

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

TOPIC	BUDGETS	SUB-SECTION 05.20.30
SECTION	BUDGET PROCESS	ISSUANCE DATE MARCH 31, 2000
SUB-SECTION	BUDGET TRANSFERS	REVISED - 2018

BUDGET TRANSFERS

Section 27-104-17, Miss. Code Ann. (1972), provides the authority for state agencies to transfer funds from one GL category to another within the appropriation unit, which is the 6 digit Functional Area. The provisions for transfers are as follows:

- o Transfers cannot be made into or from the Personal Services - Salaries, or the Wages and Fringe Benefits category;
- o Transfers cannot be made into the Equipment budget category; and,
- o Transfers cannot exceed ten percent of the receiving category's appropriated amount in a given budget year.

Agencies which receive their appropriation by lump sum (refer to section 05.10.20) may transfer funds between categories regardless of the restrictions provided in Section 27-104-17, Miss. Code Ann. (1972). In addition, these agencies' requests to transfer funds between budget categories do not require the approval of the State Fiscal Officer or designated staff.

Agencies may have specific transfer authority authorized by their appropriation bills; therefore, reference must be made to the specific appropriation bill under which the transfer is made when the transfer is processed.

BUDGET MODIFICATIONS

Section 27-104-21, Miss. Code Ann. (1972), gives state agencies the authority to request budget escalations for 100 percent federal funds. Section 7-7-40, Miss. Code Ann. (1972), enables state agencies to request escalations for nonfederal funds pursuant to specific authorization stated in an appropriation bill.

APPROVAL PROCESS

When an agency submits a request for a budget modification of any type, OBFM reviews the request for the following:

- o Availability of funds and required documentation;
- o Completeness and accurate information on the form;
- o Budget authority is available; and
- o Source of funding; and other factors.

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

TOPIC	BUDGETS	SUB-SECTION 05.20.30
SECTION	BUDGET PROCESS	ISSUANCE DATE MARCH 31, 2000
SUB-SECTION	BUDGET TRANSFERS	REVISED - 2018

BUDGET REDUCTIONS

The State of Mississippi operates within a balanced budget. LBO, the Governor's Office and DFA monitor information provided by the Mississippi Department of Revenue regarding monthly revenue collections and compare revenue estimates to actual collections to determine whether any adjustments need to be made to the state budget that was adopted for the fiscal year.

Section 27-104-13 (1), Mississippi Code Annotated (1972), provides that if the State Fiscal Officer (DFA Executive Director) determines that funds will not be available to support the budget adopted for the period in which the budget is drawn, he or she may reduce state agency budgets (including the administration and other expenses budget of the MS Department of Transportation (MDOT) up to 5% of the appropriated amount and may transfer funds from the Working Cash Stabilization Reserve Fund to the General Fund to supplement general fund revenue in accordance with Section 27-103-203,. State-source special funds reduced under this statute may be transferred to the State General Fund to supplement general fund revenue.

Section 27-104-13 (2), Mississippi Code Annotated (1972), provides that at the end of October or at the end of any month thereafter of any fiscal year, revenues fall below 98% of the general fund revenue estimate adopted by the Legislative Budget Committee as of the date of sine die adjournment, the State Fiscal Officer shall reduce allocations of general funds and state-source special funds to general fund and special fund agencies and to the "administration and other expenses of MDOT" in whatever amount is necessary to keep expenditures within the sum of actual general fund receipts. No agency's budget shall be reduced more than five (5%) unless all agency budgets have been reduced five percent (5%). When all agency budgets have been reduced five percent (5%), a uniform percentage reduction is applied across all agency budgets. This section exempts receipt from loans authorized by Sections 31-17-101 through 31-17-123 from inclusion as revenue receipts.

Section 27-104-13 (3), Mississippi Code Annotated (1972), provides that "state-source special funds" does not include certain special funds and these funds are not to be included in the reduction of budget and transfer to the General Fund. These exempted funds include funds from Federal sources, local or regional political subdivisions, agricultural commodity assessments, donations, and additional fees paid for the issuance of distinctive motor vehicle license tags authorized by Chapter 19, Title 27, Mississippi Code Annotated (1972), fiduciary funds held for the benefit of specific persons or classes of persons, special funds paid by state veterans in state veterans homes, self-generated special funds of the Institutions of Higher Learning and the Community and Junior Colleges, special funds of MS Industries for the Blind, the State Ports at Gulfport and Yellow Creek Inland Port, the waterway districts, the Coast Coliseum Commission, special funds of the Department of Wildlife, Fisheries, and Parks and the Department of Marine Resources derived from hunting and fishing licenses, and special funds generated by agencies whose primary function is the issuance of licenses and regulation of the practice of a profession in the state.