



OFFICE OF BUDGET AND FINANCIAL ANALYSIS  
PROCEDURAL GUIDE

DIVISION OF BUSINESS AND FINANCE

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**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 Budget and Financial Analysis homepage is located at <http://www.jsums.edu/finance/budget-and-financial-analysis/>, where you will find important Budget and Financial Analysis 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  
Office of Budget and Financial Analysis  
P.O. Box 17024  
Jackson, MS 39217

The mission of The Office of Budget and Financial Analysis is to support the University's highest priorities by identifying, projecting, allocating, and managing the resources available for operating expenditures. We will employ sound budget projection and allocation practices; make reasonable resource allocation recommendations; and provide financial planning that informs executive management decision-making. We will work with University's academic and administrative units to guide the annual budgetary process, embrace efforts of process simplification and transparency, create an open budget environment, and develop innovative solutions. We will provide high-quality, team-oriented service that anticipates needs, provide appropriate guidance, and produce accurate and timely information, while maintaining a courteous and professional attitude.

Jackson State University may amend this policy without notice upon departmental review and recommendation by upper level management. It is intended to provide guidance regarding the administration of the budget at Jackson State University in accordance with State and Federal laws and shall not be considered to be or give rise to any contractual rights. Should there be a conflict between the content of this policy and a state or federal statute, such statute shall govern.

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## DEFINITIONS

**Approved Operating Budget** - Budget as approved by the Mississippi Institutions of Higher Learning (MS IHL) Board, which does not include any rolled encumbrances or carryforward amounts.

**Ayers Settlement** - The desegregation case settlement which provides funding for student financial assistance, academic programs, public and private endowment, and capital improvements at Jackson State University, Alcorn State University, and Mississippi Valley State University.

**Budget** - A plan or forecast of revenues, expenses, or both, for a future specified time frame such as a fiscal year. An approved expense budget serves as a spending allowance. Spending in accordance with a budget plan helps fulfill program goals and helps ensure that the University spends only as much as it earns. A budget is also a mechanism for controlling spending within a financial system, and allows spending to occur prior to the receipt of actual revenues which may flow in at a later date.

**Budget Analyst, Accountant and Financial** – University employees charged with the responsibility of financial management and oversight, reporting to an executive level individual such as a Dean, Vice President or designee.

**Budget Council** - A budget advisory body consisting of representatives of faculty, administrators, and students and is convened by the Chief Financial Officer and Provost on behalf of the President.

**Budget Transfer** - The process used to re-allocate funds after fiscal year budget has been approved.

**Budget Units** – University entities identified as primary budgeting units for the purposes of reporting. These units are typically schools, colleges or divisions. Budget units have the primary responsibility for managing budgets for unit.

**Capital Outlay Equipment** - Expenditures for capital equipment as defined by the State Property Office. Subcategories include office furniture and equipment; vehicles; medical equipment; data processing equipment; radio and television equipment; scientific equipment; and other equipment.

**Capital Outlay Other Than Equipment** - Expenditures for land, building project contractors, buildings, and library books and materials.

**Commodities** - Expenditures for tangible, expendable items including maintenance materials and supplies; printing and office supplies; equipment repair parts and supplies; professional and scientific supplies and materials; and other supplies and materials such as clothing, food for persons, seed and plants, and expendable equipment. This category also include merchandise purchased for resale by auxiliary departments.

## DEFINITIONS

**Contractual Services** - Expenditure category encompassing all payments for services, scholarships, and awards; utilities; public information; rents; repairs and maintenance; professional fees (consultants); and other contractual services such as dues, subscriptions, and computer software.

**Designated Funds** - Unrestricted funds received by the University that have no defined limitations and/or stipulations. The University has fiduciary responsibility for these funds.

**Encumbrances** - Funds set aside/reserved for a specific purpose. (Example: purchase orders)

**Fiscal Year** - The University's fiscal year is defined as the twelve month period beginning July 1 and ending June 30 of the following calendar year. It is important to make the distinction of the fiscal year to plan for and budget all projected operating activity within the appropriate timeframe.

**Job Requisition Form** – Form used to request the advertisement of new and/or existing vacant position. This form begins the hiring process.

**Lapsed Funds** - Funds that are unused or remaining in a budgeted position.

**Labor Redistributions** - Entries used to properly match an employee's salary funding source with the actual work that was performed.

**Personnel Action Form (ePAF)** – Form that indicates actions relative to all employees. (i.e. appointments, terminations, salary adjustments, medical)

**Release Time Funds** - Funds generated when an employee has approval to be released from a portion of their regular duties (that are typically funded using Education and General Funds). The amount released will be funded by external sources (i.e. grant funds) at the rate of the appropriate percent of the base salary.

## DEFINITIONS

**Salaries/Wages** - Amounts of fixed compensation paid regularly for services/amounts of compensation for services paid according to contract on an hourly basis.

**Travel** - Expenditures for official employee and student University travel.

**University Stakeholders** - Include individuals, groups, committees or other bodies that have a role in budget development and review of budget proposals. This role may be consultative or authoritative.

