Simpson to $25,737 in Sunflower.
- Annual operating expenditures ranged from $4.5 million in Okolona to $212 million in Madison. Expenditures per student ranged from $8,085 in Coahoma to $23,476 in Moss Point.
- The median number of paychecks processed per full-time equivalent (FTE) per month was approximately 330 across districts, well below the regional peer average of 542 and the national peer range of 1,077 to 2,320.
- Payroll department costs per $100,000 of payroll ranged from $160.43 in Hattiesburg to $1,915.12 in Hollandale.
- In reporting the number of FTEs responsible for payroll processing, some districts might not have considered employees' involvement in other roles or functions or districts might have estimated FTEs. In these instances, the cost calculations for these districts could be inaccurate.

A Look at Selected FY 2022 District Supply Chain Metrics

- 13 districts had higher accounts payable costs per $100,000 of district revenue than the regional peer average and national peer range.

- Across the 30 districts, the median number of days to process invoices was 27 days on average. The range was from 5 in Wilkinson and Natchez-Adams to 45 in Tate, Noxubee, and Canton.

- Across the 30 districts, the median procurement department costs per $100,000 of district revenue was $100.80.

- Six districts reported using procurement cards during FY 2022. Procurement cards are payment cards issued by financial institutions which allow districts to make purchases directly from vendors.

A Look at Competitive Procurement

- 18 of the 30 reviewed districts submitted the information needed to calculate a competitive procurement ratio, which measures the extent to which purchased goods and services were obtained through competitive procurement practices. 12 districts did not provide the required information.

- 11 of the 18 districts that submitted the required information reported competitive procurement ratios higher than 0. Of those 11, six reported a ratio below the regional peer average and five reported ratios above the peer average. Therefore, districts have opportunities to improve in the use of competitive procurements to potentially reduce costs.

Issues with Data

Some districts were unable or failed to provide critical information needed to assess their performance on key indicators. For example, Greenville and Wilkinson did not provide the number of purchase orders in FY 2022. Also, Water Valley did not provide information pertaining to finance benchmarks. Several districts did not provide information pertaining to competitive procurements. This lack of information inhibits a district's ability to effectively manage its finances.

Estimated Annual Cost Savings for Supply Chain:

From $137,778 to $1,447,062 across districts

Glimpse K12 calculated savings estimates based on potential efficiency improvements to accounts payable processing and increased competitive procurements.

- Glimpse K12 calculated potential savings for 9 of the 30 districts. (See page 11.)
- This review also provides all districts with non-cost savings recommendations to improve service levels. See Appendix C on page 92.

SUMMARY OF RECOMMENDATIONS FOR DISTRICTS

1. In FY 2024, each district superintendent, in consultation with the district's finance and supply chain personnel, should review the information from this report and implement each of the relevant district recommendations to increase efficiency, improve service levels, and/or achieve cost-savings. Such recommendations include but are not limited to:
   a. Achieving more precise estimates of revenues and expenditures;
   b. Providing monthly financial status reports to district administration and department leaders;
   c. Creating and updating a formal strategic plan that incorporates goals, objectives, and action steps;
   d. Accurately calculating payroll processing costs;
   e. Reducing workers' compensation costs (e.g., via safety training and risk assessments);
   f. Adopting and tracking competitive procurements; and
   g. Assessing the viability of utilizing purchasing cards (i.e., p-cards).
2. For districts that were unable to provide certain information during this review pertaining to their finance or supply chain programs (or provided questionable data), relevant district personnel should begin collecting and monitoring precise data on an ongoing basis.
3. District personnel should provide an annual report to the district superintendent regarding the status of the finance and supply chain programs using the measures included in this review.

PEER MISSISSIPPI
Joint Legislative Committee on Performance Evaluation and Expenditure Review

A FY 2022 Comparative Review of 30 Mississippi School Districts: Finance and Supply Chain (Volume I)
For more information, contact: (601) 359-1226 | P.O. Box 1204, Jackson, MS 39215-1204
Representative Jerry Turner, Chair | James F. (Ted) Booth, Executive Director

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Report #690: A FY 2022 Comparative Expenditure Review of 30 Mississippi School Districts: Human Resources (Volume II)

Report Highlights | **August 9, 2023**

CONCLUSION: A review of the human resources programs and expenditures for 30 Mississippi school districts in FY 2022 showed opportunities for districts to strengthen their programs and increase efficiency. For example, 73% of districts do not track staff absenteeism rates, and 75% do not track daily substitute teacher fill rates. One district lacks a documented employee handbook. Further, there are opportunities for districts to use more electronic forms and technological tools. The median overall employee separation rate was 16.3%, which mirrors the regional peer average. However, the median teacher separation rate was 16.6%, higher than the regional peer average of 15.9%. Across the 30 districts reviewed, there were 82 employee misconduct investigations and 17 employee discrimination complaints filed/investigated. This review was inhibited by some districts being unable to provide the requested HR data and some districts providing questionable HR data.

BACKGROUND

In FY 2023, PEER received funding to contract with Glimpse K12 (an education technology company headquartered in Huntsville, Alabama) to conduct a comparative review of 30 school districts. This report focuses on one of six areas of review—human resources (Volume II). Other reports include:

- Finance and Supply Chain (Volume I);
- Information Technology (Volume III);
- Nutrition (Volume IV);
- Operations (Volume V); and,
- Transportation (Volume VI).

KEY FINDINGS

- **Of the 30 districts reviewed, 73% do not track staff absenteeism rates.**

  Reasons to track absenteeism rates are provided in the blue box below.

- **75% of the districts reviewed do not track daily substitute teacher fill rates.**

  Tracking these rates is essential to ensure the smooth operation of schools in the event of teacher absences.

- **All but one district (Tate) has a documented employee handbook.**

  A handbook promotes consistency, legal compliance, and communication across the district.

- **There are opportunities for districts to use more electronic processing tools and other technological tools.**

  For the districts reviewed, only 10 use electronic forms and workflow tools, 15 use self-service employee benefit portals, and seven use substitute management software.

- **Some districts provided questionable HR data.**

  For example, Wayne's estimate of HR FTEs (0.025 FTE) was significantly lower than other districts and was excluded from comparative measures involving cost.

- **Districts' HR costs per $100,000 of revenue ranged from $85.09 in Yazoo County to $742.94 in Simpson, while HR cost per staff member ranged from $73.95 in Grenada to $657.46 in Hollandale.**

  The accuracy of this cost information is dependent upon accurate reporting of the number of HR staff by districts.

Reasons to Track Staff Absenteeism Rates

- *Cost-savings*: Staff absenteeism can drive up costs. By tracking absenteeism, districts can identify patterns and trends that may help reduce costs by implementing preventive measures or better managing leave requests.
- *Adequate staffing*: When a staff member is absent, it can be challenging to maintain appropriate staffing levels, which may impact student learning. By tracking absences, school districts can identify areas where additional support may be needed and plan accordingly to ensure adequate staffing.
- *Employee health and wellness*: Frequent absences can indicate underlying health or wellness issues among staff members. By tracking staff absences, a district can identify trends that may signal a need for wellness interventions or resources, such as stress management or mental health support.
- *Teacher performance and student achievement*: Staff absenteeism can negatively affect student achievement, particularly if substitute teachers are less effective than regular classroom teachers. By tracking absences, a school district can identify areas where teacher performance may suffer and take steps to address the issue (e.g., providing additional professional development).

A Look at Employee and Teacher Separations

- The median overall employee separation rate was 16.3%.
  - Overall separation rates ranged from 1% in Noxubee to 43.1% in Okolona.
  - Seven districts had rates higher than 24%.
- The median teacher separation rate was 16.6%.
  - Teacher separation rates ranged from 2.1% in Noxubee to 48.4% in Okolona.
  - 11 districts had rates higher than 21%.

A Look at Employee Misconduct and Discrimination Complaints

- There were 82 employee misconduct investigations completed.
  - 43 of these investigations occurred in three districts (Madison, Natchez-Adams, and Simpson). It is important to note that breach of contract issues may be included in these numbers.
- There were 17 employee discrimination complaints filed and investigated across 10 districts.
  - 20 districts had zero employee discrimination complaints filed.

Estimated Annual Cost Savings Across the 30 Reviewed Districts: From $580,618 to 857,940.

Glimpse K12 calculated savings estimates based on potential efficiency improvements to reduce labor cost.

- Glimpse K12 calculated potential savings for 15 of the 30 districts. See pages 6 through 7 for potential savings by district.
- This review also provides all districts with non-cost savings recommendations to improve service levels. See Appendix A on page 20.

HR Cost Data Not Collected

Three districts (Louisville, North Panola, and Wilkinson) did not provide precise HR cost data because they distribute HR responsibilities across various staff; however, these districts should still be able to collect precise HR cost information.

Without accurate cost information, the district's ability to effectively manage and allocate taxpayer funds is compromised.

SUMMARY OF RECOMMENDATIONS FOR DISTRICTS

1. In FY 2024, each district superintendent, in consultation with the district's human resources personnel, should review the information from this report and implement each of the relevant district recommendations to increase efficiency, improve service levels, and/or achieve cost-savings. Such recommendations include but are not limited to:
   a. Tracking staff absenteeism;
   b. Tracking daily substitute fill rates;
   c. Keeping a documented employee handbook;
   d. Assessing the use of more electronic processing and other technological tools; and,
   e. Assessing causes of separation rates for teachers and staff.
2. For districts that were unable to provide certain information during this review pertaining to their human resources (or provided questionable data), relevant district personnel should begin collecting and monitoring precise HR data on an ongoing basis.
3. District personnel should provide an annual report to the district superintendent regarding the status of the human resources programs using the measures included in this review.

PEER MISSISSIPPI
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A FY 2022 Comparative Review of 30 Mississippi School Districts: Human Resources (Volume II)
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CONCLUSION: A review of the information technology (IT) programs and expenditures for 30 Mississippi school districts in FY 2022 showed opportunities for districts to improve service levels and increase efficiency. Many school districts lack critical plans to manage technology and disaster recovery. Ten districts reported that 50% or less of their students' households have access to the internet. Additionally, all districts reported network bandwidth per student below that of regional and national peers. There have been both state and federal efforts to increase access to quality internet in Mississippi, but implementation of those efforts will take time. Data on technology devices in the districts demonstrate the need for annual device inventories and removal of obsolete and nonfunctioning devices. Six districts separate their IT support and educational technology support functions into two departments, which is more costly that operating a single department.

