

An Efficiency Review of Selected Mississippi State Government Operations

A Report to the Mississippi Legislature
Report #729
January 5, 2026



PEER Committee

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Chad McMahan, Secretary

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Lydia Chassaniol
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Executive Director:

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About PEER:

The Mississippi Legislature created the Joint Legislative Committee on Performance Evaluation and Expenditure Review (PEER Committee) by statute in 1973. A joint committee, the PEER Committee is composed of seven members of the House of Representatives appointed by the Speaker of the House and seven members of the Senate appointed by the Lieutenant Governor. Appointments are made for four-year terms, with one Senator and one Representative appointed from each of the U.S. Congressional Districts and three at-large members appointed from each house. Committee officers are elected by the membership, with officers alternating annually between the two houses. All Committee actions by statute require a majority vote of four Representatives and four Senators voting in the affirmative.

Mississippi's constitution gives the Legislature broad power to conduct examinations and investigations. PEER is authorized by law to review any public entity, including contractors supported in whole or in part by public funds, and to address any issues that may require legislative action. PEER has statutory access to all state and local records and has subpoena power to compel testimony or the production of documents.

PEER provides a variety of services to the Legislature, including program evaluations, economy and efficiency reviews, financial audits, limited scope evaluations, fiscal notes, and other governmental research and assistance. The Committee identifies inefficiency or ineffectiveness or a failure to accomplish legislative objectives, and makes recommendations for redefinition, redirection, redistribution and/or restructuring of Mississippi government. As directed by and subject to the prior approval of the PEER Committee, the Committee's professional staff executes audit and evaluation projects obtaining information and developing options for consideration by the Committee. The PEER Committee releases reports to the Legislature, Governor, Lieutenant Governor, the agency examined, and the general public.

The Committee assigns top priority to written requests from individual legislators and legislative committees. The Committee also considers PEER staff proposals and written requests from state officials and others.



Joint Legislative Committee on Performance Evaluation and Expenditure Review

PEER Committee

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January 5, 2026

Honorable Tate Reeves, Governor
Honorable Delbert Hosemann, Lieutenant Governor
Honorable Jason White, Speaker of the House
Members of the Mississippi State Legislature

On January 5, 2026, the PEER Committee authorized release of the report titled *An Efficiency Review of Selected Mississippi State Government Operations*.

Representatives

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Chair

Tracy Arnold

Donnie Bell

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Becky Currie

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Representative Kevin Felsher, Chair

Executive Director

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This report does not recommend increased funding or additional staff.

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CONCLUSION: Building on previous PEER reviews, PEER compiled this report detailing various cost savings opportunities within Mississippi state government. This report suggests that savings of up to \$116 million could be achieved through efforts by the Mississippi Legislature and by state agencies to reduce costs in six key areas—state vehicles, cellular services, shared space and shared services, sales tax discounts, film incentives, and school district operations. An additional \$20.3 million in revenue could be generated in the areas of state vehicles and school district nutrition.

Some cost savings opportunities noted in this report provide additional funds for the state's General Fund, which would allow the state to re-direct funds from inefficient programs or operations to other areas. However, some cost savings opportunities involve special funds, which must be used for specific purposes.

STATE VEHICLES

Right sizing the state's vehicle fleet is important to ensure efficient use of taxpayer funds while providing agencies with the resources needed to carry out their missions. As of June 30, 2025, the state of Mississippi had 6,455 fleet vehicles across 47 agencies with an acquisition value of \$334.4 million.

Because state vehicles constitute a significant portion of state equipment, decisions regarding the state's vehicles must be made economically and efficiently. PEER's analysis of vehicle usage in FY 2025 suggests an estimated cost-savings opportunity of up to approximately **\$10.3 million** annually through efforts to right size the state's fleet.

Also, the state could generate up to an estimated **\$6.7 million** in one-time revenue through the sales of underutilized state vehicles.

SHARED SPACE AND SHARED SERVICES

Under shared space agreements, agencies have the opportunity to co-locate in spaces where common space (e.g., conference rooms) can be shared. PEER estimates a potential cost savings between **\$459,285 and \$632,535** annually in lease payments by co-locating 17 state agencies into a building in downtown Jackson.

Further, PEER estimates a potential cost-savings of **\$2.3 million** by eliminating unfilled positions in these co-located agencies and utilizing shared staff to perform critical functions across those agencies (e.g., administrative or investigative services).

Additional savings could be achieved through contract service sharing across co-located agencies (e.g., for accounting services).

CELLULAR SERVICES

State agencies must procure cellular services through vendors approved by the Mississippi Department of Information Technology Services (ITS). In FY 2025, Mississippi state agency costs for cellular services totaled approximately \$8.3 million.

Based on usage information provided to ITS by the state's cell phone service vendors, there are opportunities for cost savings of up to **\$1.6 million** from state agencies converting to lower cost service plans that better align with their cellular usage.

Also, PEER estimates additional cost savings of up to **\$252,429** annually by downgrading hotspots.

SALES TAX DISCOUNTS TO RETAILERS

MISS. CODE ANN. Section 27-65-33 (b) (1972) provides multiple sales tax discounts to retailers, essentially rewarding those retailers for complying with state law. By eliminating this discount, the state could generate additional revenues of approximately **\$18 million** annually for the General Fund.

FILM INCENTIVE PROGRAM

MISS. CODE ANN. Section 57-89-7 (1972) provides for a film incentive program in the state. Multiple reviews, including one conducted by PEER in 2015, have concluded that film incentive programs result in a negative return on investment. By eliminating this program, the state could generate additional revenues of approximately **\$9 million** annually for the General Fund.

SCHOOL DISTRICT OPERATIONS

School district administrators are responsible for spending millions of dollars annually on operational expenses. PEER contracted with Level Data to conduct reviews of Mississippi's FY 2023 school district operational programs and expenses. For the four areas of review with associated cost savings—finance and supply chain, nutrition, operations, and transportation programs—Level Data identified potential savings of up to **\$74 million** and potential revenue generation of up to **\$13.6 million** across 129 reporting school districts. If districts can increase their efficiency in these operational areas, funds could be made available for program improvements or for other key areas such as instruction.

SUMMARY OF RECOMMENDATIONS

State Vehicles

- 1) The Legislature should consider amending MISS. CODE ANN. Section 25-1-77 (1972) to require that the Bureau of Fleet Management (BFM) within the Department of Finance and Administration shall:
 - a) require that each agency with high mileage drivers utilize a state vehicle (either one already owned by a state agency or a new vehicle) in lieu of reimbursing mileage for those employees by September 30, 2026;
 - b) require that each agency with underutilized vehicles (i.e., vehicles driven less than 8,200 miles in FY 2025) must submit to BFM specific information by December 31, 2026; and,
 - c) require BFM to report to the Legislature by December 31, 2027, the cost savings from efforts to right size the fleet.

Cellular Services

- 2) The Legislature should consider amending MISS. CODE ANN. Section 25-53-5 (1972) to require that the Department of Information Technology Services (ITS) shall require each agency using cellular services to submit to ITS the following information by September 30, 2026:
 - a) an acknowledgement form that the agency has reviewed its usage and cost information from their cell phone vendor;
 - b) a signed statement from the agency's Executive Director that asserts the agency has re-solicited quotes for cellular services and is using the best priced plan that matches actual usage and needs; and,
 - c) the annual cost savings of any adjustments to the agency's cellular service plan(s) as a result of this effort.A report of cost savings compiled by ITS should be provided to the Legislature by December 31, 2026.

Shared Space and Shared Services

- 3) The Legislature should consider amending MISS. CODE ANN. Section 27-104-7 and 29-5-2 (1972) requiring that the 17 state agency candidates listed in this report co-locate in available office space in the downtown Jackson area by June 30, 2027, if cost-savings can be achieved.
- 4) After relocation is complete, the Legislature should work with the Legislative Budget Office to eliminate unfilled positions in these agencies. Further, require these agencies to utilize shared staff to perform similar functions (e.g., administrative) and to enter into certain shared contracts for services (e.g., accounting).

Other Programs

- 5) The Legislature should consider amending MISS. CODE ANN. Section 27-65-33 (b) to eliminate the sales tax discount to retailers.
- 6) The Legislature should consider amending MISS. CODE ANN. Section 57-89-7 to eliminate the film incentive program.

School District Operations

- 7) The Legislature should consider creating a new CODE Section 5-3-79.1 directing the PEER Committee to require each school district to submit the following information to PEER by September 30, 2026:
 - a) A list of all efficiency indicators from the Level Data reports that are currently being used by the district to assess costs in operational areas, and accompanying data if available; and a summary of actions the district has taken to reduce costs.A report of actions taken by school districts and any cost savings achieved should be compiled by PEER and provided to the Legislature by December 31, 2026.

Overview

Building on previous PEER reviews, PEER compiled this report detailing various cost-savings opportunities within Mississippi state government. This report suggests that savings of up to \$116 million could be achieved through efforts by the Mississippi Legislature and by state agencies to reduce costs in six key areas—state vehicles, cellular services, shared space and shared services, sales tax discounts, film incentives, and school district operations. An additional \$20.7 million in revenue could be generated in the areas of state vehicles and school district nutrition.

Since its inception in 1973, the Mississippi Legislative PEER Committee has conducted performance evaluation and expenditure reviews with the goal of increasing efficiency and effectiveness, reducing costs, and providing better services to its citizens. The goal for this report was to create a focused report building on previous PEER work in selected areas with an emphasis on cost-savings opportunities, thereby providing the Legislature and state agencies with information they could use to improve the efficiency and cost-effectiveness of state government. PEER also noted two areas in which revenues could be generated. When necessary, PEER conducted additional fieldwork in these key areas to obtain up-to-date information to make its cost-savings estimates.

This report includes cost-savings and revenue generation opportunities in six areas of state government:

- state vehicles;
- cellular services;
- shared space and shared services;
- sales tax discounts;
- film incentives; and,
- school district operations.

This report also includes a discussion of the potential cost of telework and the benefits of conducting a review in this area.

