

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

TOPIC	INTRODUCTION	SUB-SECTION	01.00.00
SECTION		ISSUANCE DATE	FEBRUARY 15, 1999
SUB-SECTION	INDEX	REVISION NUMBER	99-002

01 Introduction

10 Overview of the MAAPP Manual

10 Organization of the MAAPP Manual

20 Acronyms and Abbreviations

30 Definition of Terms

40 Revision and Maintenance of the MAAPP Manual

50 Overview of the Department of Finance and Administration

60 Description of the State Accounting System

70 User Responsibilities

80 Forms

TOPIC	INTRODUCTION	SUB-SECTION 01.10.10
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE FEBRUARY 15, 1999
SUB-SECTION	ORGANIZATION OF THE MAAPP MANUAL	REVISION NUMBER 99-002

ORGANIZATION OF THE MAAPP MANUAL

PURPOSE AND SCOPE OF THE MANUAL

The MAAPP Manual has been developed to assist state agencies with the operation of the SAAS and other state accounting issues. Documented in this manual are fiscal policies, accounting principles, controls, operating procedures and reporting requirements.

Proper use of this manual will assist management of state agencies by:

- describing the methods for processing accounting information within and between state agencies and BFC;
- documenting the state accounting process required so that the execution of the procedures is not completely dependent on an individual;
- providing a training device and reference material for operating and supervisory personnel;
- providing a source of information to help eliminate uncertainties and confusion caused by spoken communications;
- ensuring consistent applications of accounting policies and procedures; and,
- describing the principles, procedures and forms to be used to generate statewide financial statements prepared in accordance with generally accepted accounting principles.

ORGANIZATION OF THE MAAPP MANUAL

The MAAPP manual presents a standardized approach to financial and accounting matters within the area of authority of DFA. The MAAPP manual is presented in the following standardized format:

Sub-section Page 1
01.10.20

TOPIC _____

SECTION _____

SUB-SECTION _____

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

TOPIC	INTRODUCTION	SUB-SECTION 01.10.10
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE FEBRUARY 15, 1999
SUB-SECTION	ORGANIZATION OF THE MAAPP MANUAL	REVISION NUMBER 99-002

1. Topic

The topic groups related material such as accounting principles, warrants and payroll. Sections are numbered in a manner to provide for future expansion, such as 03, 05, 07, etc.

2. Section

The sections within each topic are generally arranged according to the following format and page numbering:

SYSTEM OVERVIEW	10
INPUT DOCUMENT PROCEDURES	20
OUTPUT DOCUMENT PROCEDURES	30
CONTROL PROCEDURES	40
ACCOUNTING ISSUES	50
REFERENCE OR SUPPLEMENTAL	60

The System Overview section is devoted to a general description of the system discussed in that section. It includes the information necessary for an individual to acquire a general understanding of the system.

The Input Document Procedures section explains the steps necessary to prepare the input to the system. These procedures include the forms to be used; coding of accounting transactions; verification of footings and calculations; review and approval steps required; and, distribution of copies for the source documents.

The Output Document Procedures section describes each report produced by SAAS. These procedures describe how to interpret and use the information provided by the accounting system.

The Control Procedures section describes the specific control procedures to be performed by operating personnel. Included in this section are input controls to ensure that all data is correctly entered into the system and output controls to ensure that the information generated by the system is complete and accurate.

The Accounting Issues section describes the procedures to be performed to convert agency records from the cash basis of accounting to the modified accrual or accrual basis depending upon the classification of the funds for GAAP reporting purposes. The information may be repeated in more detail in the agency reporting division of this manual (Section 27). In addition, the Accounting Issues section provides details on how transactions must be entered into the Statewide Automated Accounting System (SAAS).

The Reference or Supplemental section contains reference material or other material which does not conform to the organization or scope of the other sections.

3. Sub-section

All sub-sections are numbered sequentially with allowance for expansion, such as 10, 20, 30.

Following each sub-section are exhibits (if applicable) of the material explained in the sub-section. Each exhibit will be designated by a letter such as 01.10.20-A and 02.30.10-B.

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

TOPIC	INTRODUCTION	SUB-SECTION 01.10.10
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE FEBRUARY 15, 1999
SUB-SECTION	ORGANIZATION OF THE MAAPP MANUAL	REVISION NUMBER 99-002

4. Issuance Date

The issuance date designates the date on which the sub-section is issued. Due to the timing of revisions to the MAAPP Manual the effective date of polices, procedures and statutory changes may occur prior to the date of issuance.

5. Revision Number

The revision number denotes if the sub-section has been revised. The first two digits indicates the fiscal year in which the revision occurred and the remaining three digits contain the sequential number of the revision. For example, 99-001 indicates a revision was made during fiscal year 1999 and it is the first revision.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.20
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	ACRONYMS AND ABBREVIATIONS	REVISION NUMBER 01-002

ACRONYMS AND ABBREVIATIONS

Following are acronyms and abbreviations which are used throughout the manual.