BACKGROUND

In FY 2023, PEER received funding to contract with Glimpse K12 (an education technology company headquartered in Huntsville, Alabama) to conduct a comparative review of 30 school districts. This report focuses on one of seven areas of review—information technology (Volume III). Other non-instructional reports include:

- Finance and Supply Chain (Volume I);
- Human Resources (Volume II);
- Nutrition (Volume IV);
- Operations (Volume V); and,
- Transportation (Volume VI).

KEY FINDINGS

- **Many of the school districts reviewed lack critical plans to manage technology and disaster recovery.**
  Only 57% of districts have a documented technology plan, and 43% of districts have a disaster recovery plan.
- **Three districts reviewed keep data backups onsite only, which is risky.**
  Offsite backup is critical to recovering vital records and data.
- **Of 24 districts that participated in a survey, 10 (42%) reported that 50% or less of their students' households have access to the Internet.**
  School districts play a critical role in providing students with essential resources for learning and technological proficiency.
- **All districts reported network bandwidth per student below that of regional and national peers.**
- **Of the 30 districts reviewed, nine had staff technology device ratios greater than two per staff member, while another five districts had student device ratios greater than two.**
  Outdated and non-functioning devices in a district's inventory can distort these ratios; therefore, districts must conduct annual device inventories and remove devices as needed.

- **Of the 30 districts reviewed, 14 (47%) had ratios of more than 1,000 student and employee devices per IT staff member.**
  This ratio assesses the efficiency of a district's technology support infrastructure and can aid in assessing staffing levels.
- **Most districts reviewed use a single department for IT support and educational technology support functions; however, six (20%) separate these functions into two departments, which is more costly.**
  Districts that separated functions spent $43.02 more per student.

The Legislature has made efforts to expand broadband in the state, including the creation of the Broadband Expansion and Accessibility of Mississippi (BEAM) office in 2022. The office, functioning under the Mississippi Department of Finance and Administration, is responsible for overseeing all broadband expansion efforts in the state and will administer broadband grants. According to BEAM's website, in May 2023, the U.S. Department of the Treasury approved BEAM's plan for $151.4 million through the Capital Projects Fund.

Additionally, Mississippi was recently allocated $1.2 billion from the federal Broadband Equity, Access, and Deployment (BEAD) program. Mississippi's BEAM office will allocate the funds through grants to increase access to quality internet.

Although steps have been taken recently by policymakers to improve broadband access, implementation of the systems will take time.

A Look at Internet Bandwidth

- For FY 2022, the median network-bandwidth per student was 2.55 for the 30 districts reviewed, while the regional peer average was 52 and the lower range for national peers was 194. These numbers clearly demonstrate the need for improved bandwidth in the districts.

- Five districts did not track network usage levels in FY 2022. Of the 25 districts that did track network usage levels, nine reported one day or less when they experience network capacity issues. Another nine primarily experienced capacity issues during annual testing, ranging from nine to 40 days per year. Seven districts reported exceeding 75% capacity for 77 days or more.

- Most districts are only maximizing device usage for testing and not for daily learning.

- Districts should balance investments in internet bandwidth and the educational usage of devices.

Issues with Missing Data

Some districts could not provide all requested information, which inhibited this review and inhibits the district's ability to effectively manage its IT department.

Five Most Cost-Effective Districts

The following districts showed positive performance across cost-related Key Performance Indicators:

- Coahoma;
- Grenada;
- Pass Christian;
- Sunflower; and,
- Walthall.

SUMMARY OF RECOMMENDATIONS FOR DISTRICTS

1. In FY 2024, each district superintendent, in consultation with the district's technology program personnel, should review the information from this report and implement each of the relevant district recommendations to increase efficiency, improve service levels, and/or achieve cost-savings.

2. For districts that were unable to provide certain information during this review pertaining to their technology programs (e.g., network usage levels), technology program personnel should begin collecting and monitoring this data on an ongoing basis.

3. Technology program personnel should provide an annual report to the district superintendent regarding the status of the technology program using the measures included in this review.

4. For the six districts that separate their IT support and education technology support functions into two departments, and for Perry which contracts its IT functions, the districts should review their current structure and determine whether they should shift to a traditional structure or provide justification for continuing the current, more costly structure.

5. Districts should continue investing in network bandwidth, especially those experiencing capacity issues.

6. Districts should look to their high-performing peers to determine strategies for becoming more cost-effective.

SUMMARY OF RECOMMENDATIONS FOR THE MISSISSIPPI DEPARTMENT OF EDUCATION (MDE)

1. To aid school districts in creating technology and disaster recovery plans, MDE should develop a plan template and provide guidance documents for technology staff to use when developing these plans.

2. MDE should periodically (e.g., every two years) conduct the following surveys, which would enable it to better understand the resources and support needed to assist districts in improving their technology programs:
   a. a detailed technology survey for district technology leaders, and
   b. a detailed survey for teaching staff regarding technology use in the classroom.

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CONCLUSION: A review of the nutrition programs and expenditures for 30 Mississippi school districts in FY 2022 showed opportunities for districts to strengthen their programs and increase efficiency. For example, while nutrition and labor costs represented a smaller percentage of revenue compared to regional and national peers, there was a wide variance in the number of meals per labor hour by district (ranging from 8 to 19), which suggests that many districts have room for improvement. Also, while breakfast and lunch participation rates were higher than regional and national peers, alternative breakfast models (e.g., Grab-and-Go) implemented in some districts did not increase breakfast participation as expected. Sixty percent of districts had nutrition fund balances greater than six months of expenditures; however, some of these surplus funds were the result of districts receiving additional funds from the COVID-19 pandemic.

BACKGROUND

In FY 2023, PEER received funding to contract with Glimpse K12 (an education technology company headquartered in Huntsville, Alabama) to conduct a comparative review of 30 school districts. This report focuses on one of six areas of review—nutrition (Volume IV). Other reports include:

- Finance and Supply Chain (Volume I);
- Human Resources (Volume II);
- Information Technology (Volume III);
- Operations (Volume V); and,
- Transportation (Volume VI).

KEY FINDINGS

- **Approximately 76% of the districts reviewed implement cycle menus in their programs, while 24% do not.**
  Cycle menus involve offering repeated menus over a specific period. They help manage food-buying costs and enable meal flexibility.

- **15 districts have adopted some form of alternative breakfast service model (e.g., Grab-and-Go) in some of their schools; however, participation rates were not as high as expected.**
  These models typically increase participation in school breakfast programs and provide an additional opportunity for students to obtain essential nutrition during the school day.

- **For 26 of the 30 districts reviewed, nutrition labor costs represented a smaller percentage of revenue compared to regional and national peers.**
  Regional and national peers (lower range) averaged 38.5%. Only four districts reviewed exceeded that average.

- **17 districts (57%) had nutrition fund balances greater than 6 months of their average expenses.**
  Some of these surplus funds are the result of districts receiving additional funds from the COVID-19 pandemic. Fund balances might decrease naturally as districts maintain their current nutrition programs. If balances remain high, districts should develop a plan to use surplus funds (e.g., by purchasing necessary supplies or equipment).

- **Five districts served a relatively low number of meals per labor hour (approximately 8 to 10), while Natchez-Adams, Canton, and Oxford served the most meals per labor hour at approximately 19.**
  Meals per labor hour evaluates the efficiency and productivity of a program. Higher meals per labor hour indicates the program serves more students with fewer labor hours, which leads to lower labor costs and higher net revenues.

Strategies for Improving a District's Meals Per Labor Hour

- Simplify the menu by offering healthy and nutritious options that can be easily prepared.
- Use standardized recipes to ensure meals are consistent in quality and quantity, reducing labor and minimizing waste.
- Optimize the kitchen layout and equipment, investing in high-capacity ovens, mixers, or food processors to streamline meal preparation.
- Implement time-saving techniques, such as batch cooking, ingredient prepping, and using prepared foods.
- Provide training for staff on cooking techniques, equipment usage, and food safety.
- Monitor and adjust labor costs regularly to optimize labor costs without compromising meal quality.

A Look at Selected FY 2022 District Cost Metrics

- The median breakfast participation rate was 52.5%, and the median lunch participation rate was 77.3%. These rates are higher than regional averages for breakfast and lunch participation.
- The median overall cost per meal was $3.64.
  - 22 districts' overall cost per meal were below the regional average of $3.84.
- The median food cost per meal was $1.47.
  - 15 districts' food cost per meal were below the regional average of $1.46.
- Food costs as a percent of revenue ranged from 9.03% in Simpson to 40.95% in Tate.
- Labor costs as a percent of revenue ranged from 13.26% in Madison to 44.70% in Natchez-Adams.
- The median fund balance as a percent of revenue was 50.3%.

Estimated Annual Cost Savings	Estimated Annual Increase in Revenue
From $1,236,349 to $2,447,254	**From $638,985 to $1,278,288**
Glimpse K12 calculated savings estimates based on potential efficiency improvements to reduce costs (i.e., labor, food, and/or supplies).	Glimpse K12 calculated increases in revenue based on increasing participation levels across served meals.
• Glimpse K12 calculated potential savings for 12 of the 30 districts. See pages 6 through 7 for savings by district. • This review also provides all districts with no-cost savings recommendations to improve service levels. See Appendix A on page 26.	• Glimpse K12 calculated potential increases in revenue for 16 of the 30 districts. See pages 6 through 7 for savings by district. • This review also provides all districts with no-cost savings recommendations to improve service levels. See Appendix A on page 26.

SUMMARY OF RECOMMENDATIONS FOR DISTRICTS

1. In FY 2024, each district superintendent, in consultation with the district's nutrition personnel, should review the information from this report and implement each of the relevant district recommendations to increase efficiency, improve service levels, and/or achieve cost-savings. Recommendations include but are not limited to:
   a. Implementing cycle menus;
   b. For districts offering alternative breakfast models, examining how the models are implemented due to lower-than-expected student participation rates;
   c. For districts with low labor costs and high efficiency (meals per labor hour), reviewing staffing levels (including separations and retirement eligibility) to determine the impact of low pay. This information should be used to determine whether improvements in staff compensation are needed to retain staffing levels and ensure continued efficiency.
2. District personnel should provide an annual report to the district superintendent regarding the status of the nutrition program using the measures included in this review.
3. Districts should look to their high-performing peers to determine strategies for becoming more cost-effective.

SUMMARY OF RECOMMENDATIONS FOR THE MISSISSIPPI DEPARTMENT OF EDUCATION

4. The Mississippi Department of Education (MDE) should develop a standardized guide to assist districts in increasing their breakfast participation rates. MDE could use the *Colorado Department of Education's Guide to Increasing School Breakfast Participation* as a starting point in developing a guide for Mississippi's school districts.
5. The Mississippi Department of Education should develop guidance to help district nutrition programs improve their meals per labor hour.