Some cost-savings noted in this report provide additional funds for the state's General Fund, which would allow the state to re-direct funds from inefficient programs or operations to other areas. However, some cost-savings areas involve special funds, which must be used for specific purposes. While cost-savings for special funds would not provide additional funds for the General Fund, such savings could benefit the citizens these agencies are intended to serve. Additionally, some program funds have limitations on usage. For example, school district nutrition programs are primarily funded by the federal government, and all of those funds must be used for nutrition programs. Therefore, any cost-savings in this area could only be used to improve the districts' nutrition programs.

State Vehicles: Opportunities for Cost Savings and Revenue Generation

State vehicles constitute a significant portion of state equipment. Therefore, decisions regarding the state's vehicles must be made economically and efficiently. PEER's analysis of vehicle usage in FY 2025 suggests an estimated cost-savings opportunity of up to approximately \$10.3 million annually through efforts to right size the state's fleet. Further, the state could generate up to an estimated \$6.7 million in one-time revenue through the sales of underutilized state vehicles.¹

Right sizing the state's vehicle fleet is important to ensure efficient use of taxpayer funds while providing agencies with the resources needed to carry out their missions. PEER's analysis involves:

- an evaluation of vehicle usage to determine opportunities to reduce or eliminate underutilized vehicles; and,
- an evaluation of when it could be more cost-effective for high-mileage drivers to use state vehicles rather than receive mileage reimbursement.

Through these efforts, the state could achieve cost-savings and improve the efficiency of the state's vehicle fleet.

State Vehicle Rules and Regulations

The Bureau of Fleet Management within the Department of Finance and Administration is responsible for administering the state fleet. State agencies purchase and maintain vehicles to carry out their respective missions with funds allocated by the Mississippi Legislature.

MISS. CODE ANN. Section 25-1-77 (1972) created the Bureau of Fleet Management (BFM) in the Office of Purchasing, Travel and Fleet Management at the Department of Finance and Administration (DFA). BFM has the power and duty to coordinate and promote efficiency and economy in the purchase, lease, and rental, acquisition, use, maintenance, and disposal of all state-owned vehicles by state agencies.

BFM publishes a *Rules and Regulations Fleet Manual* to set rules, policies, procedures, and regulations for oversight of state-owned vehicles. Section 3.101.01 of BFM's *Rules and Regulations Fleet Manual* published in July 2023 states:

In most instances, if an individual is traveling less than 15,000 miles per year for official state business; it is likely more economical for the agency to have the employee drive his/her personal vehicles and have the agency reimburse the individual for mileage at the current mileage rate.

¹ On April 14, 2026, the PEER Committee amended the report to reflect updated data regarding the number of fleet vehicles in the state, which resulted in more accurate vehicle inventory counts and estimated cost savings.

The manual further states that in most cases, it is not financially wise to purchase a vehicle for an agency that does not expect to drive the vehicle 15,000 miles or more annually for agency business purposes. State employees traveling on official state business in their private vehicles are reimbursed for mileage according to DFA policy.

State agencies purchase and maintain vehicles to carry out their respective missions with funds allocated by the Legislature. As the end-users of state vehicles, agencies are responsible for oversight of vehicles in accordance with state law and BFM policy, as well as their own policies.

State Vehicle Inventory

According to vehicle information in the state's accounting system, as of June 30, 2025, the state of Mississippi had 6,455 fleet vehicles (including 1,082 law enforcement vehicles) across 47 agencies with an acquisition value of \$334.4 million.

PEER obtained state-owned vehicle information from the Mississippi Accountability System for Government Information and Collaboration (MAGIC). According to BFM's *Rules and Regulations Fleet Manual*, each state agency is required to enter its own information regarding its vehicle fleet.

According to the *Fleet Manual*, every vehicle must be assigned into one of three categories:

- **Commuter vehicles** are generally defined as state-owned vehicles assigned to a specific employee, allowing them to travel between their home and workplace.
- **Non-commuter vehicles** are state vehicles that are not assigned to a specific individual and are instead kept in a pool for use by different employees for official state business.
- **Law enforcement vehicles** are reserved for employees who are sworn law enforcement officers to use in their daily job duties.

According to the data in MAGIC, as of June 30, 2025, Mississippi owned 5,373 vehicles classified as commuter, non-commuter, or unclassified vehicles, with a total acquisition value of \$299.8 million. An additional 1,083 vehicles were classified as law enforcement vehicles with an acquisition value of \$34.6 million.

PEER notes that there are instances of inaccurate and unreliable data in MAGIC regarding state vehicles (e.g., an agency reporting a vehicle driven zero miles but having fuel and maintenance costs); however, this dataset represents the most complete, centralized source of statewide data for PEER's analysis.

Potential Cost Savings Related to Underutilized State Vehicles

Based on a breakeven analysis, PEER estimates that 1,856 state vehicles (29%) were potentially underutilized in FY 2025. If state agencies were to utilize mileage reimbursement of state employees in lieu of operating these underutilized state vehicles, PEER estimates a cost savings of up to \$6 million annually. Additionally, the state could generate up to \$6.7 million in one-time revenue through the sales of these underutilized vehicles.

In order to conduct a breakeven analysis, PEER removed certain vehicles from its analysis, including the following:

- all vehicles classified as “law enforcement” for any time period in FY 2025;
- all MDOT specialty vehicles;
- all vehicles with a model year of 2025;
- vehicles with descriptions sufficient to indicate specialized usage (e.g., fire truck, freightliner, dump truck, bucket truck, tractor truck, mobile exam clinic, custom pumper, armored vehicle, box truck, tow truck, etc.); and,
- any other vehicle with an acquisition value of over \$50,000.

PEER limited its analysis to standard trucks, vans, and sedans captured in MAGIC, and excluded specialized inventory such as law enforcement vehicles and heavy equipment to the extent possible given available vehicle descriptions. However, MAGIC does not capture the nuances of each vehicle’s intended usage. Therefore, while the following analysis provides a reasonable estimate of underutilized state vehicles, more information could be needed before disposing of or re-assigning each of these vehicles.

Underutilized State Vehicles

While BFM’s manual suggests that it is likely more economical for agencies to reimburse their employees for mileage when those employees drive less than 15,000 miles per year, PEER conducted an analysis to determine the breakeven mileage per vehicle in FY 2025, in which the cost of operating a state vehicle equals the cost of reimbursing mileage. Based on available data, the average cost to operate a state vehicle in FY 2025 was \$6,024, as shown in Exhibit 1 on page 5. Using the 2025 mileage reimbursement rate of \$0.70 per mile, PEER calculated the average number of reimbursed miles that equals the average annual cost of operating a state vehicle, which was 8,606 miles.

PEER calculated a breakeven mileage per vehicle of 8,606 miles, which represents the mileage at which the estimated average cost of operating a state vehicle equals the average cost of reimbursing mileage for an employee’s use of a personal vehicle for business.

PEER notes that the breakeven mileage per vehicle of 8,606 miles driven provides for a more conservative estimate of underutilization when compared to BFM’s guideline of 15,000 miles.

Based on the breakeven mileage per vehicle, PEER determined that 1,856 vehicles excluding law enforcement were underutilized (i.e., driven less miles than 8,606 miles) in FY 2025. See Exhibit 1 on page 5.

Forty-five state agencies have at least one vehicle that is potentially underutilized. Five agencies have at least 100 potentially underutilized vehicles:

- Department of Transportation;
- Wildlife, Fisheries, and Parks;
- Department of Public Safety;
- Department of Corrections; and,
- Ellisville State School.

Exhibit 1: Cost to Operate a State Vehicle in FY 2025, Breakeven Mileage, and Estimated Number of Underutilized Vehicles

Five-Year Depreciation of an Average Priced State Vehicle Under \$50,000	\$4,668
Average Annual Fuel Cost	\$964
Average Annual Preventative Maintenance Cost	\$392
Total Cost to Operate a State Vehicle in FY 2025	\$6,024

Breakeven Mileage (i.e., the Number of Reimbursed Miles that Equals the Average Cost to Operate a State Vehicle in FY 2025)	8,606
Estimated Number of Underutilized State Vehicles	1,856

SOURCE: PEER analysis.

Estimated Cost Savings

In order to estimate how much money could be saved by reimbursing these employees for mileage instead of issuing state vehicles, PEER used data and information from BFM to determine the average cost to operate a state vehicle and compared that data to what the cost would have been using mileage reimbursement. In FY 2025, the estimated average cost to operate a state vehicle in FY 2025 was \$6,024,² which results in a cost of \$11,180,544 to operate the 1,856 underutilized vehicles in FY 2025. The cost of reimbursing mileage for these vehicles would have been \$5,008,416, using those vehicles average miles for FY 2025 and applying the 0.70 mileage reimbursement rate for 2025. Thus, state agencies’ costs for reimbursing mileage instead of operating these vehicles could have resulted in an estimated cost savings of \$6,172,128, as shown in Exhibit 2 on page 6.

To calculate the estimated additional revenue that could be generated from selling underutilized state vehicles, PEER requested data from DFA as to the revenue generated from disposing of vehicles through auction; however, DFA could not provide this information due to the lack of data available. Because the Mississippi Department of Transportation (MDOT) conducts its own tracking of vehicle disposals through auction, MDOT was able to provide PEER with reasonable data from which to make revenue estimates. MDOT disposed of 133 vehicles³ through action

² This number includes the following operational costs: \$4,668 (five-year depreciation of an averaged priced state vehicle below \$50,000); \$964 (average fuel cost for state vehicles driven under 15,000 miles); and, \$392 (average preventative maintenance cost for state vehicles driven under 15,000 miles). This number does not include costs for corrective repair (e.g., windshield or belt replacements). Additionally, insurance premiums were excluded because state agencies pay insurance to cover employees driving state vehicles and driving personal vehicles for business use; therefore, there are no additional insurance costs to operate a state vehicle.

³ This vehicle count only includes passenger vehicles such as pickup trucks, vans, and sedans, and does not include vehicles such as dump trucks, tractor trailers, or flatbed trucks.

during FY 2025 and received an average of \$3,622.48 per vehicle. Using this average, PEER estimates that if state agencies were to sell the underutilized vehicles, they could generate approximately \$6.7 million in revenue.

