

Mississippi State University
Mississippi Agricultural & Forestry Experiment Station (MAFES)
Lapsed and Released Salary Guidance

PURPOSE

The purpose of this operating procedure is to define lapsed and released salary funds and the management of these funds. These procedures apply to MAFES Education and General (E&G) Funds (16 funds).

DEFINITIONS

Lapsed Salary occurs when a position's funding is not needed to cover the salary of the employee(s) in the position. Examples include (but are not limited to) vacant positions or when an employee is on leave without pay, terminates, or changes FTE.

Released MAFES Salary occurs when an employee's MAFES E & G funded salary (e.g., 16-fund) is redistributed to a MAFES restricted fund source (32xxxx). Note that Strategic Research Initiative (SRI) funding, while internally competitive, is not a restricted fund and does not result in released salary.

BACKGROUND AND GENERAL GUIDANCE

Salary is the largest single component of the Education and General (E&G) budget for MAFES.

A major component of the MAFES mission is to pursue externally funded research opportunities. Departments are encouraged to include direct costs for personnel services (i.e., salary and fringe) in budgets for grants, contracts and cooperative agreements. As a direct result of this research activity, time and effort of employees may be redistributed onto externally funded projects, releasing salary funds.

Release dollars:

Success in acquiring MAFES externally funded awards is to be encouraged and is worthy of recognition. For MAFES awards (e.g., 32-funds) that release MAFES salary (e.g., 16 funds), the Director will allow the MAFES released salary dollars to remain in the department for use on non-equipment research-related expenditures (specifically commodities, contractual, travel, graduate research assistants, research staff) at the discretion of the department head, with consideration given to the generating scientist.

Where MAFES scientists are asked to collaborate on non-MAFES activities (e.g., where the redistribution of salary is to fund groups other than 16, 26, 32, 82), we ask that their time and effort be included on such awards as a child account (e.g., 32-fund). If the recipient of a non-MAFES activity/award collaborates with a MAFES scientist and establishes a MAFES child account/fund (32), MAFES salary (16 funds) that is released by the MAFES child fund will remain in the department as release dollars for use as described above at the discretion of the department head, with consideration given to the generating scientist. In cases where a non-MAFES activity/award releases a scientist's MAFES salary dollars (i.e., 16-funds) without a child account, the MAFES Director retains the release centrally.

Special case: While the use of MAFES 26 funds within department or units is at the discretion of the department head, releasing such funds for non-MAFES activity is discouraged and will be scrutinized.

Lapse dollars:

Lapsed salary is transferred to the Director.

Special Allowance: When a MAFES nine-month faculty member garners MAFES external/restricted funding (32xxxx) that releases his/her MAFES E & G funds, these may be used to fund the generating faculty member's summer salary research appointment in the same fiscal year. **Released salary may not be carried across fiscal years.**

Exception: Departments are allowed to keep and manage all lapsed and released E & G dollars on graduate research assistant, student worker and critical labor positions (*Agricultural Assistant, Agricultural Technician, or Farm Laborer positions only*).

Additional Considerations:

Fringe benefits associated with lapse and release dollars remain in the MAFES Fringe Benefits Pool. Use of lapsed or released salary to cover recurring expenditures on a permanent basis is prohibited. In times of budget exigency, the Director may amend this operating procedure.

Responsibility:

Departments are expected to actively review (monthly) their salary balances by running the Banner report NWRMLSR (MAFES lapsed salary).

Approved:



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Director, Mississippi Agricultural and Forestry Experiment Station

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Date