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A FY 2022 Comparative Review of 30 Mississippi School Districts: Nutrition (Volume IV)
For more information, contact: (601) 359-1226 | P.O. Box 1204, Jackson, MS 39215-1204
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CONCLUSION: A review of 30 Mississippi school districts resulted in variance in how districts manage their operations and facilities. For example, eight districts do not utilize an electronic maintenance work order system and 16 districts do not have a formal preventative maintenance program. Districts had a wide range of costs for custodial, maintenance, and groundskeeping services for FY 2022, which indicates that there are opportunities to improve efficiencies and save money while maintaining or improving service levels. Fifteen districts (50%) reported that they have school facilities that are not in active use; therefore, districts may have opportunities to repurpose underutilized facilities, make informed decisions, and plan for changes in enrollment. Some districts could not provide all requested information, which inhibited this review and inhibits a district's ability to effectively manage its operations.

🔍 BACKGROUND

In FY 2023, PEER received funding to contract with Glimpse K12 (an education technology company headquartered in Huntsville, Alabama) to conduct a comparative review of 30 school districts. This report focuses on one of six areas of review—operations (Volume V). Other reports include:

- Finance (Volume I);
- Human Resources (Volume II);
- Information Technology (Volume III);
- Nutrition (Volume IV); and
- Transportation (Volume VI).

KEY FINDINGS

- **Of the 30 districts reviewed, 8 (27%) do not utilize an electronic maintenance work order system.**
  The average number of days to complete a maintenance work order by district ranged from 1 to 14 days. An electronic system offers several advantages (e.g., potentially quicker response times); however, district personnel must be proficient in using the software to benefit from those advantages.

- **11 districts reviewed do not conduct formal annual facility assessments.**
  These districts indicated that they conduct assessments on an as-needed basis; however, annual assessments are beneficial to ensure the safety, functionality, and efficiency of the districts' buildings. Additionally, they these assessments contribute to long-term cost savings by addressing minor issues before they escalate into more costly problems.

- **14 districts (47%) do not have an energy management program.**
  Hiring an outside energy management company can be costly. Self-implementing behavior-based programs gives districts greater control over cost, processes, and outcomes.

- **16 districts reviewed (53%) do not have a formal preventative maintenance program.**
  Preventative maintenance involves regularly scheduled inspections, servicing, and repairs to identify and address problems before they escalate. Program standards are provided by various federal and state entities (e.g., the Mississippi Department of Education).

- **15 districts reviewed (50%) reported that they have school facilities that are not in active use.**
  By tracking inactive facility square footage, districts can identify and repurpose underutilized facilities, make informed decisions, and plan for changes in enrollment.

A Look at Selected FY 2022 District Cost Metrics

- Across the 30 reviewed districts, maintenance and operations cost per student for FY 2022 ranged from $347 in Copiah to $4,963 in Hollandale. The median was $1,210 per student.

- Custodial cost per square foot ranged from a low of $0.47 in Perry to a high of $6.77 in Coahoma, with a median of $1.25. Custodial supply cost per square foot ranged from a low of $0.09 in Oxford to $3.82 in Coahoma.

- Maintenance cost per square foot ranged from $0.47 in Holmes to $12.34 in Hollandale.

- Number of square acres per groundskeeper ranged from 10 acres in Hollandale to 97 acres in North Panola. Data for 12 districts was not available, however.

- Information gathered from districts resulted in wide ranges of costs and staffing levels for custodial, maintenance, and groundskeeping services. Such wide ranges indicate districts have opportunities to improve efficiencies and save money while maintaining or improving service levels.
  See pages 15 through 24 for key performance indicators by district.
- The percentage of a district's budget allocated to operation costs varies based on factors such as the size of the school system and the age of the facilities.
  Districts ranged from expending a low of 3% of their budgets on operations to a high of 23%.
- 12 of the districts reviewed (40%) subcontract at least one of the following services—maintenance, custodial, and groundskeeping services.
  Only one district (Yazoo County) subcontracts all three services.
- Several districts do not track maintenance, custodial and/or groundskeeping costs separately.
  Combining the costs of these services decreases accountability and transparency of funds.

Issues with Data	Five Most Cost-Effective Districts
Some districts could not provide all requested information, which inhibited this review and inhibits a district's ability to effectively manage its operations. Some districts that contract out a portion of their operations were unable to provide certain information for the comparative analysis, including custodial supply costs and/or the number of custodians groundskeepers that perform those services.	The following districts showed positive performance across cost-related Key Performance Indicators: • George; • Natchez-Adams; • Oxford; • Perry; and, • Tate.

Estimated Annual Cost Savings Across the 30 Reviewed Districts: From $5,131,361 to $15,331,970.

Glimpse K12 calculated savings estimates based on either potential efficiency improvements to reduce labor cost or reduce supply usage/cost, or a combination of both. Savings estimates take into consideration several factors (e.g., custodial cost per square foot, maintenance costs per square foot); however, there are factors outside the scope of this review that can impact the ability of a district to achieve the estimated cost savings (e.g., facility condition and age).

- Glimpse K12 calculated potential savings for 16 of the 30 districts. See pages 7 through 9 for potential savings by district.
- This review also provides all districts with non-cost savings recommendations to improve service levels. See Appendix A on page 25.

SUMMARY OF RECOMMENDATIONS FOR DISTRICTS

1. In FY 2024, each district superintendent, in consultation with the district's operations personnel, should review the information from this report and implement each of the relevant district recommendations to increase efficiency, improve service levels, and/or achieve cost-savings. Such recommendations include but are not limited to:
   a. Implementing an electronic work order system;
   b. Conducting formal annual facility assessments;
   c. Implementing an energy management program; and
   d. Implementing a formal preventive maintenance program.
2. For districts that were unable to provide certain information during this review pertaining to their operations, relevant district personnel should begin collecting and monitoring this data on an ongoing basis.
3. If feasible, districts should begin tracking custodial, maintenance, and groundskeeping costs separately.
4. District personnel should provide an annual report to the district superintendent regarding the status of the operations using the measures included in this review.

CONCLUSION: A review of the transportation programs and expenditures for 30 Mississippi school districts in FY 2022 showed variance in how districts manage their transportation programs and a wide range of associated costs across districts. Such data indicates that districts have opportunities to improve efficiencies and reduce costs for their transportation programs while maintaining or improving service levels. Glimpse K12 estimated an annual cost savings of $3.3 million to $6 million across districts (e.g., from bus route efficiency improvements); however, certain factors could impact such savings (e.g., age of buses). Additionally, some districts were unable to provide critical information related to their programs, which inhibited this review and inhibits a district's ability to manage its own transportation program.

BACKGROUND

In FY 2023, PEER received funding to contract with Glimpse K12 (an education technology company headquartered in Huntsville, Alabama) to conduct a comparative review of 30 school districts. This report focuses on one of seven areas of review—transportation (Volume VI). Other reports include:

- Finance and Supply Chain (Volume I);
- Human Resources (Volume II);
- Information Technology (Volume III);
- Nutrition (Volume IV); and
- Operations (Volume V).

- **13 of the 30 districts reviewed (43%) have opportunities to optimize their bus routes.** Most districts do not review bus routes annually, instead relying on historical bus stops.
- **13 of the 30 districts reviewed (43%) reported a lack of substitute bus drivers.** Districts have adopted alternative strategies that are typically more costly (e.g., using other personnel to drive buses such as mechanics)
- **There was a wide range of costs across the districts for their transportation programs.** This wide range indicates that the districts have opportunities to improve efficiencies and reduce costs while maintaining or improving service levels.

KEY FINDINGS

- **Of the 30 districts reviewed, 19 (63%) indicated that they do not use routing software for managing their districts' bus routes.**

  Routing software can optimize bus routes and reduce costs. However, district personnel must be proficient in using the software to maximize its benefits.

- **Of the 30 districts reviewed, 22 (73%) indicated that they do not have formal guidelines for student seating.**

  The use of formal guidelines has advantages (e.g., promotes order) and disadvantages (e.g., implementation can be challenging).

- **Subcontracting transportation services does not guarantee efficient and cost-effective student transportation services.**

  Of the six districts that subcontract their transportation services, three had transportation costs as a percentage of district budget higher than the median of their peers.

- **Districts use various types of bus route systems (e.g., a combination system in which one bus drops off students at different schools).**

  No type of bus route is superior to the other.

Bus Route Systems and Use by Districts

- 15 districts use a combination bus route system, in which students of all grade levels are picked up together in a particular community and then dropped off sequentially at their respective schools.
- 4 districts use paired or tiered bus routes exclusively, which involves staggering school start times to accommodate separate bus routes based on the schools students attend.
- 8 districts use a hybrid approach that combines the two above systems.
- No districts rely solely on dedicated single school bus routes, in which a bus is assigned to transport students exclusively to and from one school without additional routes.

  NOTE: 3 districts did not provide this information.

A Look at FY 2022 District Cost Metrics

- Across the 30 reviewed districts, annual district transportation expenditures for FY 2022 ranged from $300,503 in Okolona (which served 287 daily riders) to $5,642,141 in Madison County (which served 5,300 daily riders).

- The districts' average annual cost per bus ranged from a low of $15,028 in Coahoma County to a high of $66,613 in Moss Point, with a median of $35,593.

- Districts' annual cost per rider ranged from a low of $687 in Water Valley to $2,101 in Oxford. The median was $1,070.

- Districts' annual cost per mile ranged from a low of $1.75 in Natchez-Adams to a high of $37.67 in Canton (a result of questionable data provided by the district). The median was $4.37.

Estimated Annual Cost Savings Across the 30 Reviewed Districts:

From $3,340,965 to $6,013,418

Glimpse K12 calculated savings estimates based on either potential bus route efficiency improvements or labor reductions, or a combination of both. Savings estimates take into consideration several factors (e.g., transportation costs per mile, per student, and per bus); however, there are factors outside the scope of this review that can impact the ability of a district to achieve the estimated cost savings.

- Glimpse K12 calculated potential savings for 13 of the 30 districts. See pages 6-7 for savings by district.

- This review also provides all 30 districts with non-cost savings recommendations to improve service levels. See Appendix A on page 26.

Issues with Data

Some districts could not provide all requested information, which inhibited this review and inhibits a district's ability to effectively manage its transportation program. Further, one district (Canton) provided data that appears to be inaccurate and resulted in an extremely high cost per mile compared to the other districts.

Five Most Cost-Effective Districts

The following districts showed positive performance across cost-related Key Performance Indicators:

- Attala;
- Coahoma County;
- George;
- Simpson; and,
- Water Valley.