Exhibit 2: Estimated Cost Savings and Revenues Related to Underutilized State Vehicles

Estimated Cost of Operating 1,856 Underutilized State Vehicles	\$11,180,544
Estimated Cost of Reimbursing Mileage for These 1,959 Vehicles	\$5,008,416
Estimated Cost Savings from Utilizing Mileage Reimbursement in Lieu of Owning and Operating Underutilized State Vehicles	\$6,172,128
Estimated One-Time Revenues from Selling Underutilized State Vehicles	\$6,723,323

*The average miles driven for these vehicles in FY 2025 was 3,855 miles.

SOURCE: PEER analysis.

While PEER limited its analysis to trucks, vans, and sedans captured in MAGIC, and excluded inventory such as dump trucks and tractor trailers to the extent possible given available vehicle descriptions, MAGIC does not capture the nuances of each vehicle’s intended usage. Therefore, while PEER’s analysis suggests cost savings, PEER notes that some agencies may require that certain vehicles remain in the fleet even if they are driven fewer than the breakeven miles per vehicle of 8,606 annually. For example, some vehicles may be equipped with specialized equipment or configurations which may be critical in certain situations but not utilized consistently.

Potential Cost Savings Related to High Mileage Drivers

Nineteen state agencies reimbursed 496 employees for mileage exceeding 15,000 miles in FY 2025. If state agencies were to utilize state vehicles in lieu of reimbursing mileage for these employees, PEER estimates a cost savings of up to \$4.1 million annually.

State employees traveling on official state business in their private vehicles may be reimbursed for mileage according to DFA policy. BFM’s *Fleet Manual* suggests that it is more economical for a person to drive his or her personal vehicle for 15,000 miles or less in a single year and be reimbursed for mileage, meaning that a person driving his or her personal vehicle over 15,000 miles and being reimbursed is likely not the most economical option. Given this standard, PEER used data in the Mississippi Executive Resource Library and Information Network (MERLIN) to determine the number of state agencies and employees using the less economical option.

496 state employees received mileage reimbursements totaling approximately \$7 million in FY 2025.

PEER determined that 19 state agencies reimbursed 496 employees for mileage exceeding 15,000 miles⁴ during FY 2025 at a cost of \$6,983,464.15. The two agencies with the highest number of employees receiving reimbursement for over 15,000 miles were Mississippi Child Protection Services (263 employees) and the Mississippi State Department of Health (97 employees); those agencies accounted for 73% of the high mileage drivers.

In order to determine how much money could have been saved had those employees used a state-owned vehicle rather than being reimbursed, PEER created a cost savings estimate utilizing information available for FY 2025. Using data and information from DFA BFM, PEER estimates the average cost to operate a state vehicle to be \$5,757.26.

If the 496 employees had been utilizing state vehicles rather than receiving mileage reimbursement, PEER estimates that the cost to operate those vehicles for one year would have been \$2,855,600.96. This represents a cost savings of \$4,127,863.19. (See Exhibit 3 on page 7.)

PEER notes that some agencies may benefit from re-assigning underutilized vehicles to these employees rather than purchasing new vehicles.

Exhibit 3: Estimated Cost Savings Related to High Mileage Drivers

Actual FY 2025 Mileage Reimbursement Cost for 496 Employees Driving Over 15,000 Miles	\$6,983,464
Estimated Annual Cost of Operating 496 State Vehicles	\$2,855,601
Estimated Cost Savings for Agencies Operating State Vehicles Rather Than Reimbursing High Mileage Drivers	\$4,127,863

SOURCE: PEER analysis.

Including cost savings related to both underutilized vehicles and high mileage drivers, potential cost savings total approximately \$10.6 million.

⁴ MERLIN captures total dollars reimbursed to each employee rather than total miles driven. PEER used the mileage reimbursement rate to determine that \$10,050 in mileage reimbursement represents approximately 15,000 miles driven. Thus, PEER identified employees in MERLIN who were paid over \$10,050 for mileage in FY 2025.

Cellular Services: Opportunities for Cost Savings

All state agencies must procure cellular services through vendors approved by the Mississippi Department of Information Technology Services (ITS). In FY 2025, Mississippi state agency costs for cellular services totaled approximately \$8.3 million. Based on average data usage information provided to ITS by the state's cellular service vendors, there are opportunities for cost savings of up to \$1.6 million from state agencies converting to lower cost service plans that align with average cellular data usage.

For this analysis, ITS facilitated data requests for cellular expenditure and statistical information with both of the state's cellular service vendors (i.e., C Spire and AT&T) for FY 2025. According to ITS, it sought to evaluate agency cellular billing with a focus on identifying opportunities for cost savings and operational efficiencies. To support that effort, ITS requested a comprehensive report, broken down by agency, for the billing period of July 1, 2024, through June 30, 2025, from each vendor with usage information by device type and plan. ITS also sought information regarding overall state usage and guidance on best practices for managing cellular plans in a cost-effective manner.

Procurement Requirements for Cellular Services

MISS. CODE ANN. Section 25-53-191 (1972) requires ITS to negotiate lowest and best pricing with vendors for state agencies to acquire cellular phone equipment and service plans. ITS has a Master Cellular Agreement with two vendors which agencies must use for procuring all cellular equipment and services—AT&T and C Spire.

MISS. CODE ANN. Section 25-53-191 (1972) requires ITS to develop a list of approved vendors and to promulgate a model acceptable use policy defining the appropriate use of all wireless communication devices. Because state agencies must use an ITS-approved vendor, agencies are not authorized to conduct a separate procurement for cellular devices or service plans, unless exempted under MISS. CODE ANN. Section 25-53-191 (7) and (8).

MISS. CODE ANN. Sections 25-53-191 (4) and (6) essentially direct ITS to negotiate contracts with vendors based on lowest and best pricing for state agencies to acquire cellular phone equipment and service plans at the lowest cost possible to meet the agency's specific business needs.

ITS issued an RFP in December 2015 and negotiated a Master Cellular Agreement with AT&T and C Spire. The Agreement has been renewed with both vendors through August 31, 2029. Per the Agreement:

State agencies and public universities purchasing cellular devices and services for agency officers or employees must use this award, following this Instructions for Use Memorandum. Miss. Code Ann. § 25-53-191 (6) requires the selection of the lowest cost cellular...device which will carry out its intended use.

By requiring ITS to utilize an RFP process incorporating lowest and best pricing, and by limiting the number of contracts with cellular service providers, the state is better positioned to provide state agencies with access to cellular service plans that are reasonably priced and presumably at a lower cost than if a state agency conducted its own procurement.

FY 2025 State Agency Cellular Cost

In FY 2025, state agency cellular costs totaled approximately \$8.3 million, including contract or monthly service plan costs (i.e., recurring fees for calls, text, and data). According to ITS, smart phone devices are provided at no extra cost.

In accordance with ITS’s Master Cellular Agreement, smart phone devices are provided at no extra cost to state agencies. Thus, costs associated with smart phones are for cellular service contracts and service plans (i.e., recurring monthly fees for calls, texts, and data).

Based on the data it received from both state contract vendors, ITS reported state agency cellular service and contract costs totaled approximately \$8.3 million during FY 2025.⁵ According to ITS, cost information excludes equipment cost, as all smart phone devices are provided free with a contract to state agencies. Equipment costs associated with data only devices would need to be provided by each agency.

ITS reported state agencies owned approximately 19,700 devices including 10,165 smart phones and 9,514 data only devices (e.g., tablets, trackers, MIFI portable internet hotspots) in FY 2025. Smart phones constituted 52% of devices and 66% of agency costs, as shown in Exhibit 4 on page 9.

Exhibit 4: Cellular Costs Reported by State Contract Vendors for FY 2025

Device Type	Number of Devices	Percent of Devices	Total Cost	Percent of Cost
Smart Phones	10,165	52%	\$5,461,088	66%
Data Only Devices	9,514	48%	\$2,837,938	34%
Total	19,679	100%	\$8,299,026	100%

SOURCE: Cellular provider data, Department of Information Technology Services calculations and PEER analysis.

⁵ Cellular providers reported costs based on each agency’s contractual monthly subscription (i.e., service plan) rates. ITS calculated total cost for the year by annualizing monthly service plan costs. Therefore, cost figures are calculated estimates based on annualized service plan rates and do not represent actual incurred expenditures (i.e., cost excludes equipment, overage fees, surcharges, taxes, etc.).

The current plans available to state agencies for cellular services are voice only, data-only, and combined voice and data plans with unlimited and shared or “pooled” usage options.⁶ All unlimited smart phone plans include unlimited voice and data. Both vendors offer unlimited enhanced plans with hotspot capability and less expensive standard plans without hotspot capability. There are also lower contract rates for public safety agencies.

The majority of smart phones and data only devices are enrolled in unlimited plans. As shown in Exhibit 5 on page 10, approximately 77% of devices are on unlimited plans compared to only 23% of devices enrolled in shared or pooled plans.⁷

Exhibit 5: Service Plans by Device Type for FY 2025

Device Type	Total Number of Devices	Devices with Unlimited Plans	Percent Unlimited	Devices with Shared/ Pooled Plans	Percent Shared/ Pooled	Total
Smart Phones	10,165	9,069	89%	1,096	11%	100%
Data Only Devices	9,514	6,162	65%	3,352	35%	100%
All Devices	19,679	15,231	77%	4,448	23%	100%

SOURCE: Cellular provider data, Department of Information Technology Services calculations and PEER analysis.

Potential Cost Savings for Cellular Services

By state agencies primarily converting to lower cost service plans that better align with data usage, the state could save up to approximately \$1.6 million annually. Additional savings of up to \$252,429 could be achieved due to potential hotspot downgrades.

Upon request, the state’s cellular service vendors provided to ITS average monthly data usage by device. To calculate potential cost savings, ITS compared current plan rates to the lowest available plan rate based on each device’s average monthly data usage.

