

## Chapter 3: Administrative Expense Reduction

### *Rule 3.1 Administrative Expense Reduction.*

1. A local school district may be exempt from the required reduction in Expenditure Functions [Mississippi Code, Section 37-61-9(4)] 2210, Improvement of Instruction Services; 2300, General Administration; 2400, School Administration; and/or 2500, Business Services; by one percent (1%) in the 1992-93 school year and two percent (2%) for any of the four (4) years beginning with the 1993-94 school year if the school district can demonstrate and document that the application of the reduction would result in extraordinary hardship or impair the fiscal integrity or operations of the school district. Extraordinary hardship is defined as:

a. A level beyond which further reduction would cause a school district to not be able to meet Level 3 Accreditation Standards.

Or

b. A level beyond which further reduction would jeopardize the district's ability to perform required accounting procedures, payroll administration, purchasing, and preparation of financial reports.

Or

c. A level beyond which further reduction would result in a school district not being able to provide protection of school property, supervision of staff and students, or fundamental alteration or reduction in required programs and services.

### 2. PROCEDURE

In the event a local school district board of education can document that no increases have been budgeted in Expenditure Functions 2210, Improvement of Instruction Services; 2300, General Administration; and 2500, Business Services; and can demonstrate that further reduction in any one these Functions would result in an extraordinary hardship or impair the fiscal integrity of operations of the school district, said board of education shall make a written request for exemption to the State Board of Education giving adequate justification and documentation to support said request. The local school district board of education or designated representative may address the State Board of Education in support of its request. The State Board of Education's decision will be final.

Source: *Miss. Code Ann. § 37-1-3 (Adopted 10/1992)*