RECOMMENDATIONS FOR DISTRICTS

1. In FY 2024, each district superintendent, in consultation with the district's transportation program personnel, should review the information from this report and implement each of the relevant district recommendations to increase efficiency, improve service levels, and/or achieve cost savings. These include, but are not limited to:
    a. Potential implementation of bus routing software;
    b. Implementation of formal guidelines for student seating on buses;
    c. Annual reviews of bus routes; and,
    d. Opportunities for bus route optimization.
2. For districts that were unable to provide certain information during this review pertaining to their transportation programs (e.g., bus route data), transportation program personnel should begin collecting and monitoring this data on an ongoing basis.
3. Transportation program personnel should provide an annual report to the district superintendent regarding the status of the transportation program using the measures included in this review.

PEER MISSISSIPPI
Joint Legislative Committee on Performance
Evaluation and Expenditure Review

A FY 2022 Comparative Review of 30 Mississippi School Districts: Transportation (Volume VI)
For more information, contact: (601) 359-1226 | P.O. Box 1204, Jackson, MS 39215-1204
Representative Jerry Turner, Chair | James F. (Ted) Booth, Executive Director

PEER Report #Impact2024   13

CONCLUSION: Senate Bill 2844, 2022 Regular Session, required DOR to enter a contract with a third-party operator for the operations of its warehouse and distribution system. PEER determined DOR's contract with Ruan Transport Corporation (Ruan) complies with S.B. 2844. Although the DOR-Ruan contract established recommended key performance indicators, the contract did not identify performance minimums or establish penalties for non-performance.

🔍 BACKGROUND

MISS. CODE ANN. § 67-1-19 (1972) created the Alcoholic Beverage Control (ABC) Division within DOR. ABC splits responsibilities between two separate units: ABC Administrative and Warehouse (ABC warehouse) and ABC enforcement. The ABC warehouse is responsible for the taxing, warehousing, and distribution of distilled spirits and wine, while ABC enforcement is responsible for regulating the sale of distilled spirits, wine, beer, light wine, light spirits, and medical cannabis.

Order Volume and Product Variety

In FY 2022, DOR reported licensed permittees submitted approximately 42,200 orders, ordering approximately 4.42 million cases containing 12,211 different stock keeping units (SKUs). DOR reported that the top 1,400 items represented 80% of case volume ordered. In contrast, DOR reported shipping 10 or fewer cases of 5,092 items, and 50 or fewer cases of 7,575 items.

Existing Warehouse

ABC currently utilizes a 211,000 square-foot warehouse that was built in 1983 and expanded in 2003. The ABC warehouse has an additional 24,200 square feet of office space used for ABC administrative staff and Ruan staff assigned to the ABC contract.

ABC shipped 3.71 million cases in FY 2023, an 11% decline from the 4.17 million cases shipped in FY 2021.

Impacts of S.B. 2844 on ABC

- **S.B. 2844 took effect on July 1, 2022. It covered the warehousing and distribution of alcoholic beverages for Mississippi.**
  S.B. 2844 mandated DOR contract out the operations of the ABC warehouse to a third-party operator, established a Warehouse Improvement Fund for the existing (and future warehouse), and established a mechanism for constructing a new ABC warehouse.

- **As required under S.B. 2844, DOR issued a Request for Proposals (RFP) for a third-party operator to operate the ABC warehouse.**
  After evaluating the four proposals received, DOR determined that Ruan Transport Corporation (Ruan) submitted the best and most responsive proposal. Ruan's initial 4-year contract term began March 1, 2023. Ruan officially began operating the ABC warehouse June 19, 2023.

- **S.B. 2844 required some operations to remain in place.**
  S.B. 2844 required DOR's existing shipping contracts (with M&J Transport, Inc., and Douglass Express Delivery, LLC) to remain in place until they expire (June 30, 2024). At that time, it is up to DOR to determine the optimal shipping method. S.B. 2844 also required DOR to remain responsible for purchasing and selling alcoholic beverages, including all financial transactions with vendors and permittees.

Compliance with S.B. 2844

PEER determined DOR's contract with Ruan complies with S.B. 2844.

Assessment of vendor's capability to carry out the contract during the procurement process:
- **Workforce:** Ruan responsible for hiring/paying warehouse staff.
- **Term:** 4-year term with option of two 4-year renewals.
- **Payment is on a per-case fee basis:**
  - The per-case fee DOR pays Ruan per case shipped increases each year, starting at $2.22 per case in year 1 and increasing to $2.64 per case in year 4.
  - The contract has no cost cap.
- **Protections for the state:**
  - Liability insurance – $10,000,000.
  - Performance bond – $4,930,992 in year 1 (increases 3% per year).

Building a New Warehouse

S.B. 2844 established DFA as the lead for procuring land (if necessary) and constructing a new ABC warehouse, but states that this shall be done in consultation with DOR and the chosen third-party operator of the ABC warehouse (Ruan).

S.B. 2844 directs DFA to select a suitable site within 50 miles of the new state capitol building for the construction of a new ABC warehouse. A site must be selected prior to DFA developing an RFP to procure a design-build contractor. According to DFA, a new warehouse site had not been determined as of July 20, 2023.

S.B. 2844 also requires that the contract for design and construction aim to fill demand for the next 25 years. DFA stated its goal is for the new warehouse to support demand for the next 50 years, noting the current warehouse will be at least 45 years-old at the time the state transitions to a new warehouse.

S.B. 2844 authorized the expenditure of $55,000,000 to build a new ABC warehouse. Per S.B. 2844, Section 7 (2) (a), this includes any costs associated with land acquisition and the design, construction, furnishing and equipping of a new ABC warehouse.

DFA and DOR chose to seek a consultant to assist in identifying the criteria and specifications for a new warehouse, including projecting demand over the next 50 years, determining the size of the warehouse, the optimal warehouse layout, and to what extent the warehouse should utilize an automated model or a labor-intensive model.

Compliance with S.B. 2844 (cont'd)

DOR remains responsible for building exterior, grounds, and utilities.

DOR established Warehouse Improvement Fund – up to $90,000 – for "items of maintenance, repairs, upgrades or other improvements for the warehouse or its equipment that are not performed on a monthly basis."

DOR has drafted a draft resumption of control plan, but has not submitted it to the Governor, Lieutenant Governor, and members of the Legislature as required per SB 2844. DOR maintains 4 full-time ABC managers in the event that the contract is terminated, and DOR must resume ABC warehouse operations.

Efforts by DOR and Ruan to Track Performance

S.B. 2844 created the position of contract compliance officer to be located on-site at the ABC warehouse and report on at least an annual basis to the Legislature.

Although the DOR-Ruan contract established recommended key performance indicators, the contract did not identify performance minimums or establish penalties for non-performance. Since the start of the contract, DOR and Ruan have worked to refine the key performance indicators. At their first monthly performance meeting in August, the Contract Compliance Officer and Ruan identified four initial priority metrics upon which Ruan's performance will initially be based. Milestones for the four metrics are to be set at the September performance meeting.

📋 RECOMMENDATIONS/SUMMARY OF RECOMMENDATIONS

1. DOR should establish formal performance metrics with measurable milestones to utilize in assessing Ruan's performance. Upon completion of these metrics, provide to the PEER Committee monthly a copy of the current performance metrics, targeted milestones, and applicable performance data. The PEER Committee shall conduct a follow-up review one year after the release of the report.
2. As required by S.B. 2844, Section 4, DOR shall complete the resumption of control plan in the event DOR shall have to resume control of operating the ABC warehouse upon terminating the third-party warehouse operator contract.
3. DOR and Ruan should track order items that were cancelled due to the product being out-of-stock in the DOR warehouse. Additionally, DOR should consider revising its policies to retain a permittees unfilled order items until the item is filled, unless DOR no longer lists the unfilled item as a bailment item or a special-order item.
4. The Legislature should amend sub-section 6, paragraph 1, Chapter 483, Laws of 2022, by including the following language at the end of paragraph 1:

     Of the amounts deposited to the ABC Warehouse Construction Fund established by this subsection, no funds shall be expended for any purchase associated with land acquisition for, and the design, construction, furnishing, and equipping of, a new ABC warehouse, unless the Department of Revenue and the Department of Finance and Administration have determined that the total project can be completed for the amount set out in Subsection 7, paragraph 4 of this section. This restriction shall not apply to expenditures for activities related to pre-planning for the warehouse project.

CONCLUSION: PEER evaluated the Mississippi Department of Corrections's (MDOC) budgeting process and identified corrections inmate cost management and fiscal planning best practices. MDOC's lack of foundational models, documentation, transparency, and continuity of knowledge represent a failure to adhere to best practices. Adherence to fiscal planning best practices and use of an updated inmate population growth model would improve the Department's ability to develop and implement its annual budget.

BACKGROUND

The PEER Committee, under its authority granted by MISS. CODE ANN. § 5-3-51 (1972) et seq., authorized a review of best practices in inmate cost management and fiscal planning. This review is based on legislators' concerns regarding budgeting in the Mississippi Department of Corrections (MDOC).

PEER limited its review of MDOC's inmate management and fiscal planning to the overall policies, SOPs, and processes. PEER did not audit financial reports or financial information or perform any statistical review of MDOC's actual implementation of cost-per-day or population growth models on a facility level.

MDOC's budget request cycle reveals a consistent use of additional appropriations requests. PEER compiled the previous six years of budget request information to clarify trends within MDOC's broad budgetary practices as related to the Department's inmate cost management and fiscal planning processes, all of which contribute to the reliance on additional appropriations.

MDOC's largest additional appropriation request occurred in FY 2023, totaling $28,336,356 all related to medical services contracts.

KEY FINDINGS

- **From FY 2018 to FY 2023, MDOC requested an additional appropriation in all years except for FY 2022, with an average additional appropriation request of $15,389,360.**
  From FYs 2018 to 2023, MDOC's average requested budget was $379,060,017, with 2019 having the lowest request at $355,426,382 and 2021 having the highest at $419,110,853. In all years examined, the Legislature issued MDOC a legislative appropriation less than the agency's requested amount, with an average difference of $28,125,393.17, representing a 7% difference between the average requested amount and the average legislative appropriation.

- **In all years examined except FY 2022, MDOC requested an additional appropriation to address contractual services in one, some, or all of the following categories: medical services contracts, private prison contracts, regional facility contracts, and local facility contracts.**
  In no year did the original appropriations and additional appropriations total an amount equal to MDOC's original request.

- **MDOC's actual expenditures fall well below the total appropriated amount, with the largest difference of $6,682,568.**
  In 2018, MDOC had a remaining fund balance of $6,682,568. This was the largest remaining fund balance of all years examined. The lowest remaining fund balance was in FY 2019, with a remaining balance of $3,150,770.