⁶ Shared plans feature pooled minutes and data and tiered pricing plans based on usage (e.g., 100 minutes and 3 GB). These plans are subject to overage fees for exceeding plan allowances for minutes or data usage.

⁷ Pooled or shared plans allow multiple lines to share a collective pool of data or minutes under a single billing account and a base rate is charged per device.

As shown in Exhibit 6 on page 11, total savings opportunities with both vendors could be up to \$1,594,461.90, primarily by converting 13,348 (68%) of eligible smart phones and data only devices from unlimited plans to lower cost pooled or shared plans.

Exhibit 6: Summary of Potential Cost Savings Opportunities for Cellular Services

Vendor & Device Type	Eligible Devices	Percent of Total Devices	Potential Savings
AT&T Smart Phones	3,484	89%	\$275,928.24
C Spire Smart Phones	4,817	77%	\$652,612.20
Smart Phones Total	8,301	82%	\$928,540.44
AT&T Data Only Devices	1,454	29%	\$207,731.40
C Spire Data Only Devices	2,862	65%	\$458,190.12
Data Only Devices Total	4,316	45%	\$665,921.52
GRAND TOTAL	12,617	64%	\$1,594,461.90

SOURCE: Cellular provider data, Department of Information Technology Services calculations and PEER analysis.

Exhibits 7 through 10 on pages 13 through 16 detail the potential savings by vendor and plan type. Examples of savings include the following:

- Exhibit 7 on page 13 shows that converting 305 (47%) of eligible AT&T smart phones on unlimited non-public safety plans with various current plan prices to lower priced pooled plans with varied tiered pricing could result in potential savings of \$85,188.24.
- Exhibit 8 on page 14 shows that converting 4,817 (77%) of eligible C Spire smart phone devices with various current monthly plan prices to lower priced pooled plans (and some devices to unlimited plans) with varied tiered pricing could result in potential savings of \$652,612.20.
- Exhibit 9 on page 15 shows that converting 400 eligible AT&T data only public safety devices and 1,054 eligible non-public safety data only devices (a total of 1,454 devices or 29%) on unlimited plans with various current monthly plan prices to lower priced pooled plans with varied tiered pricing could result in savings of \$29,208 and \$178,523.40 respectively.
- Exhibit 10 on page 16 shows that converting 2,862 (65%) of eligible C Spire data only devices on unlimited plans with various current monthly plan prices to lower priced pooled

plans with varied tiered pricing the total potential savings for C Spire data only devices could be up to \$458,190.12.

PEER also calculated savings of up to \$252,429 on both vendor's smart phone plans due to potential hotspot downgrades.

PEER notes that two agencies—the Mississippi Department of Health and the Institutions of Higher Learning (including the central office and various universities)—have the potential to save over \$200,000 annually.

ITS offered the following recommendations regarding ways for agencies to maximize cost savings:

- **Leverage Contract Pricing:** Both plan types are available at negotiated rates under the state contract. There are annual promotional offerings during the year, and agencies are encouraged to re-solicit quotes. Longer-term multi-year plans are now available which provide deeper discounts and cost savings.
- **Monitor Usage:** Regularly review group usage to adjust pool size and avoid overages. Both vendors have tools that help monitor usage. AT&T Control Center (for data only devices) provides real-time dashboards, alerts, analytics and AT&T has a portal to view data for smart phones. C Spire offers a mobile management platform which provides usage reports, notifications, and pool management. C Spire meets with agencies on a quarterly basis and provides a rate plan analysis to each agency.
- **For Large, Mixed Groups:** Pooled plans can save significantly if most users are moderate/low users.
- **For Heavy Users:** Unlimited plans prevent overage fees associated with shared or pooled plans for exceeding minutes or data plan allowances.

Exhibit 7: Potential Cost Savings for AT&T Smart Phone Plans

Plan Type	Number of Devices Currently Subscribed	Current Monthly Plan Cost	Potential Monthly Plan Cost	Monthly Difference	Annual Per Device Savings	Number of Devices Eligible Based on Usage	Annual Savings
FirstNet Unlimited Enhanced (Public Safety Only) (with hotspot)	3,179	\$44.99	\$39.99 (due to downgrade only)	\$5.00	\$60	3,179	\$190,740 ⁸
FirstNet Unlimited Standard (Public Safety Only) (no hotspot)	104	\$39.99	N/A (Lowest Cost Unlimited Plan)	N/A	N/A	N/A	N/A
Total FirstNet Plan Devices (Public Safety Only)	3,283					3,179	\$190,740
Government Unlimited Enhanced (with hotspot)	434	\$59.99	N/A	N/A	N/A	N/A	N/A
Government Unlimited Standard (no hotspot)	218	\$49.99	N/A (Lowest Cost Unlimited Plan)	N/A	N/A	N/A	N/A
Government Pooled Plans (6 tiers) (100, 200 & 400 minutes and 3, 5 & unlimited GB)	1	\$37.99 - \$80.00	\$30.99 - \$41.99	\$2.00 - \$49.01	\$24.00 - \$588.12	305	\$85,188.24
Total Government Plan Devices (Non-Public Safety)	653					305	\$85,188.24
AT&T Total Devices	3,936					3,484	\$275,928.24

SOURCE: Cellular provider data, Department of Information Technology Services average monthly usage and potential savings calculations, and PEER analysis.

⁸ Calculated by ITS because the standard plan without hotspot was the only lower priced public safety unlimited plan available for comparison.

Exhibit 8: Potential Cost Savings for C Spire Smart Phone Plans

Plan Type	Number of Devices Currently Subscribed	Current Monthly Plan Cost	Potential Monthly Plan Cost	Monthly Difference	Annual Per Device Savings	Number of Devices Eligible Based on Usage	Annual Savings
Government Unlimited Enhanced (with hotspot)	2,411	\$47.88	N/A	N/A	N/A	N/A	N/A
Government Unlimited Enhanced (Public Safety Only) (with hotspot)	2,432	\$43.49	N/A	N/A	N/A	N/A	N/A
Government Unlimited Standard (no hotspot)	138	\$47.88	\$44.99	\$2.89	\$34.68	201	\$6,970.68
Government Unlimited Standard (Public Safety Only) (no hotspot)	137	\$39.49	N/A (Lowest Cost Unlimited Plan)	N/A	N/A	N/A	N/A
Total Government Unlimited Plan Devices	5,118					201	\$6,970.68
Government Precision Unlimited Pooled Plans (4 Tiers) (2, 4, 6 and 8 GB)	1,014	\$33.99 - \$60.00	\$32.00 - \$37.00	\$1.99 - \$23.00	\$23.88 - \$276.00	4,616	\$645,641.52
Other Data Plans⁹	97	N/A	N/A	N/A	N/A	N/A	N/A
C Spire Total Devices	6,229					4,817	\$652,612.20

SOURCE: Cellular provider data, Department of Information Technology Services average monthly usage and potential savings calculations, and PEER analysis.

⁹ ITS defined "Other Data Plans" as unique plans for which a direct rate comparison to standard categorized offerings could not be made.

Exhibit 9: Potential Cost Savings for AT&T Data Only Device Plans

Plan Type	Number of Devices Currently Subscribed	Current Monthly Plan Cost	Potential Monthly Plan Cost	Monthly Difference	Annual Per Device Savings	Number of Devices Eligible Based on Usage	Annual Savings
FirstNet Unlimited (Public Safety Only)	858	\$36.99	N/A (Lowest Cost Unlimited Plan)	N/A	N/A	N/A	N/A
FirstNet Pooled (Public Safety Only) (2 GB)	0	\$36.99 - \$44.99	\$31.00	\$5.99 - \$13.99	\$71.88 - \$167.88	400	\$29,208.00
Other Data Plans ¹⁰	364	N/A	N/A	N/A	N/A	N/A	N/A
Total FirstNet Plan Devices (Public Safety Only)	1,222					400	\$29,208.00
Government Unlimited Enhanced (No throttling) ¹¹	1,011	\$37.99	N/A	N/A	N/A	N/A	N/A
Government Unlimited Standard (Potential throttling)	437	\$33.99	N/A (Lowest Cost Unlimited Plan)	N/A	N/A	N/A	N/A
Government Pooled Plans (2 Tiers) (2 – 5 GB)	0	\$25.00 - \$70.00	\$20.00 - \$33.00	\$0.99 - \$37.00	\$11.88 - \$444.00	1,054	\$178,523.40
Other Data Plans	2,422	N/A	N/A	N/A	N/A	N/A	N/A
Total Government Plan Devices (Non-Public Safety)	3,870					1,054	\$178,523.40
AT&T Total Devices	5,092					1,454	\$207,731.40

SOURCE: Cellular provider data, Department of Information Technology Services average monthly usage and potential savings calculations, and PEER analysis.

¹⁰ ITS defined “Other Data Plans” as unique plans for which a direct rate comparison to standard categorized offerings could not be made.

¹¹ “Throttling” is the intentional slowing of the network for high data users (e.g., from congestion at large public events) to prevent overuse and ensure stability for all users.

Exhibit 10: Potential Cost Savings for C Spire Data Only Device Plans

Plan Type	Number of Devices Currently Subscribed	Current Monthly Plan Cost	Potential Monthly Plan Cost	Monthly Difference	Annual Per Device Savings	Number of Devices Eligible Based on Usage	Annual Savings
Government Unlimited	3,522	\$33.99	N/A (Lowest Cost Unlimited Plan)	N/A	N/A	N/A	N/A
Government Precision Pooled (4 Tiers) (2, 4, and 6 GB)	482	\$20.00 - \$47.88	\$17.50 - \$31.50	\$2.49 - \$30.38	\$29.88 - \$364.56	2,862	\$458,190.12
Other Data Plans ¹²	418	N/A	N/A	N/A	N/A	N/A	N/A
C Spire Total Devices¹³	4,422					2,862	\$458,190.12

SOURCE: Cellular provider data, Department of Information Technology Services calculations and PEER analysis.

TOTAL COST SAVINGS FOR BOTH VENDORS (ALL DEVICES) = \$1,594,462

PEER notes that additional cost savings of up to \$252,429 could be achieved due to potential hotspot downgrades.

