



LONG TERM LIABILITY GUIDE

BUSINESS OFFICE

THIS PAGE LEFT BLANK INTENTIONALLY

IMPORTANT: This guideline is not all-inclusive, nor does it address every situation that may arise. Its sole purpose is to guide management and to provide reasonable assurance in the following categories:

- Effectiveness and efficiency of operations
- Reliability of financial reporting
- Compliance with the Mississippi Board of Trustees of State Institutions of Higher Learning (IHL) and the University's policies and procedures
- Compliance with applicable state and federal laws and regulations, and
- Safeguarding the University's assets and resources.

The Business Office homepage is located at <http://www.jsums.edu/finance/>, where you will find important UNIT NAME information, answers to common questions, directions to the office and staff contact information. All correspondence may be mailed to the following address:

Jacksons State University
Business Office
P.O. Box 17159
Jackson, MS 39217

UNIT MISSION STATEMENT

Jackson State University may amend this document without notice. It is intended to provide guidance regarding the administration at Jackson State University in accordance with State and Federal laws and does not give rise to any contractual rights. Should there be a conflict between the content of these guidelines and state or federal statute, statute shall subjugate, having full precedence.

DEFINITIONS

Long-term Liability – Liabilities due beyond a year or the normal operation period of the University

Jackson State University Educational Building Corporation (JSUEBC) – a Mississippi public non-profit corporation empowered to (a) acquire, whether by purchase, construction or gift, facilities for the University to equip, maintain or improve facilities; (b) to issue its bonds (c) to lease; and (d) to secure payments of such bonds through the pledge and the lean on its rights to receive lease payments.

OBJECTIVE STATEMENT

It's important that the University maintain a positive reputation regarding the stewardship of all monies, whether public, federal or privately provided. It is also recognized that it is equally important that sound fiscal processes be in place that will address the needs of the University community in an efficient and effective manner. While it may not be all inclusive, the advantages of having this written document are to better educated employees, to establish clear performance standards and assurance of legal compliance.

PURPOSE

These University guideline is designed to promote the proper accounting and recording of Long-Term Liability. The University promotes effective controls to ensure the protection of assets, accurate financial reporting and effective use of resources.

ADHERENCE

All are expected to adhere to these guidelines. Willful disregard of this shall be considered non-compliance and may result in a formal reprimand up to and including termination.

Long-term liabilities include bonds, notes, compensated absences, refundable deposits, and a federal loan fund contingency. The University has issued bonds to construct, renovate, and improve various campus facilities. As noted in the summary of significant accounting policies, the University established JSUEBC, an educational building corporation. This nonprofit Mississippi Corporation was established in accordance with Section 37-101-61 of the Mississippi Code Annotated, 1972, for the purpose of acquiring, constructing, renovating, improving, and equipping University facilities. In accordance with GASB Statement No. 14, JSUEBC is considered a blended component unit of the University and is included in the general purpose financial statements. In addition, the University has certain notes and other borrowings outstanding. Bonds, notes and other borrowings outstanding consist of the following:

Bond Title	Series 1982
Trustee	Bank of New York
Original Issuance	\$4,000,000
Bond Holder	Bank of New York
Maturity Period	December 2020
Payment Date to Trustee	15 th of May and 15 th November
Payment Date to Bond Holder	1 st of June and December
Purpose	Dormitory Revenue Bonds of 1982 totaling \$4,000,000 were issued in March 1982 to construct university campus housing.

Bond Title	2010A Bond Refunding Project 2010A-1
Trustee	
Outstanding Bond Amount	\$920,000
Bond Holder	
Maturity Period	March 2020
Payment Date to Trustee	15 th of February and August
Payment Date to Bond Holder	1 st of March and September
Purpose	JSUEBC issued bonds totaling \$31,325,000 (Series 2010-A-1) and \$790,000 (Series 2010-A-2) in June 2010 to (i) advance refund certain bond issues, including Series 2002, Series 2004-A, Series 2004-B and certain coupons of Series 2006-A, (ii) pay a termination fee relative to an interest rate swap agreement entered into to hedge the interest rate exposure of the Series 2004-A bonds, and (iii) cover certain costs incidental to the issue. Original issue refunded effective 2021.

Bond Title	Notes Payable
Trustee	Bancorp South Bank
Original Issuance	\$2,220,000
Bond Holder	Department of Education
Maturity Period	February 2021
Payment Date to Trustee	15 th of January
Payment Date to Bond Holder	1 st of April
Purpose	Renovation for Stewart Hall and Dixon Hall.