- **Out of the State General Fund, the Legislature provided MDOC a total of $405,228,240 for support and maintenance. Out of the special funds, MDOC was provided a total of $28,516,738 for defraying expenses.**
  Of the total amount in general funding ($405,728,240) provided by the Legislature to MDOC, approximately 60% ($243,160,080) was utilized for support and maintenance to operate its state, county/regional, and private correctional facilities. Of the total amount in special funding ($28,516,738), $5,532,593 was utilized for defraying the expenses for only three of MDOC's facilities (i.e., South, Central, and Parchman).

- **MDOC's fiscal planning process lacks transparency, foundational models, and inter-departmental continuity.**
  This contributes to a lack of clarity within MDOC's budgetary decisions and fiscal planning and MDOC's reliance on additional appropriation requests.

Corrections Inmate Cost Management Best Practices

PEER gathered applicable best practices from various professional organizations.

1. Ensure efficacy and effectiveness of programs.
2. Ensure consistent program implementation.
3. Focus programs on reducing recidivism where possible.
4. Ensure proper management and examination of all policies and procedures.
5. Ensure good fiscal control at all levels.

Fiscal Planning Best Practices

PEER gathered fiscal planning best practices.

1. Ensure that the financial process is transparent, auditable, and repeatable.
2. Institutionalize good financial management policies.
3. Have a clear, detailed mission for all financial planning.
4. Focus on long-term strategic planning.
5. Maintain detailed budget practice documents.
6. Maintain a consistent process of internal assessment.

MDOC Policies and Standard Operating Procedures

Of the 392 policies adopted by MDOC, 158 or 43.30%, have an effective date prior to August 2013. 113 of the 240 standard operating practices (SOPs) MDOC adopted, 47.08%, have an effective date prior to August 2013. MDOC's lack of updates to its policies and SOPs represents a failure to perform annual examinations recommended in best practices. It is also recommended that the Department make all policies available online in order to increase transparency and consistent operations.

According to correspondence with MDOC staff, the Department is currently undergoing a project to update and ensure the efficacy of all policies and SOPs.

MDOC Inmate Management Processes

In accordance with MDOC's SOPs for admission of offenders remanded to custody, the admission process is designed to maintain an efficient and effective method to receive offenders. Inmates transferred from other institutions within the correctional system receive an orientation to the new institution. Except in unusual circumstances, orientation for inmates transferred from another institution within the system is completed within seven calendar days after admission. In accordance with MDOC's policies for inmate transfers, the aim is to maximize resources by effectively managing the transfer of inmates between prisons safely, humanely, and securely, while minimizing risk to inmates, staff, and the general public.

RECOMMENDATIONS

1. Because MDOC's fiscal planning processes lack transparency and documentation, the Department should create documentation related to the details of the fiscal planning process.

   a. Produce detailed internal processes guides that will aid employees in ensuring fiscal planning processes are completed in an auditable, transparent manner.

2. Both because the current population model is no longer applicable and because the ten-year time period is at an end, MDOC should develop a new population growth model and monthly review report process into the process in order to ensure continued applicability.

   a. MDOC should also consider basing the review and application of this model off of the Arkansas Department of Correction's proven model and review process.

3. MDOC should continue its plan to review all current policies and SOPs.

4. In order to increase transparency and accountability within the standards of best practices, MDOC should continue its plan to post all unrestricted policies online on the Department's website once they are updated and confirmed.

Best Practices in Corrections Inmate Cost Management and Fiscal Planning
October 4, 2023
For more information, contact: (601) 359-1226 | P.O. Box 1204, Jackson, MS 39215-1204
Representative Jerry Turner, Chair | James F. (Ted) Booth, Executive Director

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Report #693: A FY 2023 Comparative Review of 30
Mississippi School Districts: Instruction

Report Highlights   October 24, 2023

BACKGROUND

In FY 2023, PEER received funding to contract with GlimpseK12 (an education technology company headquartered in Huntsville, Alabama) to conduct a comparative review of 30 school districts. This report focuses on the area of instruction. For reports on non-instructional areas for FY 2022, see PEER Report #690.

This report contains the following instructional analyses: grade inflation, mastery decline, student proficiency and bubble, and resource implementation fidelity.

GRADE INFLATION

Grade inflation is evidenced when students receive high grades--e.g., As and Bs--but do not score proficient on state evaluation exams.

Grade inflation negatively impacts students because high grades give the impression to students and parents that students have mastered the required content, although subsequent state evaluation exams do not demonstrate that mastery.

KEY FINDINGS

- For the 2022-2023 school year, approximately one-third of the scores of students in grades 3rd through 8th in the districts reporting demonstrated grade inflation in Math and English Language Arts (ELA). Student scores in 8th grade ELA exhibited the highest level of grade inflation at 40%.

- Although some level of grade inflation is expected, districts with greater than 25% inflation in a grade level should conduct a systemic review of grading practices.

MASTERY DECLINE

School districts use benchmark assessments during a school year to monitor students' mastery of a subject. *Mastery decline* is evidenced when a student scores lower on a benchmark assessment at the end of the school year than at the beginning of the school year, even if the decline is one point.

Mastery decline negatively impacts a student's performance and confidence, creates challenges and additional expenses for school districts in addressing such, leads to higher dropout rates, and reduces a student's preparedness for college and career entry.

KEY FINDINGS

- For the 2022-2023 school year, approximately one-third of students in grades 3rd through 8th in the districts reporting demonstrated mastery decline in Math and ELA. Students in 8th grade ELA demonstrated the greatest decline at 52%.

- Factors contributing to mastery decline include absenteeism, summer break, ineffective instructional practices, misaligned resources, course scheduling, and ineffective processes to identify, track, and mitigate students with mastery decline.

To measure students' mastery of a subject, districts use two common types of formative/benchmark assessments:

1) **Adaptive Assessments:** Adaptive assessments are characterized by their ability to assess a student's starting point (on or off grade level) and ending point (on or off grade level). These assessments are useful to track how far a student has progressed from the start of the year to the end regardless of where the student started.

2) **On Grade Level Benchmarking:** On grade level benchmark assessments are characterized by their ability to assess a student's level of mastery based on current grade level content at the beginning of the year and again on current grade level content at the end of the year.

Since each method assesses students' mastery based on different criteria, comparisons and conclusions between the assessments should be avoided. This report differentiates between the two methods using different colors in the relevant mastery decline tables on pages 21-32.

STUDENT PROFICIENCY AND BUBBLE

Education assessments use a benchmark score threshold to identify whether a student is proficient in the required content, with students scoring above the threshold being proficient.

Students scoring within 3% to 5% above or below the proficiency threshold represent an important cohort because these students often vacillate above and below the proficiency threshold and if left unidentified, may struggle to grow academically. This group is referred to in this report as the "bubble" group.

KEY FINDINGS

For the 2022-2023 school year and for students in grades 3rd through 8th in the districts reporting,

- approximately one-fifth of students scored within 3% above or below the proficiency threshold in Math; and,
- approximately one-sixth of students scored within 3% above or below the proficiency threshold in English Language Arts.

RESOURCE IMPLEMENTATION FIDELITY

Resource implementation fidelity refers to the extent to which districts implement an education program or practice as planned or intended by developers.

Deviations from intended use and delivery methods may compromise the effectiveness of the educational program or resource and negatively impact students' educational preparedness.

KEY FINDINGS

For the 2022-2023 school year and for students in grades 3rd through 8th in the districts reporting,

- 44% and 47% of students met the resource implementation fidelity thresholds in Math and English Language Arts, respectively; and,
- 39% and 35% of students did not meet at least 50% of the resource implementation fidelity thresholds in Math and English Language Arts, respectively.

SUMMARY OF RECOMMENDATIONS FOR DISTRICTS

Grade Inflation recommendations:
- Implement an annual review process to identify, track, and manage grade inflation each year.
- Review the level of rigor and alignment of assignments and assessments in grade levels presenting high inflation.
- See page 17 for a full listing of recommendations pertaining to grade inflation.

Mastery Decline recommendations:
- Utilize software applications or other processes that automate the identification and tracking of decline in mastery.
- Create detailed reports that provide an overview of decline in mastery at various levels, including district, school, grade, and classroom. These reports should enable educators to pinpoint where decline in mastery is occurring to provide targeted support.
- See page 33 for a full listing of recommendations pertaining to mastery decline.

Student Proficiency and Bubble recommendations:
- Allocate a person or team to manage the proficiency and bubble student analysis process.
- Employ a software application or process that effectively generates proficiency and bubble student analysis, and create comprehensive reports at different levels (district, school, grade, and classroom) that will identify the bubble groups.
- See page 62 for a full listing of recommendations pertaining to student proficiency.

Resource Implementation Fidelity recommendations:
- Maintain a process or software application to closely monitor the resource implementation fidelity and effectiveness of all purchased resources.
- Conduct intra-year evaluations of implementation fidelity and effectiveness.
- See page 70 for a full listing of recommendations pertaining to resource implementation fidelity.

CONCLUSION: Additional appropriations are added to regular appropriation funding when subsequent funding needs are identified. Historically, no rules, regulations, or policies have been implemented regarding additional appropriations. The Deficit Prevention Act, enacted in 2023, created some requirements for entities requesting additional appropriations as the result of a deficit. The one-size-fits-all approach mandated in the Act could be counterproductive to the purposes of the Act.

BACKGROUND

Background

The PEER Committee, under its authority found in MISS. CODE ANN. Section 5-3-51 (1972) et seq., conducted a review of the Legislature's use of additional appropriations and causes attributed to the need for additional appropriations.

As entities progress through the fiscal year, the need for appropriation authority in excess of original appropriation may be identified. Additional appropriations can be used to provide additional appropriation authority in response to deficits, new opportunities or information, or unexpected emergencies.

When granted, the authority must designate both the amount of additional authority extended and the source of funds the entity will use. For this review, these sources of funds include general funds, special funds, and state support special funds.

The Mississippi Legislature enacted, through Chapter 463, Laws of 2023, the **Deficit Prevention Act** during the 2023 Legislative Session. This Act was passed with the intent of increasing transparency and oversight over the additional appropriations process.

The Act only pertains to entities seeking additional appropriations as the result of a determined likelihood of a deficit.

KEY FINDINGS

- **From FYs 2021 through 2023, the Legislature granted approximately $2.6 billion in additional appropriation authority.**
  Of these funds, approximately $1.4 billion were related to COVID-19 pandemic funds. Of the remaining granted additional authority, only $170.5 million was utilized for expenditures.

- **The Legislature's use of additional appropriations has increased over the last three legislative sessions and is above the historical average for the past 10 years.**
  The increased use of additional appropriations raises questions about the current incentive and controls surrounding their use.