¹² ITS defined "Other Data Plans" as unique plans for which a direct rate comparison to standard categorized offerings could not be made.

¹³ C Spire offers a data priority feature at no additional charge instead of lower rates for public safety agency data only devices.

Shared Space and Shared Services: Opportunities for Cost Savings

Under shared space agreements, agencies have the opportunity to co-locate in spaces where common space (e.g., conference rooms) can be shared. PEER estimates a potential cost savings between \$459,285 and \$632,535 in lease payments by co-locating 17 state agencies into a building in downtown Jackson. Further, PEER estimates a potential cost-savings of \$2.3 million by eliminating unfilled positions in these co-located agencies and utilizing shared staff to perform critical functions across those agencies (e.g., administrative or investigative services).

In recent years, PEER has addressed the issue of shared office space for agencies as a means of reducing the costs associated with the leasing of office space, such as in PEER Report No. 609 titled, *Potential Cost Savings from Increasing the Utilization of State Property and Shared Support Services*. Under shared space arrangements, agencies have the opportunity to co-locate in spaces where common space can be shared. Common space includes board rooms, conference rooms, reception areas, and break rooms. Smaller agencies such as professional regulatory boards are good candidates for such arrangements as they must provide space for their boards to use at monthly business meetings and matters related to the discipline of license holders. However, aside from these occasional meetings, those spaces sit empty and unused for the vast majority of the board's day-to-day operations. PEER reviewed lease information for several of these agencies in order to determine whether these entities could be located in the same place to save money for the state.

An additional aim of this project is to determine how much money could be saved if these agencies were to also enter into a shared services agreement. These services could be the investigators, the administrative staff who schedule meetings and perform additional support for the agency, or the employees who function as public-facing workers. This would lead to further space saving by eliminating redundant positions, while lowering the financial strain on general and special funds. While conserving funds is the primary goal of this project, a secondary benefit to the state would be shifting agencies back to the downtown Jackson area, which would help to centralize state government and revitalize the area around the capitol. This project is highly modular, and many factors could be changed according to state priorities. Agencies and boards could be added or subtracted, additional positions could be consolidated, and entire sections of the project can be tailored to fit the best interests of Mississippi.

State Agency and Board Co-Location

PEER identified 17 state agencies that could reasonably co-locate in a single space. Sixteen of these agencies are currently leasing more space than is suggested under DFA's best practices recommendations.

PEER identified 17 state agencies that would be strong candidates for this project, as listed in Exhibit 11 on page 18.

Exhibit 11: State Agencies with Potential to Co-Locate

Board of Architecture
Board of Contractors
Board of Dental Examiners
Board of Examiners for Licensed Professional Counselors
Board of Funeral Service
Board of Medical Licensure
Board of Nursing
Board of Nursing Home Administrators
Board of Optometry
Board of Pharmacy
Board of Physical Therapy
Board of Public Accountancy
Department of Banking and Consumer Finance
Motor Vehicle Commission
Oil and Gas Board (not special fund, 50% federally funded)
Real Estate Commission
Soil and Water Conservation Commission (not special fund, 95% federally funded)

SOURCE: PEER analysis.

Of these agencies, 16 (excluding the Department of Banking and Consumer Finance) are currently leasing far more space than is suggested under DFA’s best practices recommendations. DFA

regulations state that the optimal amount of space for a board or agency is anywhere from 175 to 225 square feet per employee, but the small staff requirements of these boards combined with their need for a large board room means most organizations are leasing space in excess of this recommendation. While the actual cost per square foot is low, the total amount of space that is rented results in higher overall costs to the agency when considering the number of employees. Therefore, the state could exhibit cost savings by consolidating space even with a higher cost per square foot.

To illustrate this point, the Board of Public Accountancy currently rents 2,900 square feet of space at a price of \$13.00 per square foot, leading to a total annual cost of \$37,700. Because the Board of Public Accountancy only has five employees listed by the Mississippi State Personnel Board, it is effectively paying for 580 square feet per employee, which is anywhere from 2.5 to 3.3 times as much space as DFA recommends. By meeting DFA recommendations, the Board of Public Accountancy could lower its expenses by \$18,020-\$22,388 annually.

Potential Cost Savings Related to Shared Space

If 17 selected state agencies were to re-locate to available office space in the downtown Jackson area, PEER estimates an annual cost savings of between \$459,285 and \$632,535 in lease expenses.

Based on discussions with DFA, PEER learned that there is currently no significant state-owned office space that could accommodate co-locating agencies. DFA suggested that there is rental space available in Jackson that could conceivably be leased at rates that are favorable to state government. PEER's challenge was to determine if the costs of leasing this downtown space is a worthwhile investment by comparing and contrasting the current leases against hypothetical downtown Jackson leases.

PEER's research determined that there is available space in downtown Jackson. Exhibit 12 on page 20 shows current and possible future expenditures if certain agencies are co-located in a space at a lease price of \$17.50 per square foot and the agencies adhere to a DFA recommended maximum or minimum square footage standards for staff.

Exhibit 12: Potential Cost Savings on Lease Expenditures for Selected Agencies

Board/Agency	Square Footage	Annual Rent	Cost per Square Foot	Number of Employees	Square Footage per Employee	Cost per Employee
Board of Architecture	1,218	\$26,796.00	\$22.00	2	609	\$13,398.00
Board of Contractors	5,958	\$104,265.00	\$17.50	18	331	\$5,792.00
Board of Dental Examiners	4,682	\$81,560.44	\$17.41	8	585	\$10,195.00
Board of Examiners for Licensed Professional Counselors	2,000	\$26,000.04	\$13.00	2	1,000	\$13,000.00
Board of Funeral Service	2,000	\$32,461.20	\$16.00	2	1,000	\$16,230.00
Board of Medical Licensure	10,937	\$147,650.00	\$13.50	30	364	\$4,921.00
Board of Nursing	14,616	\$219,240.00	\$14.67	36	406	\$6,090.00
Board of Nursing Home Administrators	1,133	\$16,440.00	\$14.51	2	566	\$8,220.00
Board of Optometry	1,900	\$21,600.00	\$11.37	1	1,900	\$21,600.00
Board of Pharmacy	10,422	\$171,963.00	\$16.50	20	521	\$8,598.00
Board of Physical Therapy	2,100	\$26,250.00	\$12.50	3	700	\$8,750.00
Board of Public Accountancy	2,900	\$37,700.00	\$13.00	5	580	\$7,540.00
Motor Vehicle Commission	1,733	\$25,358.00	\$14.60	3	577	\$8,452.00
Oil and Gas Board	18,592	\$225,892.80	\$12.15	35	531	\$6,454.00
Real Estate Commission	8,700	\$128,325.00	\$14.75	16	544	\$8,020.00
Soil and Water Conservation Commission	5,056	\$78,469.08	\$15.50	15	337	\$5,231.00
TOTAL (Current)	93,947	\$1,238,909.56	N/A	N/A	N/A	N/A
OPTIMAL (DFA Maximum Recommendation)	44,550	\$779,625.00	\$17.50	198	225	\$3,937.00
Savings/Improvements (Maximum Square Footage)	49,397	\$459,284.56	N/A	N/A	250	\$2,982.00
OPTIMAL (DFA Minimum Recommendation)	34,650	\$606,375.00	\$17.50	198	175	\$3,062.00
Savings/Improvements (Minimum Square Footage)	59,297	\$632,534.56	N/A	N/A	300	\$3,857.00

NOTE: The Department of Banking and Consumer Finance, despite being a candidate for this project, was not included in this analysis because it currently falls within DFA's space recommendations.

SOURCE: PEER analysis.

PEER also conducted research to ensure that there would be adequate space in the downtown Jackson area to accommodate these organizations. According to LoopNet and Pinpoint, two sites that provide commercial rental information, one building currently has over 100,000 square feet of rental space available. This space is divided into several suites or floors, but there are three unified “blocks” that would provide adequate space to the agencies identified in this report. They are divided into the listings from their respective websites, because there are minor variations between the two. Additionally, LoopNet lists space that is coming available within the next 60 days, while Pinpoint only shows currently available space.

Block One, Ste. 300-600 (LoopNet)

- Third floor, Ste. 300 (20,683 square feet)
- Fourth floor, Ste. 400 (13,496 square feet)
- Fifth floor, Ste. 500 (14,349 square feet)
- Sixth floor, Ste. 600 (14,349 square feet)

Total: 62,877 square feet

Block Two, Ste. 1600-1910 (LoopNet)

- Sixteenth floor, Ste. 1600 (14,200 square feet)
- Seventeenth floor, Ste. 1700 (14,200 square feet)
- Eighteenth floor, Ste. 1800 (8,476 square feet)
- Nineteenth floor, Ste. 1910 (6,837 square feet)

Total: 43,713 square feet

Block Two, Ste. 1600-1910 (Pinpoint)

- Sixteenth floor, Ste. 1600 (15,238 square feet)
- Seventeenth floor, Ste. 1700 (15,238 square feet)
- Eighteenth floor, Ste. 1800 (8,476 square feet)
- Nineteenth floor, Ste. 1910 (6,837 square feet)

Total: 45,789 square feet

Any option, regardless of their slight differences, could accommodate the previously discussed boards and agencies. While it is not essential for the boards to be located close together, it would make it the goal of shared space simpler. An office could be located downstairs from a shared board room, rather than having to take an elevator across multiple floors to reach a shared space.

This consolidation project stands to save an estimated \$459,285 (with maximum square footage recommendations) to \$632,535 (with minimum square footage recommendations) annually on rent. The Department of Banking and Consumer Finance, despite being a candidate for this project, was not included in the initial analysis because it currently falls within DFA space recommendations.

Potential Cost Savings Related to Shared Services

PEER estimates an additional potential cost-savings of \$2.3 million by eliminating unfilled positions across the 16 co-located agencies and requiring those agencies to utilize shared staff to perform critical functions (e.g., administrative services). Additional savings could be achieved through consolidation of contracts for similar services (e.g., accounting).