## OBJECTIVE STATEMENT

The Office of Budget and Financial Analysis at Jackson State University facilitates the optimal use of university financial resources and provides timely, useful budget information to the University community and its constituents.

## PURPOSE

It is 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 educate employees
- Outline clear performance standards
- Assure legal compliance

The University promotes effective controls to ensure the protection of assets, accurate financial reporting and effective use of resources. These statements are issued as a guide regarding activities associated with Budget and Financial Analysis.

## 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.



## **PERSONNEL ACTION FORM**

All changes and/or adjustments (modifications) to an employee's current status must be submitted via PAF/ePAF with required approvals. The form must be filled out completely. All sources of funds must be indicated on the form. If the form is not completed in its entirety it is forwarded back to the department with instructions. If the form is completed in its entirety, the following procedures are taken for completion:

- PAF is date stamped in
- Signature of approval is verified for Vice President of area
- Position control number is verified for accuracy and availability
- Funding source is verified for accuracy
- Position budget amount is verified for sufficiency as per request of salary/wage
- Effective date of action verified
- If form is approved it is forwarded to Human Resources for processing
- If form is disapproved it is forwarded back to the initiating department for correction

## **RELEASE TIME PAF**

Release time funds must be used by the end of the fiscal year. The completed form is processed as follows:

- PAF is date stamped in
- Signature of approval is verified for Vice President of area
- Grants and Contracts approval is verified
- Position control number is verified for accuracy and availability
- Funding source is verified for accuracy
- Position budget amount is verified for sufficiency as per request of salary/wage
- Effective date of action verified
- Release time worksheet is done to calculate effective dates are equivalent to dollar amount being released
- Release time position number is assigned
- If form is approved it is forwarded to Human Resources for processing
- If form is disapproved it is forwarded back to the initiating department for correction

## **JOB REQUISITION FORM**

All requests to advertise a vacant and/or new position must be submitted via Job Requisition Form with required approvals. All sources of funds must be indicated on the form. This form begins the hiring process. If the form is completed in its entirety, the following procedures are for completion:

- Job requisition is date stamped in
- Signature of approval is verified for Vice President of area

- Position control number is verified for accuracy and availability
- Funding source is verified for accuracy
- Position budget amount is verified for sufficiency as per recommended salary
- Effective date of action verified
- If form is approved it is forwarded to Human Resources for processing
- If form is disapproved it is forwarded back to the initiating department for correction

## **BUDGET TRANSFERS/REVISIONS**

All request to move funds from one account code to another must be submitted via Budget Transfer. This is a specific type of budget entry that requires budget increases and decreases that net zero. A justification is required. When this form is received the following procedures take place for processing:

- Budget transfer is date stamped in
- Signature of approval is verified per department
- Proper transfer practice is verified to ensure the transfer is in compliance
- Verify that there are sufficient funds to cover the request
- Transfer is approved and entered if all actions are verified

## **DESIGNATED FUND ALLOCATION/REQUEST**

Expenditure of designated funds must be in accordance with the University's guidelines. The Dean or Director of the budgetary unit is responsible for seeing that all expenditures comply with the guidelines and that total expenditures and encumbrances do not exceed available resources, i.e., fund balances brought forward from the previous year and revenues generated to date during the current fiscal year. These request are processed as follows:

### Allocations

- Designated Allocation request is date stamped in
- Funding source is verified
- Funds are verified as available
- Budget modifications are approved and processed as requested if in good standing

### New Request

- Verify Justification
- Verify source of revenue
- Assign a fund number
- Forward new designated number to the requesting department

## **LABOR REDISTRIBUTIONS**

Expenditure of labor salary cost must be directed to a specific funding source on Payroll as assigned with position control in the budget. In the event that it is not, an entry to move the charge of labor cost is used to properly match an employee's salary funding is performed. Once an incorrect funding source has been charged the correction is processed as follows:

- Labor charges are reviewed on the Labor Distribution Data entry form(NHIDIST)
- Request for Labor Redistribution form of correction is completed
- Labor redistribution is processed and approved in the Effort Certification module of PAWS

## **AYERS REIMBURSEMENT**

Per the Ayers settlement all allowable expenditures must be submitted to governing agency for reimbursement. The monthly report is processed as follows:

- Extract expenditures through month end
- Extract student aid information through month end
- Extractions will be used to pull together a report showing detailed information to support the drawdown
- Letter of request detailing amount reported is submitted to IHL

## **BUDGET DEVELOPMENT**

The Department of Budget and Financial Analysis is responsible for developing the University's overall budget by the date determined by Mississippi Institutions of Higher Learning.

The process is initiated and finalized in conjunction with the Budget Council for the presentation to the Administrative Cabinet.

Procedures:

- The Department of Budget and Financial Analysis will disseminate budget datasheets to the respective vice president or designee for distribution
- Per the instructions, datasheets should be reviewed for updates, revisions or changes
- Datasheets are returned to the area VP for submission to the Budget Office
- Budget Office reviews budget forms submitted by the VP's to determine accuracy in reflecting the approved budget.
- Load approved budget allocations into the Banner's Financial Accounting system.