- **Funding predictable expenses through the additional appropriations process may be an indicator of a potential inefficiency in the budgeting process.**
  Some requests may be for predictable expenses. Funding predictable expenses through the additional appropriations process may be an indicator of a potential inefficiency in the budgeting process.

- **By including predictable expenses in the regular budget process, the Legislature could reduce additional appropriations.**
  Utilizing historical estimates, and shifting additional appropriations to the regular budget process, could lead to an increase in transparency, allow decisionmakers more time to assess requests, and allow funding decisions to be made more holistically.

- **Historically, the Legislature, Legislative Budget Office (LBO), and Department of Finance and Administration (DFA) have not issued rules, regulations, or policies concerning additional appropriations.**
  Additional appropriation requests could be made at any time before the conference deadline for each legislative session.

- **The Deficit Prevention Act requires entities who have identified the likelihood of a deficit to notify the Governor, Lieutenant Governor, Speaker of the House, and chairs of the House and Senate Appropriations Committees within 15 days of determining the likelihood of a deficit.**
  LBO requires that these notifications be in writing and include the amount requested, the source of funds requested, and a detailed description of the need for the deficit.

Entities Receiving Highest Totals of Additional Appropriations for the 2021 to 2023 Legislative Session

The following entities received the highest total additional appropriation authority from 2021 to 2023:

1. Division of Medicaid;
2. Department of Finance and Administration;
3. Department of Corrections;
4. Department of Education;
5. Mississippi Emergency Management Agency;
6. Veterans' Home Purchase Board;
7. Department of Mental Health;
8. Department of Health;
9. Department of Child Protection Services; and,
10. Department of Wildlife, Fisheries, and Parks.

Division of Medicaid, which received approximately $912 million, received substantially more additional appropriation authority than any other entity. When Medicaid's total additional appropriation is removed from the analysis, the average total additional appropriation per entity is reduced to approximately $11 million. Nine entities (not including Medicaid) received additional appropriations totaling more than this average during the review period.

Not including the top ten entities, the average additional appropriation authority is approximately $2.5 million. This information demonstrates that only a few entities are receiving larger amounts, and most entities are receiving significantly smaller amounts.

Benefits of the Deficit Prevention Act

The Act's greatest benefit is most likely to be seen when addressing deficits caused by inefficiencies in an entity's budget process.

Properly established and implemented mitigation plans, as outlined by the Deficit Prevention Act, could be implemented to potentially reduce the impact of the additionally needed funds. Mitigation plans could help amend the operations of the entity to account for the shortfall and provide incentive to amend the budgeting process to account for needed expenditures more accurately.

Potential Improvement of the Deficit Prevention Act

A singular, one-size-fits-all approach could be detrimental to state operations and counterproductive to the purposes of the Act.

While the use of mitigation plans as required by the Deficit Prevention Act to be useful in helping to reduce or eliminate the need for additional appropriations related the operational deficits, in some cases, the mandatory application of cost-cutting measures specified in the Act may be problematic, especially in situations where the agency's deficit was due to a situation outside of the agency's control (i.e., is not due to an operational deficit).

Entities' requests for additional appropriations should be evaluated on a case-by-case basis. DFA's policy states that deficit mitigation plans will be developed on a case-by-case basis.

RECOMMENDATIONS

The Legislature should consider:

1. amending Section (1) (3) of the Deficit Prevention Act to mandate all additional appropriations requests (not only those requested as a result of a determined likelihood of a deficit) comply with current notification requirements;

2. amending Section (1) (3) of the Act to require all entities requesting an additional appropriation complete a standardized request form;

3. amending Section (1) (4) of the Act to require all entities requesting an additional appropriation work with LBO and DFA to develop a plan to avoid or limit any deficit; and,

4. amending Section (1) (4) of the Act to:

    a. remove lines 29 through 32 which mandate a one-size-fits-all response to all additional appropriations requests related to the determined likelihood of a deficit; and,

    b. require LBO and DFA to create an individualized plan for each requesting agency based on the information provided by the entity in its standardized request form.

PEER MISSISSIPPI
Joint Legislative Committee on Performance Evaluation and Expenditure Review

Report #695: 2023 Report on the Early Learning Collaborative Act of 2013: A Comparative Analysis of Outcomes for the Program

Report Highlights   October 24, 2023

CONCLUSION: In accordance with state law, the Mississippi Department of Education (MDE) submitted an evaluation of its prekindergarten program's effectiveness. PEER determined that MDE's evaluation of the program had limitations that hindered its own conclusions. Although results should be interpreted with caution due to issues with the dataset provided, PEER conducted an independent analysis of the program data captured. PEER's analysis showed mixed results related to achievement outcomes (e.g., state test scores); however, collaborative students performed statistically better than the comparison group on behavioral, non-achievement outcomes (e.g., disciplinary incidents). Also, MDE has made efforts to improve the state's prekindergarten program by beginning to implement a new curriculum with a larger and more substantial evidence base than its previous curriculum, which MDE is phasing out.

BACKGROUND

In its 2013 Regular Session, the Mississippi Legislature enacted the "Early Learning Collaborative Act of 2013," which directs MDE to implement a voluntary prekindergarten program in the state on a phased-in basis. The program's purpose is to help ensure that all children have access to quality early childhood education and development services. The collaboratives are intended to be a collaboration among entities providing prekindergarten, including Head Start, licensed child care facilities, and licensed public, parochial, and private school programs.

In FY 2023, 37 collaboratives in Mississippi served approximately 5,329 students.

State law requires MDE to submit a rigorous evaluation of program effectiveness every three years. MDE submitted the first report on July 1, 2023, for PEER to review and submit an independent summary of its findings prior to the 2024 legislative session.

This is PEER's third evaluation of the program, with the first in 2015 and the second in 2019.

KEY FINDINGS

- **Data issues and methodology limitations hinder the conclusions drawn in MDE's three-year evaluation of program effectiveness.**
  For example, since the program's inception in 2013, students in Head Start who participated in a collaborative have not been assigned an identification number upon entry into pre-K and are therefore unable to be tracked over time. Head Start accounts for 39% of collaborative sites. MDE is actively working to address this issue for future prekindergarten participants.

- **From the data captured, PEER determined that collaborative students performed statistically better than the comparison group on kindergarten readiness tests, worse on third and fifth grade math achievement tests, and similar to the comparison group on all other achievement tests. Notably, collaborative students outperformed the comparison group in all behavioral outcomes measured (i.e., disciplinary incidents, suspensions, and chronic absences).**
  MISS. CODE ANN. Section 37-21-51 (3) (g) (1972) requires that MDE measure short-term and long-term effects of the prekindergarten program; however, specific measures are not defined in state law. MDE included in its report a range of achievement and non-achievement outcomes. Additional outcomes could be included in future evaluations to ensure the best possible analysis of program effectiveness.

- **MDE has made efforts to improve the state's prekindergarten program by beginning to phase in a new curriculum, Mississippi Beginnings: PreK, which has a larger and more substantial evidence base than Opening the World of Learning (OWL), MDE's previously preferred curriculum.**
  MDE requires any collaboratives entering the program during or after the 2022-2023 school year to use the new Mississippi Beginnings: PreK curriculum, while allowing collaboratives existing prior to the 2022-2023 school year to choose to switch to the new curriculum or continue using OWL. MDE is, however, phasing out its use of OWL in favor of the new curriculum.
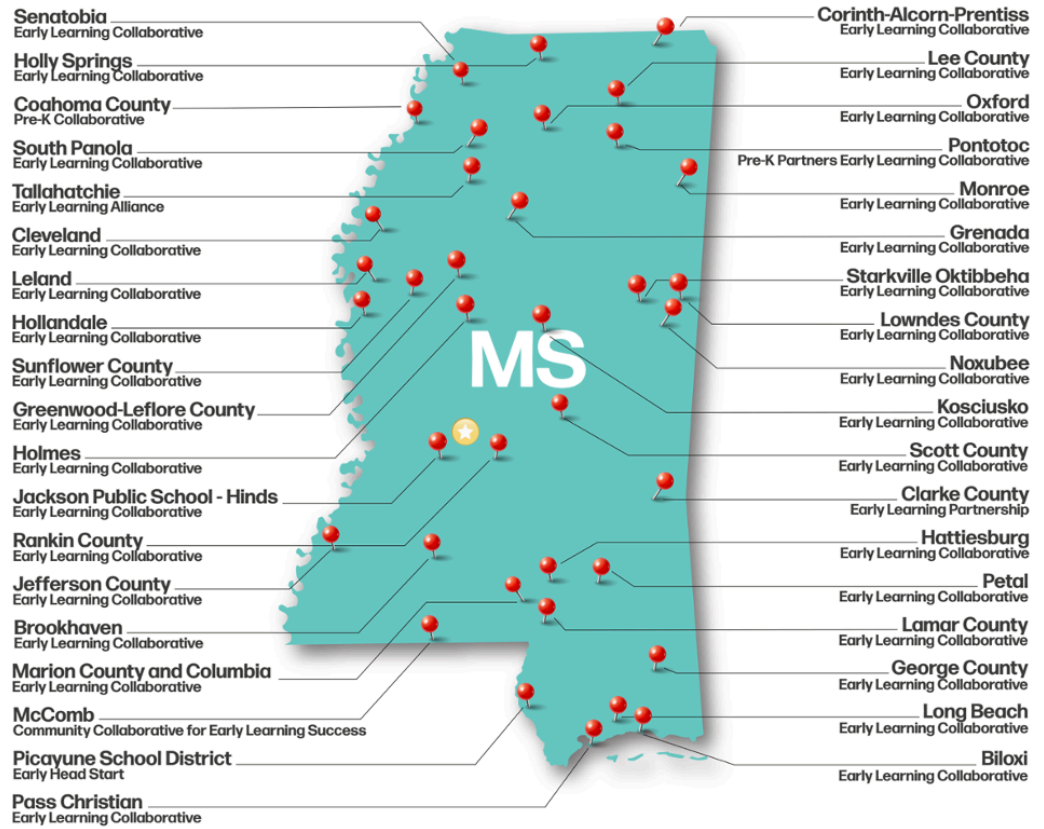
Increased Legislative Support for the Program

The Legislature appropriated approximately $40 million more in funds to the prekindergarten program from FY 2020 to FY 2023 than from FY 2017 to FY 2019 to fund additional collaboratives and programs.

In addition, during the 2023 Regular Session, the Legislature passed H.B. 817 to increase the minimum funding levels of the program from $2,000 to $2,500 per student for a full-day program. This increase became effective on July 1, 2023.