In addition to shared space, PEER researched the potential for shared services. Using data provided by the Mississippi State Personnel Board, PEER identified several categories of jobs that are common throughout these organizations. Core operations, administrative, and consumer service positions are the three areas that would benefit the most from this service-sharing analysis. It is likely that the state could reduce some of these positions, due to the fact that there are undoubtedly parallel positions between the staffs of two or more boards.

For instance, many of these organizations have investigators who are responsible for ensuring that licensed individuals are not violating their professional duties. Medical licensure, nursing, and dental examiners are all examples of boards that utilize investigators in this way. Since all three of these boards are part of the medical field, they could pool investigators rather than each board having its own independent investigation wing.

The focus of this analysis is broad, and there are multiple efficiencies that could be enacted. Administrative staff, rather than handling scheduling for each individual board, can perform critical administrative functions for all of these boards. Legal teams can share resources so long as they have similar core functionalities. A proper analysis into this subject would require a much deeper dive into the actual job functions that each board's staff perform, to identify areas where this theoretical improvement can become literal.

To illustrate this theoretical improvement, PEER identified which select positions at these 17 boards and agencies are filled and which are currently unfilled. Then, the average salary of these positions was calculated and compared against each other, which resulted in a significant reduction in expenditures across the board. By eliminating unfilled core operations, administrative, and customer support positions, these 17 boards stand to save \$2,281,473 annually, out of a total salary budget of \$19,724,580. (See Exhibit 13 on page 23.)

Exhibit 13: Potential Cost Savings from Eliminating Unfilled Positions in Select Agencies

Board/Agency	Core Operations	Administrative	Customer Service	Total
Board of Architecture	0	1	0	1
Board of Contractors	8	2	5	15
Board of Dental Examiners	3	0	2	5
Board of Examiners for Licensed Professional Counselors	0	0	1	1
Board of Funeral Service	0	0	1	1
Board of Medical Licensure	15	2	6	23
Board of Nursing	21	7	4	32
Board of Nursing Home Administrators	0	0	1	1
Board of Optometry	0	0	0	0
Board of Pharmacy	12	2	3	17
Board of Physical Therapy	1	0	1	2
Board of Public Accountancy	4	0	0	4
Motor Vehicle Commission	1	0	1	2
Oil and Gas Board	15	14	0	29
Real Estate Commission	4	8	1	13
Soil and Water Conservation Commission	15	1	0	16
Department of Banking and Consumer Finance	69	7	0	76
Total Current Employees (Filled)	141	36	22	199
Total Maximum Employees (Filled and Unfilled)	168	44	26	238
Average Salary	\$67,764	\$36,843	\$39,301	\$59,024
Total Current Salaries (Filled)	\$9,554,820	\$1,326,350	\$864,627	\$11,745,797
Total Maximum Salaries (Filled and Unfilled)	\$11,384,352	\$1,621,092	\$1,021,826	\$14,027,270
Total Potential Savings	\$1,829,532	\$294,742	\$157,199	\$2,281,473

SOURCE: PEER analysis.

Contract Services Sharing

A final ancillary benefit is that these agencies all employ contractors, though each agency has its own specific needs. PEER has identified several categories that could be consolidated, such as accounting, legal, and investigative services. Most boards or agencies utilize contractors because they do not have enough work for a full-time employee, but with shared services the need for contractors decreases. To illustrate this point, PEER analyzed contracts being performed by Cornerstone Consulting LLC, who have had years of contract work with Mississippi state agencies. Nine of the 17 boards included in this chapter currently have a contract with Cornerstone. Another two have used them within the past five years. The total value of the contracts is \$270,200 annually, as shown in Exhibit 14 on page 24. This represents an area in which savings could be achieved if these agencies were sharing contract services and expenses. Additional savings could be achieved when applied to the multitude of other contract types being utilized by boards and agencies.

Exhibit 14: Cornerstone Consulting Contract Amounts Across Selected Agencies

Board/Agency	Contract Amount
Board of Contractors	\$25,000
Board of Dental Examiners	\$50,000
Board of Examiners for Licensed Professional Counselors	\$18,200
Board of Nursing	\$50,000
Board of Nursing Home Administrators	\$14,000
Board of Optometry	\$20,000
Board of Pharmacy	\$48,000
Board of Physical Therapy	\$25,000
Board of Public Accountancy	\$20,000
Total	\$270,200

SOURCE: PEER analysis.

Sales Tax Discounts to Retailers: Opportunity for Cost Savings

MISS. CODE ANN. Section 27-65-33 (b) (1972) provides multiple sales tax discounts to retailers, essentially rewarding those retailers for complying with Mississippi state law. By eliminating this discount, the state could generate additional revenues of approximately \$18 million annually for the General Fund.

MISS. CODE ANN. Section 27-65-33 (b) provides a sales tax discount to retailers. This section states:

(b) As compensation for collecting sales and use taxes, complying fully with the applicable statutes, filing returns and supplements thereto and paying all taxes by the twentieth of the month following the period covered, the taxpayer may discount and retain two percent (2%) of the liability on each return subject to the following limitations:

(i) The compensation or discount shall not apply to taxes levied under the provisions of Sections 27-65-19 and 27-65-21, or on charges for ginning cotton under Section 27-65-23.

(ii) The compensation or discount shall not apply to taxes collected by a county official or state agency.

(iii) The compensation or discount shall not exceed Fifty Dollars (\$50.00) per month, or Six Hundred Dollars (\$600.00) per calendar year, per business location on each state sales tax return, or on each use tax return.

(iv) The compensation or discount shall not apply to any wholesale tax, the rate of which is equal to or greater than the tax rate applicable to retail sales of the same property or service. The retailer of such items shall be entitled to the compensation based on the tax computed on retail sales before application of the credit for any tax paid to the wholesaler, jobber or other person.

(v) The compensation or discount allowed and taken for any filing period may be reassessed and collected when an audit of a taxpayer's records reveals a tax deficiency for that period.

According to *The Annual Tax Expenditure Report* prepared by the State Economist,¹⁴ the annual impact of rewarding vendors for complying with the law is approximately \$18 million. Exhibit 15 on page 26 shows the actual cost to the state for allowing this discount, as reported by the Mississippi Department of Revenue.

¹⁴ The Annual Tax Expenditure Report, November 2024, University Research Center, Mississippi Institutions of Higher Learning, Jackson.

Exhibit 15: FY 2023 and FY 2024 Cost to State for Sales Tax Discounts to Retailers

Fiscal Year	Amount
FY 2023	\$17,871,493
FY 2024	\$17,980,220

SOURCE: Mississippi Department of Revenue.

This discount essentially rewards businesses for complying with the law. Individuals and businesses are expected to comply with state law without being compensated. Elimination of this discount could generate additional revenues of approximately \$18 million for the General Fund.

Film Incentive Program: Opportunity for Cost Savings

MISS. CODE ANN. Section 57-89-7 (1972) provides for a film incentive program in the state. Multiple reviews, including one conducted by PEER in 2015, have concluded that film incentive programs result in a negative return on investment. By eliminating this program, the state could generate additional revenues of approximately \$9 million for the General Fund.

Like many states, Mississippi has a film incentive program (the Mississippi Motion Picture Incentive Program). Specifically, MISS. CODE ANN. Section 57-89-7 (1972), provides:

(1) (a) A motion picture production company that expends at least Fifty Thousand Dollars (\$50,000.00) in base investment, payroll and/or fringes, in the state shall be entitled to a rebate of a portion of the base investment made by the motion picture production company. Subject to the provisions of this section, the amount of the rebate shall be equal to twenty-five percent (25%) of the base investment made by the motion picture production company.

(b) In addition to the rebates authorized under paragraphs (a), (c) and (d) of this subsection, a motion picture production company may receive a rebate equal to twenty-five percent (25%) of payroll and fringes paid for any employee who is not a resident and whose wages are subject to the Mississippi Income Tax Withholding Law of 1968. However, if the payroll and fringes paid for an employee exceeds Five Million Dollars (\$5,000,000.00), then the rebate is authorized only for the first Five Million Dollars (\$5,000,000.00) of such payroll and fringes.

(c) In addition to the rebates authorized under paragraphs (a), (b) and (d) of this subsection, a motion picture production company may receive a rebate equal to thirty percent (30%) of payroll and fringes paid for any employee who is a resident and whose wages are subject to the Mississippi Income Tax Withholding Law of 1968. However, if the payroll and fringes paid for an employee exceeds Five Million Dollars (\$5,000,000.00), then the rebate is authorized only for the first Five Million Dollars (\$5,000,000.00) of such payroll and fringes.

(d) In addition to the rebates authorized in paragraphs (a), (b) and (c) of this subsection, a motion picture production company may receive an additional rebate equal to five percent (5%) of the payroll and fringes paid for any employee who is an honorably discharged veteran of the United States Armed Forces and whose wages are subject to the Mississippi Income Tax Withholding Law of 1968.

(e) Base investment, payroll and/or fringes for which a rebate may be requested under this section:

(i) may not be used or included for the purpose of satisfying any minimum investment required in order to be eligible for a rebate under Section 57-

89-51 and (ii) may not be used for and shall not be eligible for any rebate authorized under Section 57-89-51.

(f) If a motion picture has physical production activities and/or post-production activities both inside and outside the state, then the motion picture production company shall be required to provide an itemized accounting for each employee regarding such activities inside and outside the state for the purposes of proration of eligible payroll based on the percentage of activities performed in the state.

(g) The total amount of rebates authorized for a motion picture project shall not exceed Ten Million Dollars (\$10,000,000.00) in the aggregate.

(h) The total amount of rebates authorized in any fiscal year shall not exceed Twenty Million Dollars (\$20,000,000.00) in the aggregate.

(2) A motion picture production company desiring a rebate under this section must submit a rebate request to the Department of Revenue upon completion of the project. The request must include a detailed accounting of the base investment made by the motion picture production company and any other information required by the Department of Revenue. Rebates made by the Department of Revenue under this section shall be made from current income tax collections. The Department of Revenue shall not approve any application for a rebate under subsection (1)(b) of this section after July 1, 2017.

