

**STATE OF MISSISSIPPI  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

TOPIC	BUDGETS	SUB-SECTION 05.10.00
SECTION	BUDGET OVERVIEW	ISSUANCE DATE MARCH 31, 2000
SUB-SECTION		REVISED - 2018

**BUDGET OVERVIEW**

For the State of Mississippi, the budget process is a cycle involving input and coordination between the Governor's Office, the Legislature and state agencies. There are two budget offices which oversee the process – DFA Office of Budget and Fund Management (OBFM), which is the executive branch budget office, and the Legislative Budget Office (LBO), which operates under the Joint Legislative Budget Committee and serves as the legislative branch budget office. The State Personnel Board makes recommendations on proposed personnel actions and provides salary expense information, and the Department of Information Technology Services makes recommendations on computer related expenditures.

The State of Mississippi operates on a fiscal year basis. The fiscal year runs from July 1 to June 30 of each year. The budget year is based on the fiscal year but also includes transactions processed during July and August that are related to the fiscal year just ended. During this two month "lapse period", transactions related to the old fiscal year may be processed and posted against the old fiscal year budget. July and August transactions related to the new fiscal year are posted against the new fiscal year budget.

The Legislature meets annually to adopt the budget for the next fiscal year. Regular legislative sessions last 90 days and occur in January through March of each year. In inauguration years, the regular legislature session is extended to 120 days to provide time for a new incoming Governor to become familiar with the state budget process and to develop budget recommendations.

In addition to the regular annual legislative sessions, the Governor has the authority to call the Legislature into extraordinary sessions if needed and appropriation bills may be passed during these extraordinary sessions (Mississippi Constitution, Article 5, Section 121, Mississippi Code Annotated 1972).

State law requires that the state budget be a balanced budget (appropriated expenditure authority cannot exceed estimated revenue and available funds). Statute also requires the operating budget for agencies to be in program format with performance measurement information. DFA OBFM and LBO have worked with state agencies to develop designated programs and program measures for each agency. Changes in the designated programs and/or performance measures have to be approved by the two offices prior to the submission of the budget each year. Agencies should submit a written request to change their designated programs or program measures along with justification for the requested changes to the two budget offices. Notice will then be provided in writing regarding approval or disapproval of the request. The budget request and strategic plan have to be submitted in accordance with designated programs approved by the budget offices.