Collaborative Funding

From FY 2020 to FY 2023 MDE disbursed $48.4 million to the collaboratives and used $1.9 million for administrative costs.

Senatobia — Early Learning Collaborative
Holly Springs — Early Learning Collaborative
Coahoma County — Pre-K Collaborative
South Panola — Early Learning Collaborative
Tallahatchie — Early Learning Alliance
Cleveland — Early Learning Collaborative
Leland — Early Learning Collaborative
Hollandale — Early Learning Collaborative
Sunflower County — Early Learning Collaborative
Greenwood-Leflore County — Early Learning Collaborative
Holmes — Early Learning Collaborative
Jackson Public School - Hinds — Early Learning Collaborative
Rankin County — Early Learning Collaborative
Jefferson County — Early Learning Collaborative
Brookhaven — Early Learning Collaborative
Marion County and Columbia — Early Learning Collaborative
McComb — Community Collaborative for Early Learning Success
Picayune School District — Early Head Start
Pass Christian — Early Learning Collaborative

Corinth-Alcorn-Prentiss — Early Learning Collaborative
Lee County — Early Learning Collaborative
Oxford — Early Learning Collaborative
Pontotoc — Pre-K Partners Early Learning Collaborative
Monroe — Early Learning Collaborative
Grenada — Early Learning Collaborative
Starkville Oktibbeha — Early Learning Collaborative
Lowndes County — Early Learning Collaborative
Noxubee — Early Learning Collaborative
Kosciusko — Early Learning Collaborative
Scott County — Early Learning Collaborative
Clarke County — Early Learning Partnership
Hattiesburg — Early Learning Collaborative
Petal — Early Learning Collaborative
Lamar County — Early Learning Collaborative
George County — Early Learning Collaborative
Long Beach — Early Learning Collaborative
Biloxi — Early Learning Collaborative

SOURCE: MDE.

📋 SUMMARY OF RECOMMENDATIONS

1. To better measure the outcomes of the state's prekindergarten program, the Legislature should amend MISS. CODE Section 37-21-51 (3) (g) (1972) to define the specific achievement and non-achievement effects that MDE should include in future evaluations of program effectiveness (e.g., kindergarten readiness, disciplinary incidents, grade retention).

2. MDE should require the following of its research staff responsible for conducting the prekindergarten program effectiveness evaluations (whether internal or contracted staff are used):

   a. Staff should provide MDE reproducible data and documentation for its program evaluation, including documentation of data collection and analyses, operational definitions of variables, and reproducible code.

   b. Staff should conduct statistical tests necessary to determine whether differences between students are significant or merely a matter of chance and include all test results in MDE's three-year program evaluation report.

3. Using a phased-in approach, MDE should begin requiring collaboratives to use the Mississippi Beginnings: PreK curriculum due to its stronger evidence base than the OWL curriculum. The goal should be to transition all collaboratives to the new curriculum by the 2027-2028 school year.

CONCLUSION: Under the authority of MISS. CODE ANN. § 57-1-64 (1972), the Mississippi Development Authority (MDA) oversees deposits to and expenditures from the Tourism Advertising Fund. Additionally, MISS. CODE ANN. § 27-65-23 (b) (1972) requires a certain percentage of monthly restaurant and hotel sales tax collections be deposited into the fund. As required by state law, PEER conducted a review to detail how funds were spent and deposited in FY 2023.

BACKGROUND

Background

MISS CODE ANN. § 27-65-75 (23) (b) (1972) requires the Joint Legislative PEER Committee to provide an annual report to the Legislature reviewing the MDA Tourism Advertising Fund established by MISS CODE ANN. § 57-1-64 (1972).

MISS. CODE ANN. § 57-1-64 created a special fund in the State Treasury known as the MDA Tourism Advertising Fund (Tourism Advertising Fund).

MDA is authorized to sell advertising and other promotion information and enter into agreement with other tourism associations for the purpose of facilitating revenue to deposit into the Tourism Advertising Fund. Additionally, MISS. CODE ANN. § 27-65-75 (23) (a) requires a certain percentage of each month's sales tax collections from restaurants and hotels to be deposited into the Tourism Advertising Fund.

MISS. CODE ANN. § 27-65-75 (23) (a) requires a certain percentage of each month's sales tax collections from restaurants and hotels to be deposited into the Tourism Advertising Fund.

KEY FINDINGS

- **As provided by MISS CODE ANN §27-65-75 (23) (a) the Tourism Advertising Fund received approximately $14.2 million in restaurant and hotel sales tax revenue.**
  MISS. CODE ANN. § 27-65-75 (23) (a) mandates a 1% increase in the amount of sales tax collections deposited into the fund from FYs 2020 through 2022. These increases took place in August of FYs 2020 through 2022. Because the fiscal year begins in July, FY 2023 is the first fiscal year in which 3% of restaurant and hotel sales tax collections has been deposited into the fund for every month of the year. FY 2023 deposits increased from $12.9 million in FY 2022 to $14.2 million in FY 2023 (a $1.2 million increase).

- **In FY 2023, MDA expended approximately $19.1 million from the Tourism Advertising Fund, primarily on advertisements promoting tourism in Mississippi.**
  FY 2023 expenditures exceeded FY 2022 expenditures by $3.1 million.

- **MDA establishes spending levels based on the revenue collected and deposited into the Tourism Advertising Fund in the previous quarter.**
  Proceeding into FY 2024 and future fiscal years, MDA's goal is to operate the fund at a near net-zero balance. MDA staff spent an average of $1 million to $1.3 million monthly from the Tourism Advertising Fund during FY 2023.

RECOMMENDATION

MDA should continue planning expenditures around activities that show effectiveness in both output (e.g., search engine hits or press coverage) as well as outcomes (e.g., increased tourism or increased restaurant and hotel sales tax revenue collections). MDA should ensure it has created clearly defined goals for expenditures of the Tourism Advertising Fund and ensure all planned expenditures will further MDA's plan to meet the defined goals.

PEER MISSISSIPPI
Joint Legislative Committee on Performance Evaluation and Expenditure Review

FY 2023 Annual Report: A Review of the Mississippi Development Authority Tourism Advertising Fund
December 12, 2023
For more information, contact: (601) 359-1226 | P.O. Box 1204, Jackson, MS 39215-1204
Representative Jerry Turner, Chair | James F. (Ted) Booth, Executive Director

24   PEER Report #Impact2024

Report #697: FY 2023 Annual Report: Analysis of Funding for Mississippi Charter Schools and the Charter School Authorizer

Report Highlights   December 12, 2023

CONCLUSION: Funding from state, local, federal, and other sources was sufficient for charter schools in FY 2023. However, the local ad valorem pro rata calculation required by state law continues to provide for unequal shares between charter schools and school districts. MCSAB receives 3% of annual state and local per-pupil revenues from charter schools. In FY 2023, MCSAB expended $563,349 on its operations. FY 2023 was the fifth year the statutory formula generated sufficient funding to support MCSAB's activities. Having analyzed several consecutive years of financial data from MCSAB, PEER contends that MCSAB has achieved the financial stability to operate on less than 3% of charter school revenues. PEER also determined that MCSAB's charter school renewal process lacks full transparency and accountability.

BACKGROUND

Background

MISS. CODE ANN. Section 37-28-7 (3) (1972) outlines the composition of the Mississippi Charter School Authorizer Board (MCSAB). The Board is made up of seven appointed members and is the sole authorizing body for charter schools in the state. In FY 2023, MCSAB staff included 3 members.

Although MCSAB Board members serve staggered terms of office, this has resulted in three of the Board members rotating off in the same year, which could prevent the Board from establishing a quorum at its meetings.

During the 2023 Legislative Session, the House Education and Appropriations Committees passed a committee substitute for H.B. 555 to correct the issue of the staggered terms of office; however, the bill died on the House calendar.

The Board, on recommendation from its third-party evaluator, Advanced Leadership Strategists, approved one application for an additional charter school to be located in the Clarksdale Municipal School District.

During SY 2022–2023, eight charter schools (six located in Jackson, one located in Clarksdale, and one located in Greenwood) served 2,938 students.

SUFFICIENCY OF CHARTER SCHOOL FUNDING

- **For FY 2023, the Mississippi Department of Education (MDE) distributed Mississippi Adequate Education Program (MAEP) funding to charter schools in the same manner as the local public school districts in which they are located.**

  For FY 2023, the eight operating charter schools received local support payments from ad valorem taxes in a manner consistent with MISS. CODE ANN. Section 37-28-55 (2) and (3) (1972).
  However, the local ad valorem pro rata calculation required by the statute provides unequal shares between charter schools and school districts.

- **Federal funds received by MDE are distributed to each public school district and charter school based on the school's ability to meet federal program requirements.**
  In FY 2023, the charter schools that were operating that year received federal grant funds totaling $16,872,283, including $136,086 from the Charter Schools Program grant.

- **In FY 2023, the eight operating charter schools received between $3.1 million and $8.5 million from MAEP funding, local ad valorem taxes, federal funds, and other sources.**
  Seven of the eight charter schools operating in Mississippi received revenues in FY 2023 that were sufficient to cover their expenditures that year. Revive's expenditures exceeded its revenues by $305,296.

- **MCSAB's appropriation was included as a line item in MDE's FY 2024 budget.**

- **MCSAB receives 3% of annual per-pupil allocations received by charter schools from state and local sources.**
  FY 2023 was the fifth year this statutory formula generated sufficient funding to support MCSAB's. For the second consecutive year, MCSAB did not collect all of the 3% fees it was owed from Clarksdale Collegiate because Coahoma County School District had not received enough January MAEP funds to provide its pro rata share of those funds for the students from its district who enrolled in Clarksdale Collegiate that year.

Weaknesses in MCSAB's Renewal Process

MCSAB renewed the charter contracts for the three charter schools whose terms ended at the conclusion of SY 2022-2023. Smilow Collegiate was renewed for a five-year term; and, Clarksdale Collegiate and Midtown Public were renewed for four-year terms with conditions.

PEER determined that MCSAB's decision matrix—against which it makes its renewal decisions for charter schools—lacks clarity, objectivity, and transparency by failing to set weights for each performance domain (academic, financial, and organizational) and failing to set clear standards for the length of the renewal term.

Various sections of state law suggest that the decision of whether to renew a charter school must be based on MCSAB's performance framework but that decisions related to renewal terms (e.g., length of renewal) may be based on factors outside of the performance framework (e.g., the particular circumstances of each school), which could lead to subjective decision-making.

Under the current law, factors other than performance must be clearly defined or have clearly defined limits to ensure transparency and accountability.