(3) The Department of Revenue shall have all powers necessary to implement and administer the provisions of this section, and the Department of Revenue shall promulgate rules and regulations, in accordance with the Mississippi Administrative Procedures Law, necessary for the implementation of this section.

(4) The State Auditor may conduct performance and compliance audits under this article according to Section 7-7-211(o) and may bill the oversight agency.

In 2015, PEER produced a report on the state's film tax incentive program. The report, *An Evaluation of the Effectiveness of the Mississippi Film Office* (Report #602, December 15, 2015) noted:

PEER worked with the State Economist's Office to project the economic impact of the Mississippi Film Office's incentive program. According to PEER's calculations, for fiscal years 2010 through 2015, the MFO's incentive program returned approximately forty-nine cents for every dollar invested, a loss of fifty-one cents on the dollar.

While PEER has not updated its analysis of this program, we note that tax incentive programs elsewhere have returns that raise similar concerns. In a recent article from *Governing Magazine*,¹⁵ the author reported:

An analysis from New York's Department of Taxation and Finance found that its film tax credits deliver underwhelming returns. For every dollar in tax breaks, the state receives around 15 cents in direct tax revenue. Taking into account jobs for people who don't work on productions but help feed or support them increases that

¹⁵ Zina Hutton, *The Payoff of State Film Tax Credits*, *Governing Magazine*, July 22, 2024.

number to 31 cents. "The film production credit is at best a break-even proposition and more likely a net cost to the state," the report concludes.

This is echoed in other states. Louisiana's tax credit program "does not generate enough state tax revenue to make up for the revenue that the state loses," according to an economist for the Louisiana Legislative Auditor.¹⁶

A Georgia audit notes that film tax credits "induces substantial economic activity" in the state,¹⁷ but cost taxpayers nearly \$1 billion annually, with a return of investment of only 19 cents per dollar spent.¹⁸ Other studies have been critical of film incentive programs' effectiveness in other jurisdictions.¹⁹

Based on information from the Mississippi Department of Revenue, Mississippi expended \$9,327,618 in rebates to film makers in FY 2024.

¹⁶ <https://www.audacity.com/wwl/news/local/hollywood-south-tax-credits-good-for-economic-development>.

¹⁷ <https://www.11alive.com/article/entertainment/television/programs/atlanta-business/georgia-film-tax-credit-incentive/85-e34cc8a2-e699-4a40-9928-2468000fe408>.

¹⁸ <https://variety.com/2023/biz/news/georgia-film-59000-subsidy-per-job-audit-1235838593/>.

¹⁹ <https://reinventalbany.org/2023/03/major-studies-show-film-and-tv-tax-credit-programs-create-little-payoff/>.

School District Operations: Opportunities for Cost Savings and Revenue Generation

School district administrators are responsible for spending millions of dollars annually on operational expenses. PEER contracted with Level Data to conduct reviews of Mississippi's FY 2023 school district operational programs and expenses. For the four areas of review with associated cost savings—finance and supply chain, nutrition, operations, and transportation programs—Level Data identified potential savings of up to \$74 million and potential revenue generation of up to \$13.6 million across 129 reporting school districts. If districts can increase their efficiency in these operational areas, funds could be made available for program improvements or for other key areas such as instruction.

School district administrators are responsible for spending millions of dollars annually on operational expenses. While operational expenses could be viewed as a secondary concern to instructional expenses, operational costs could escalate, possibly unnecessarily, without proper oversight and monitoring.

Beginning in FY 2023, the Legislature appropriated annual funds to PEER to contract with Level Data (formerly GlimpseK12) to study Mississippi school districts' operational programs and expenses. As of November 1, 2025, Level Data has reviewed 129 school districts, as listed in Appendix A on pages 38 and 39, and is in the process of reviewing the remaining 9 districts. PEER has released multiple reports for each cohort reviewed in six operational areas²⁰ and in the area of instruction. This chapter provides a summary of the following report areas and associated cost-savings opportunities, as shown in Exhibit 16 on page 31.

²⁰ Level Data reviewed the following six operational areas: finance and supply chain, human resources, information technology, nutrition, operations, and transportation.

Exhibit 16: Summary of Cost Savings and Revenue Generation Opportunities by Operational Area

Operational Area of Review	Potential Cost Savings	Potential Revenue Generation
<p><u>Finance and Supply Chain Programs</u></p> <ul style="list-style-type: none"> • Payroll costs • Accounts payable costs • Workers’ compensation costs 	Up to \$6 million	N/A
<p><u>Nutrition Programs</u></p> <ul style="list-style-type: none"> • Food costs • Labor costs • Breakfast and lunch participation rates 	Up to \$9 million	Up to \$13.6 million
<p><u>Operations Programs</u></p> <ul style="list-style-type: none"> • Custodial, maintenance, and groundskeeping costs • Use of electronic work order systems • Use of preventative maintenance and energy management programs • Use of annual facility assessments 	Up to \$52 million	N/A
<p><u>Transportation Programs</u></p> <ul style="list-style-type: none"> • Program costs • Program staffing • Bus route improvements 	Up to \$7 million	N/A
TOTAL	Up to \$74 million	Up to \$13.6 million

SOURCE: PEER analysis of information from Level Data (formerly GlimpseK12).

The PEER reports on these operational areas present data reported by school districts regarding benchmarks (e.g., utilization of a formal preventative maintenance program) and performance indicators (e.g., meals per labor hour). The reports also provide regional and national averages as a basis for comparison. District officials have the opportunity to review this information and seek ways to improve efficiency. Cost-savings are primarily dependent on districts with data indicating potential inefficiencies to improve their operations to the extent that they align with the state median on key indicators.

Finance and Supply Chain

Level Data identified potential savings of up to \$6 million in the area of finance and supply chain programs across 75 reporting school districts. Such savings could be achieved by districts reducing costs associated with payroll, accounts payable, and worker's compensation.

A review of the finance and supply chain programs for 129 Mississippi school districts in FY 2023 showed opportunities for districts to increase their efficiency. There was wide variance in the performance of districts in key areas such as payroll processing costs and accounts payable department costs, suggesting that districts have room for improvement. For example:

- payroll department costs per \$100,000 of payroll ranged from \$91 to \$1,915;
- accounts payable costs per \$100,000 of revenue ranged from \$45 to \$726; and,
- worker's compensation cost per employee ranged from \$68 to \$642.

According to Level Data, 75 reporting districts could realize annual potential savings of up to approximately \$3.6 million by reducing payroll costs and worker's compensation costs, and savings of up to approximately \$2.4 million by reducing accounts payable costs.

PEER notes that while the reported data suggests cost savings for these districts, each district's administration should review the data in light of the particular circumstances of the district.

Nutrition

According to Level Data, 77 reporting school districts have the potential for cost savings or to generate additional revenue. Projected cost savings could be up to \$9 million in food and labor cost improvements. Additionally, if districts were to increase their breakfast and lunch participation rates, they could generate up to \$13.6 million in additional revenue. Since nutrition funds are required to be used for districts' nutrition programs, these funds could be used to cover unexpected program expenses or facilitate equipment purchases, technology upgrades, and investments in the program.

A review of the nutrition programs for 129 Mississippi school districts in FY 2023 showed opportunities for districts to increase their efficiency. For example, 79 reporting districts did not participate in alternative breakfast program, which can increase breakfast participation rates, thereby increasing program revenues. Further, 46 districts did not use cycle menus, which involves offering repeated menus over a specific period. Cycle menus can help manage food-buying costs. There was also wide variance in the performance of districts in key areas, suggesting many districts have room for improvement. For example:

- the number of meals per labor hour across reporting districts ranged from 5 to 38;
- breakfast participation rates ranged from 17% to 100%;

- lunch participation rates ranged from 46% to 100%; and,
- overall cost per meal ranged from \$1.18 to \$9.77.

According to Level Data, 77 reporting districts have the potential for cost savings or to generate additional revenues. The total annual projected cost savings could be up to \$9.1 million in food and labor cost improvements. Further, additional projected revenues of up to \$13.6 million could be generated by increasing breakfast and lunch participation rates. Since nutrition funds are required to be used for districts' nutrition programs, these funds could be used to cover unexpected program expenses or facilitate equipment purchases, technology upgrades, and investments in the program.

PEER notes that while the reported data suggests cost savings for these districts, each district's administration should review the data in light of the particular circumstances of the district.

Operations

Level Data identified potential savings of up to \$52 million in the area of operations across 68 reporting school districts. Such savings could be achieved by districts reducing costs associated with their custodial, maintenance, and/or groundskeeping functions, and by implementing best practices (e.g., having preventative maintenance and energy management programs).

A review of the operations programs for 129 Mississippi school districts in FY 2023 showed opportunities for districts to increase their efficiency. For example:

- 46 reporting districts did not use an electronic maintenance work order system, which could increase efficiency and enhance decision making;
- 73 reporting districts did not have a formal preventative maintenance program, which helps prevent districts from unexpected and potentially costly issues with their facilities and equipment;
- 62 reporting districts did not participate in an energy management program, which could lead to cost savings and environmental sustainability; and,
- 51 reporting districts did not conduct formal annual facility assessments, which are needed to ensure building safety and can assist administrators in prioritizing repairs and upgrades.

There was also wide variance in the performance of districts in key areas, suggesting many districts have room for improvement. For example:

- custodial cost per square foot ranged from \$0.37 to \$6.77;
- maintenance cost per square foot ranged from \$0.15 to \$12.34; and,
- square acres per groundskeeper ranged from 9 to 300.

According to Level Data, 68 of districts could realize annual potential savings of up to approximately \$51.8 million by reducing costs associated with their custodial, maintenance,

and/or groundskeeping functions, and by implementing preventative maintenance and energy management programs.

PEER notes that while the reported data suggests cost savings for these districts, each district's administration should review the data in light of the particular circumstances of the district.

Transportation

Level Data identified potential savings of up to \$7 million in the area of transportation across 51 reporting school districts. Such savings could be achieved through bus route improvements and staffing adjustments in the area of transportation.