Bond Title	Series 2015A
Trustee	Trustmark Bank
Original Issuance	\$57,595,000
Bond Holder	Trustmark Bank
Maturity Period	March 2045
Payment Date to Trustee	15 th of August and February
Payment Date to Bond Holder	1 st of September and March
Purpose	JSUEBC issued these bonds to provide fund (a) to finance improvements and capital expenditures improvements on or near the main campus. It also included, but was not limited to the acquisition, construction, improvement, equipping and landscaping of the Palisades Apartment Complex and other housing facilities. Also, for the advance refunding of revenue.

Bond Title	Series 2015B
Trustee	Trustmark Bank
Original Issuance	\$13,065,000
Bond Holder	Trustmark Bank
Maturity Period	June 2021
Payment Date to Trustee	15 th of August and February
Payment Date to Bond Holder	1 st of September and March
Purpose	JSUEBC issued bonds to pay the Termination Payment owed as a result of the Swap Agreement and to pay the related costs of the issuance, sale and delivery of the bond.

Bond Title	Series 2017
Trustee	Trustmark Bank
Original Issuance	\$6,000,000
Bond Holder	Trustmark Bank
Maturity Period	June 2028 NOTE: Payments begin 2023
Payment Date to Trustee	15 th of June
Payment Date to Bond Holder	30 th of June
Purpose	JSUEBC issued bonds totaling \$6,000,000 (series 2017) in June 2017 for facilities acquisition, improvements and maintenance projects.

Bond Title	Series 2017A
Trustee	Trustmark Bank
Original Issuance	\$29,745,000
Bond Holder	Trustmark Bank
Maturity Period	March 2034
Payment Date to Trustee	15 th of February and August
Payment Date to Bond Holder	1 st of March and September
Purpose	In November 2017 bonds totaling \$29,745,000 were issued for the purpose of the advance refunding of the 2010A Bond Issue.

Bond Title	Master Lease Payable – Buses
Trustee	First Southwest Leasing
Original Issuance	\$1,127,000
Bond Holder	Bancorp South
Period	October 2024
Payment Date to Trustee	30 th of September and March
Payment Date to Bond Holder	10 th of October and April
Purpose	The University participates in the Mississippi Master Lease Program and purchased two motor coaches with wheelchair lifts.

Bond Title	Master Lease Payable – Band Instruments
Trustee	First Southwest Leasing
Original Issuance	\$463,638.00
Bond Holder	Bancorp South
Maturity Period	April 2019
Payment Date to Trustee	30 th September and March
Payment Date to Bond Holder	10 th of October and 10 th of April
Purpose	The University purchased band instruments

Jackson State University
 Bonded Debt Service and Capital Lease Payments
 FY2019 - FY2021
 01/18/2019

FY2019	1982 Bond	2010A Bond Revised	2015A Bond	2015B Bond	2017 Bond	2017A Bond	Notes Payable	Buses	Band Instruments	Total
Interest	7,650	18,400	1,358,656	61,114	101,400	510,027	4,818	17,823	1,621	2,081,508
Interest	5,175	18,400	1,358,656	61,114	101,400	510,027	4,044	16,630	81,464	2,156,910
Principal	82,500	415,000	605,000	2,560,000	-	230,000	51,556	52,337	78,285	4,074,678
Principal	82,500						52,329	53,530	79,091	267,451
Total	177,825	451,800	3,322,313	2,682,227	202,800	1,250,055	112,747	140,320	240,461	8,580,546

FY2020	1982 Bond	2010A Bond Revised	2015A Bond	2015B Bond	2017 Bond	2017A Bond	Notes Payable	Buses	Band Instruments	Total
Interest	5,175	10,100	1,346,556	33,528	101,400	507,842	3,259	15,409		2,023,269
Interest	2,625	10,100	1,346,556	33,528	101,400	507,842	2,463	14,161		2,018,674
Principal	85,000	505,000	1,165,000	2,005,000		235,000	53,114	54,751		4,102,865
Principal	85,000						53,911	55,999		194,910
Total	177,800	525,200	3,858,113	2,072,055	202,800	1,250,685	112,747	140,320		8,339,719

FY2021	1982 Bond	2010A Bond Revised	2015A Bond	2015B Bond	2017 Bond	2017A Bond	Notes Payable	Buses	Band Instruments	Total
Interest	2,625	-	1,317,431	9,919	101,400	505,375	1,654	12,884		1,951,288
Interest	2,625	-	1,317,431	9,919	101,400	505,375	833	11,578		1,949,161
Principal	87,500	-	2,505,000	750,000		785,000	54,720	57,276		4,239,495
Principal	87,500						55,540	58,582		201,622
Total	180,250	-	5,139,863	769,838	202,800	1,795,750	112,747	140,320		8,341,566
	535,875	977,000	12,320,288	5,524,120	608,400	4,296,489	338,240	420,959	240,461	25,261,831