Charter School Performance

MCSAB annually measures each charter school's performance according to a performance framework, which consists of three domains—academic, financial, and organizational. MCSAB's SY 2022-2023 performance framework reports were not yet available during PEER's fieldwork; however, prior years' reports show that only one school—Midtown Public—did not "meet expectations" in all three performance domains from SY 2018-2019 to SY 2021-2022.

Charter School Program Grant

In September 2017, the U.S. Department of Education awarded MCSAB a five-year, $15 million grant to help expand the state's charter school sector. The five-year grant period was from October 1, 2017, to September 30, 2022. In August 2023, MCSAB applied for a third no-cost extension to the grant, but the U.S. Department of Education did not grant the extension.

Accountability Grades

Charter School	School Year	
	2021-2022	2022-2023
Midtown Public	D	F
Reimagine Prep	C	D
Joel E. Smilow Prep	C	D
Joel E. Smilow Collegiate	B	F
Ambition Prep	No grade	C
Clarksdale Collegiate	D	D
Leflore Legacy Academy	D	F

📋 SUMMARY OF RECOMMENDATIONS

1. The Legislature should consider removing the 3% funding MCSAB receives from charter schools' state and local revenue sources. The Legislature should also consider annually funding MCSAB from any funds available to the Legislature. If the Legislature chooses to keep the 3% funding model, it should consider allowing MCSAB to receive up to 3% of annual per-pupil allocations received by a charter school from state and local funds for each charter school it authorizes. If the Legislature authorizes MCSAB to receive up to 3% of per-pupil allocations, then MCSAB should develop a policy for determining the appropriate calculation of fees for charter schools, based on several consecutive years of MCSAB's financial data.

2. MCSAB should submit a proposed amendment to MISS. CODE ANN. Section 37-28-7 (2) and (3) that revises the calculation so that public school students and charter school students receive equal per-pupil local ad valorem funding.

3. The Legislature should consider reconstituting the Board to establish terms of office that, when concluded, minimize the impact on the Board's operations.

4. The Legislature should consider amending MISS. CODE ANN. Section 37-28-33 (1) (1972) to require that decisions regarding renewal terms be based on the performance framework set forth in the charter contract.

5. The Legislature should consider amending MISS. CODE ANN. Section 37-28-55 (3) such that in cases where the school district's January transfer of MAEP funds is insufficient to cover the amount it owes the charter school, the school district shall pay the charter school the balance it owes from its own funds, of which MCSAB shall also receive 3% in accordance with MISS. CODE ANN. Section 37-28-11 (1972).

6. MCSAB should collect the $12,541.17 in 3% fees from Clarksdale Collegiate and count it as FY 2023 revenue.

7. MCSAB should ensure that its renewal evaluation criteria are clear, objective, and transparent.

PEER MISSISSIPPI
Joint Legislative Committee on Performance Evaluation and Expenditure Review

FY 2023 Annual Report: Analysis of Funding for Mississippi Charter Schools and the Charter School Authorizer Board
December 12, 2023
For more information, contact: (601) 359-1226 | P.O. Box 1204, Jackson, MS 39215-1204
Representative Jerry Turner, Chair | James F. (Ted) Booth, Executive Director

26   PEER Report #Impact2024

CONCLUSION: S.B. 2437 requires that the PEER Committee conduct a review of the Central Mississippi Correctional Facility (CMCF) Pilot Work Initiative (Initiative) and provide a report on the effectiveness of the Initiative. The Initiative is largely in compliance with the requirements outlined in S.B. 2437; however, MAGCOR has adopted no short-term, mid-term, or long-term goals or objectives that can measure the effectiveness of the Initiative. Therefore, MDOC and MAGCOR should adopting PEER recommendations to allow the Initiative to be evaluated for effectiveness at a later date.

BACKGROUND

CMCF Pilot Work Initiative

As outlined in S.B. 2437, codified as MISS. CODE ANN. § 47-5-579 (1972), MAGCOR was authorized to create the Central Mississippi Correctional Facility (CMCF) Pilot Work Initiative with no more than 25 inmates in the Initiative at any given time. While MDOC has ultimate authority for oversight and administration of the CMCF Pilot Work Initiative and oversees the selection of inmates for admission into the Initiative, MDOC is to delegate the administration of the Initiative to MAGCOR.

Qualifications

An inmate may be eligible for participation in the CMCF Pilot Work Initiative if the inmate has:

- no more than 2 years remaining on his or her sentence;
- not been convicted under MISS. CODE ANN. § 97-9-49[1] (1972) within the last 5 years; and,
- not been sentenced for a sex offense as defined in MISS. CODE ANN. § 45-33-23 (h) (1972).

KEY FINDINGS

- **S.B. 2437 requires rules and regulations be adopted and published no later than six months after passage of the legislation (i.e., due January 2023).**
  MAGCOR has developed a standard operating procedure, including rules and regulations, for the CMCF Pilot Work Initiative, but PEER could not determine when such policies and procedures were officially adopted or published by MAGCOR.

- **MAGCOR did not provide PEER a report on its CMCF Pilot Work Initiative data before January 15, 2023.**
  However, MAGCOR did provide the data on September 8, 2023, when requested by PEER staff.

- **In all, 52 offenders have participated in the CMCF Pilot Work Initiative since the Initiative's inception in September 2022.**
  In CY 2022, two participants successfully completed the Initiative. In CY 2023, 13 participants successfully completed the Initiative.

- **Participants have been employed as general labor/maintenance, mechanics, and diesel mechanics at six different employers.**
  Employers participating in the Initiative shall not pay less than the prevailing wage for the position or less than the federal minimum wage. On average, each participant earned $13.35 per hour while working in the Initiative.

SUMMARY OF RECOMMENDATIONS

Based on the current operations of the CMCF Pilot Work Initiative, the effectiveness of the Initiative cannot be determined by an external third party (i.e., PEER). Therefore, MDOC and MAGCOR should consider the following recommendations to allow the Initiative to be evaluated for effectiveness at a later date:

- Establish specific guidelines, objectives, goals, and performance measures for the Initiative and its participants;
- Develop an assessment protocol to monitor and track Initiative and individual participant performance;
- Continue collecting all data and produce a yearly report that specifically identifies statistics and results; and,
- Provide semiannual reports and data collected and reported regarding the Initiative to the PEER Committee as required by S.B. 2437.

PEER MISSISSIPPI
Joint Legislative Committee on Performance Evaluation and Expenditure Review

A Review of Central Mississippi Correctional Facility's Pilot Work Initiative
December 12, 2023
For more information, contact: (601) 359-1226 | P.O. Box 1204, Jackson, MS 39215-1204
Representative Jerry Turner, Chair | James F. (Ted) Booth, Executive Director

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CONCLUSION: As required by MISS. CODE ANN. Section 41-29-139.1 (1972), otherwise known as Parker's Law, the PEER Committee prepared an overview of Parker's Law and similar provisions of law in the United States and the number of convictions that have occurred under Parker's Law since its adoption. From December 1, 2022, through October 31, 2023, AOC has recorded three convictions under Parker's Law. Prosecutors convicted two men and one woman in Jones, Clarke, and Walthall counties. The records do not include length of sentence imposed for each conviction. AOC and PEER emphasize that the provisions have only been in effect since July 1, 2022.

BACKGROUND

Parker's Law

In 2022, the Mississippi Legislature adopted *Chapter 401, Laws of 2022*, otherwise known as Parker's Law. This provision of law was codified as MISS. CODE ANN. Section 41-29-139.1 (1972).

Prosecutors' Comments on Parker's Law

PEER staff contacted several state prosecutors about the low rate of drug-induced homicide convictions in Mississippi.

According to state prosecutors, Parker's law contains a knowledge requirement which hinders the number of convictions that can be made under the law. Specifically, the law states that only "a person who delivers or causes the delivery of fentanyl with knowledge of the fentanyl" may be convicted.

Prosecutors recommended adopting a gross negligence standard or a felony murder standard. Doing so would lower the requirements necessary to convict someone of drug-induced homicide, and therefore increase drug-induced homicide convictions.

Convictions Under Parker's Law

PEER staff contacted the Administrative Office of the Courts (AOC) to determine how many convictions have occurred under Parker's Law since its adoption. The staff of AOC reviewed court records in their possession, including filings maintained in Mississippi Electronic Courts (MEC). In the prior PEER review, *A Review of Parker's Law Convictions*, Issue Brief #680 (December 13, 2022), AOC reported no convictions.

From December 1, 2022, through October 31, 2023, AOC has recorded **three convictions** under Parker's Law. Prosecutors convicted two men and one woman in Jones County, Clarke County, and Walthall County. The records do not include length of sentence imposed for each conviction.

AOC and PEER emphasize that the provisions have only been in effect since July 1, 2022.

Critiques of Drug-induced Homicide Prosecutions

In practice, drug-induced homicide prosecutions may actually increase the risk of fatal overdose. This is because when friends and family members fear arrest and prosecution, they may be less likely to call for emergency assistance in an overdose emergency. Additionally, it is more difficult to prove charges against drug sellers who were not directly involved when the death occurred, and most states do not have provisions in statute that allow for consideration of the knowledge and intent of the drug distributor.

No empirical evidence shows that harsher punishment reduces the supply and demand for drugs. A recent 50-state survey found that higher rates of incarceration for drug crimes failed to lower rates of drug use, arrests, or overdose deaths.

RECOMMENDATION

The Legislature should consider amending the knowledge requirement in MISS. CODE ANN. Section 41-29-139.1 (1972) to increase convictions for fentanyl delivery resulting in death by removing the statute's knowledge requirements. Specifically, the Legislature should consider striking "with knowledge of fentanyl" from the first sentence of MISS. CODE ANN. Section 41-29-139.1 (1).

PEER MISSISSIPPI
Joint Legislative Committee on Performance Evaluation and Expenditure Review

2023 Update of Parker's Law Convictions
December 12, 2023
For more information, contact: (601) 359-1226 | P.O. Box 1204, Jackson, MS 39215-1204
Representative Jerry Turner, Chair | James F. (Ted) Booth, Executive Director

28   PEER Report #Impact2024

James F. (Ted) Booth, Executive Director

<u>Reapportionment</u>
Ben Collins

<u>Administration</u>
Kirby Arinder
Stephanie Harris
Gale Taylor

<u>Quality Assurance and Reporting</u>
Tracy Bobo
Hannah Jane Costilow

<u>Performance Evaluation</u>
Lonnie Edgar, Deputy Director
Jennifer Sebren, Deputy Director
Drew Allen
Taylor Burns
Emily Cloys
Kim Cummins
Matthew Dry
Matthew Holmes
Drew Johnson
Billy Loper
Debra Monroe-Lax
Meri Clare Ringer
Sarah Williamson
Julie Winkeljohn
Ray Wright