A review of the transportation programs for 129 Mississippi school districts in FY 2023 showed opportunities for districts to increase their efficiency. For example, 95 reporting districts (74%) did not utilize routing software, which can help districts achieve maximum efficiency. There was also wide variance in the performance of districts in key indicators, suggesting many districts have room for improvement. For example:

- cost per mile ranged from \$1.19 to \$37.67;
- cost per rider ranged from \$436 to \$3,462;
- cost per bus ranged from approximately \$15,000 to approximately \$92,000; and,
- number of buses per mechanic ranged from 8.5 to 49.

According to Level Data, 51 of districts could realize annual potential savings of up to approximately \$7 million either through bus route improvements or staffing adjustments. PEER notes that some districts have characteristics that naturally result in greater transportation program efficiency (e.g., dense population of students in a small geographic area).

The Mississippi Department of Education has also noted that larger districts benefit from technology and economies of scale, while smaller districts struggle with limited staffing and resources. Targeted solutions for smaller districts could include cooperative agreements (e.g., between a small district or districts and larger district in close proximity), teacher-driver supplements, and consistent bus seating review policies may improve service, reduce costs, and ensure equitable access for all students.

PEER also notes that while the reported data suggests cost savings for these districts, each district's administration should review the data in light of the particular circumstances of the district.

Telework: Opportunity for Cost Savings

At least 6,113 (26%) of the state's employees under Mississippi State Personnel Board (SPB) purview are authorized to telework on a full-time, hybrid, or intermittent basis. The Mississippi Legislature could benefit from a study to determine whether telework results in additional costs to the state. Two primary areas in which telework could potentially create additional costs include 1) duplicated equipment and technology expenses, and 2) inefficient or underutilized office space.

After COVID-19, Mississippi state agencies expanded the use of telework. According to information from the Mississippi State Personnel Board, as of September 2025, at least 6,113 are authorized to telework either on a full-time, hybrid, or intermittent basis. These employees are located in 64 state agencies.

PEER determined that a review of state agency telework would be beneficial to the Legislature to determine whether telework is cost-neutral or results in additional costs to the state. Such a review must involve several components so that telework usage and its effects are well understood.

For example, while some agencies may require employees to transport a single laptop between home and office, some agencies may provide employees who telework with both in-office and at-home equipment to support telework. Those items may include laptops, monitors, docking stations, etc., which results in duplicative equipment purchases. Further, such costs may recur in future years as equipment reaches the end of its life cycle.

To determine the scope and dollar value of duplicated equipment, a study could include an evaluation of the following:

- types of costs of equipment provided to teleworking employees, including items issued for home use versus those maintained permanently at the agency's physical office; and,
- replacement costs to determine ongoing versus one-time costs.

Telework also has the potential to result in inefficient or underutilized office space. Underutilization may be particularly costly in agencies with a high percentage of teleworking employees and high fixed lease payments.

To determine the extent to which state offices are being underutilized, a study could include an evaluation of the following:

- extent of utilization of state offices with teleworking employees; and,
- cost estimates of underutilized office space.

Telework refers to a work flexibility arrangement under which an employee performs his or her duties, responsibilities, and other authorized activities from an approved worksite other than the location from which the employee would otherwise work.

Recommendations

In order to achieve the cost-savings outlined in this report, the Mississippi Legislature could consider the following actions.

State Vehicles

- 1) The Legislature should consider amending MISS. CODE ANN. Section 25-1-77 (1972) to require that the Bureau of Fleet Management (BFM) within the Department of Finance and Administration shall:
 - a) require that each agency with high mileage drivers (i.e., drivers with over 15,000 miles in FY 2025) utilize a state vehicle (either one already owned by a state agency or a new vehicle) in lieu of reimbursing mileage for those employees by September 30, 2026;
 - b) require that each agency with underutilized vehicles (i.e., vehicles driven less than 8,200 miles in FY 2025) must submit to BFM the following information by December 31, 2026;
 - i) A listing of all underutilized vehicles, along with their purposes, values, and locations;
 - ii) A listing of all underutilized vehicles that the agency agrees should be sold through auction or re-assigned;
 - iii) Written rationale for keeping any other underutilized vehicles on inventory; and,
 - c) require BFM to report to the Legislature by December 31, 2027, the cost savings from efforts to right-size the state's fleet by eliminating underutilized vehicles and reducing the number of high mileage drivers being reimbursed in the state.

Cellular Services

- 2) The Legislature should consider amending MISS. CODE ANN. Section 25-53-5 (1972) to require that the Department of Information Technology Services (ITS) shall require each agency using cellular services to submit to ITS the following information by September 30, 2026:
 - a) an acknowledgement form that the agency has reviewed its usage and cost information from their cell phone vendor (e.g., through the vendor's portal);
 - b) a signed statement from the agency's Executive Director that asserts the agency has re-solicited quotes for cellular services and is either 1) currently using the best priced plan that matches actual usage and needs, or 2) has converted to the best priced cellular service plan that better matches actual usage and needs; and,
 - c) the annual cost savings of any adjustments to the agency's cellular service plan(s) as a result of this effort.

A report of cost savings compiled by ITS should be provided to the Legislature by December 31, 2026.

Shared Space and Shared Services

- 3) The Legislature should consider amending MISS. CODE ANN. Section 27-104-7 and 29-5-2 (1972) requiring that the 17 state agency candidates listed in this report on page 18 co-locate in available office space in the downtown Jackson area by June 30, 2027, if the Department of Finance and Administration determines that alternatives are available which if rented by the agencies would produce reduced spending for office space.
- 4) After relocation is complete, the Legislature should work with the Legislative Budget Office to eliminate unfilled positions in these agencies. Further, require these agencies to utilize shared staff to perform similar functions (e.g., administrative) and to enter into certain shared contracts for services (e.g., accounting).

Sales Tax Discounts to Retailers

- 5) The Legislature should consider amending MISS. CODE ANN. Section 27-65-33 (b) to eliminate the sales tax discount to retailers.

State Film Incentive Program

- 6) The Legislature should consider amending MISS. CODE ANN. Section 57-89-7 (1972) to eliminate the state's film incentive program.

School District Operations

- 7) The Legislature should consider creating a new CODE Section 5-3-79.1 directing the PEER Committee to require each school district to submit the following information to PEER by September 30, 2026:
 - a) A list of all efficiency indicators from the Level Data reports that are currently being used by the district to assess costs in operational areas, and accompanying data if available; and,
 - b) A summary of actions the district has taken using information from the Level Data reviews to reduce costs and increase efficiency.

A report of actions taken by school districts and any cost savings achieved should be compiled by PEER and provided to the Legislature by December 31, 2026.

Appendix A: List of Cohorts and PEER Report Numbers

Cohort	PEER Report Numbers	Districts Reviewed
Cohort 1	PEER Reports #690a - #690f (FY 2022 data)	1) Attala 2) Canton 3) Coahoma 4) Copiah 5) George 6) Greenville 7) Grenada 8) Hattiesburg 9) Hollandale 10) Holmes 11) Louisville 12) Madison County 13) McComb 14) Moss Point 15) Natchez-Adams 16) North Panola 17) Noxubee 18) Okolona 19) Oxford 20) Pass Christian 21) Perry 22) Simpson 23) Sunflower 24) Tate 25) Walthall 26) Water Valley 27) Wayne 28) West Point 29) Wilkinson 30) Yazoo County
Cohort 2	Not published in separate PEER reports. However, selected FY 2023 Cohort 2 data was combined with selected Cohort 3 data in PEER Reports #703i through #703vi (FY 2023 data)	
Cohort 3	PEER Reports #703i – 703vi (FY 2023 data)	1) Alcorn 2) Baldwin 3) Bay St Louis-Waveland 4) Biloxi 5) Brookhaven 6) Chickasaw 7) Choctaw 8) Cleveland 9) Corinth 10) Covington 11) East Tallahatchie 12) Forrest County 13) Greene 14) Hancock 15) Hazlehurst 16) Holly Springs 17) Itawamba 18) Jackson County 19) Kosciusko 20) Lafayette 21) Lamar 22) Lawrence 23) Leake 24) Lee 25) Leland 26) Lincoln 27) Long Beach 28) Lowndes 29) Marion 30) Marshall 31) Monroe 32) Neshoba 33) New Albany 34) Newton Municipal 35) North Pike 36) Pearl River 37) Philadelphia 38) Picayune 39) Pontotoc City 40) Prentiss 41) Quitman City 42) Quitman County 43) Senatobia 44) Smith 45) South Panola 46) South Tippah 47) Stone 48) Tishomingo 49) Vicksburg-Warren 50) Winona-Montgomery

Cohort 4	PEER Reports #719i - #719vi (FY 2023 data)	<ul style="list-style-type: none"> 1) Amite 2) Amory 3) Benton 4) Booneville 5) Calhoun 6) Carroll 7) Claiborne 8) Clarksdale 9) Clinton 10) Coffeerville 11) Columbia 12) Columbus 13) East Jasper 14) Enterprise 15) Forest Municipal 16) Franklin 17) Greenwood Leflore 18) Gulfport 19) Hinds 20) Jefferson 21) Jefferson Davis 22) Jones 23) Kemper 24) Lauderdale 25) Laurel 26) Nettleton 27) Newton County 28) North Bolivar 29) North Tippah 30) Ocean Springs 31) Pascagoula-Gautier 32) Pearl 33) Petal 34) Pontotoc County 35) Poplarville 36) Richton 37) Scott 38) South Delta 39) South Pike 40) Starkville Oktibbeha 41) Tunica County 42) Tupelo 43) Union County 44) Union Public 45) Webster 46) West Bolivar 47) West Jasper 48) West Tallahatchie 49) Western Line
Cohort 5	Reports To Be Released in 2026 (FY 2023 data)	<ul style="list-style-type: none"> 1) Aberdeen 2) DeSoto 3) Forrest County Agricultural High School 4) Harrison 5) Humphreys County 6) Jackson Public 7) Meridian 8) Rankin 9) Yazoo City

SOURCE: PEER analysis of previously released reports.

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