

**Mississippi State University  
Mississippi Agricultural & Forestry Experiment Station (MAFES)  
Forest & Wildlife Research Center (FWRC)  
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 and FWRC Education and General (E & G) Funds (160000 and 170000 respectively).

*Note: Because fringe benefits are not budgeted by position, fringe benefits are not covered by or included in this guidance.*

**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 Salary*** occurs when an employee's E & G funded salary is redistributed to a restricted fund source (3xxxxx). Note that Strategic Research Initiative (SRI) funding, while internally competitive, is not a restricted fund and does not result in released salary.

**BACKGROUND**

Salary is the largest single component of the Education and General budgets for MAFES and FWRC.

A major component of the MAFES and FWRC mission is to pursue externally funded research opportunities. As a direct result of such research activity, time and effort of employees is redistributed onto externally funded projects, releasing salary funds back to the department.

Management of lapsed and released salary funds is of financial significance, allowing for funding of one-time and extraordinary expenditures. Use of lapsed or released salary to cover recurring expenditures on a permanent basis is prohibited.

**GENERAL GUIDANCE**

Lapsed salary is transferred to the Director.

Salary released by restricted (often competitive) projects remains in the department for use at the discretion of the department head. Released E & G funds remain in the 160000 or 170000 fund and may be transferred to operating categories other than salary. As with all E & G funds, funding must be spent prior to the close of the fiscal year (June 30).

When a MAFES or FWRC nine-month faculty member garners external/restricted funding that results in released MAFES (160000) or FWRC (170000) E & G funds, these may be used to fund the faculty member's summer salary appointment in the same fiscal year. **Released salary may not be carried across fiscal years.**

Exception: Departments are allowed to keep and manage lapsed and released E & G dollars on graduate research assistant, student worker and critical labor positions. For MAFES, "critical labor positions" is limited to positions titled Agricultural Assistant or Farm Laborer.

**PROCESS**

It is recommended that the department prepare a budget transfer to accompany the EAF or JLRF that generates the lapse or release funds.

Departments are encouraged to include direct costs for personnel services in budgets for grants, contracts and cooperative agreements. Under normal circumstances, the Director allows the resulting release to remain with the generating department to be used at the discretion of the department head, with consideration given to the generating scientist. In times of budget exigency, the Director may amend this operating procedure.

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

Approved:

  
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Date