AD	Automated Disbursement
Ann.	Annotated
BFC	Bureau of Financial Control, a Division of DFA
BFR	Bureau of Financial Reporting, a Division of DFA
BY	Budget Year
CAFR	Comprehensive Annual Financial Report
CFDA	Catalog of Federal Domestic Assistance
CHIP	Children' s Health Insurance Program
CMIA	Cash Management Improvement Act
CR	Cash Receipt
CX	Canceled Warrant
DFA	Department of Finance and Administration
EFT	Electronic Funds Transfer
FICA	Social Security Wages Withheld
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
ID	Identification
IRS	Internal Revenue Service - a federal agency
ITS	Information Technology Services
JV	Journal Voucher
LBO	Legislative Budget Office
MAAPP	Mississippi Agency Accounting Policies and Procedures

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

TOPIC	INTRODUCTION	SUB-SECTION 01.10.20
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	ACRONYMS AND ABBREVIATIONS	REVISION NUMBER 01-002

ACRONYMS AND ABBREVIATIONS

MERLIN Mississippi Executive Research and Library Information Network

Miss. Mississippi

MMRS Mississippi Management and Reporting System

PERS Public Employees' Retirement System

PO Purchase Order

PV Payment Voucher

RPTG Reporting Category

SAAS Statewide Automated Accounting System

SPB State Personnel Board

SPAHRS Statewide Payroll and Human Resource System

SSN Social Security Number

TIN Federal Tax Identification Number

TV Travel Voucher Document

WR Warrant Reconciliation

YTD/Y-T-D Year-to-Date

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

DEFINITION OF TERMS

Following are definitions of terms which are used throughout the manual. Users should familiarize themselves with this sub-section to enhance understanding of the manual.

Account Group

A group of accounts established for the purpose of controlling a given type of financial information which does not lend itself to accounting within a fund. Account groups exhibit many of the characteristics of a fund, but do not account for cash (i.e. general fixed assets and general long-term debt).

Account Type

The code which classifies ledger entries within the general ledger in SAAS. Refer to section 01.10.40.

Accounting Period

The fiscal period for which financial information is reported. The State has 13 accounting periods. The first twelve periods generally are one month and the final period is used for year-end GAAP adjustments.

Accounting Procedures

The day-to-day operation of a particular system so that accounting information will be reflected in the accounting records in a consistent, proper and orderly manner.

Accounting System

All the records, formal and informal, together with the procedures related to the assembling, classifying, recording and reporting of information concerning the financial operations and conditions of a fiscal entity.

Accounts Payable

Liabilities of the State owed to private persons, firms or corporations for goods and services received by a governmental unit (but not including amounts due to other funds of the same governmental unit or to other governmental units).

Accounts Receivable

Amounts owed to the State from private persons, firms or corporations for goods and services furnished by a governmental unit or for taxes due (but not including amounts due from other funds of the governmental unit).

Accrual Accounting

The basis of accounting under which the effects of most transactions and other events upon the assets and liabilities and the related revenues and expenses of a fund are recognized and reported in the time period to which they relate, regardless of when cash is received or disbursed. Items not practicably measurable until cash is received or disbursed are accounted for at that time, as may be items whose measurement would be approximately the same under either the cash or accrual basis or which are immaterial.

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

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

Accrual Entries

General journal entries made to adjust cash basis records to GAAP accounting whether on modified accrual or full accrual. Posting of entries at year-end to the general ledger will depend on whether agency books are kept on cash basis or accrual basis.

Accrued Expense

An expense incurred for goods or services received during a given period which has not been paid.

Accrued Liabilities

Amounts owed for expenses incurred which have not been paid.

Accrued Revenue

Revenues earned during an accounting period but not collected until a subsequent accounting period.

Adjusting Entries

Entries made in the general journal to correct errors of coding, such as an item coded to the wrong expenditure code.

Agency

Any department, officer, authority, public corporation, quasi-public corporation, commission, board, institution, state university and any other public agency created by the State, other than units of local government and school districts.

Agency Fund

A fiduciary fund accounting for the receipt and expenditure of various taxes, deposits, deductions and property collected by the State, acting in the capacity of an agent, for distribution to other governmental units or designated beneficiaries.

Agency Name and Number

The agency name and the three-digit number assigned by BFR.

Allotment

The amount of obligations and expenditures an agency is administratively authorized to incur over a period of time which may be derived from a more general authority, such as an appropriation. Allotments are made in order to control obligations and expenditures over a period of time which is less than one year - generally a six-month period. The amounts allotted may be less than or equal to the amount appropriated.

Allowance

The amount by which the gross value of certain assets is reduced in order to be presented at net realizable value (e.g., allowance for doubtful accounts).

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

Appropriation

A statutory authorization granted by the legislative body to an agency allowing it to incur obligations and make expenditures for specific purposes within a specified period of time and generally for a maximum dollar amount (refer to section 08.10.20).

Appropriation - Deficit

An appropriation which is made when the purpose of the regular appropriation has not been completed but the regular appropriation monies have been exhausted.

Appropriation - Lump Sum

An appropriation made to an agency, without specifying the amounts that may be spent within a major object class or made for a stated purpose without specifying the amounts that may be spent for particular objects of expenditure.

Appropriation - Major Object of Expenditure

An appropriation which covers a range of expenditure codes, such as personal services, contractual services, commodities, etc.

Appropriation - Reappropriation

An appropriation which is made at the beginning of a fiscal year to carry forward the unexpended portion of an expiring appropriation.

Appropriation Account Name

The purpose of the appropriation.

Asset Accounts

Assets are anything owned or held by a governmental entity which have monetary value. An asset account is a ledger sheet bearing the account title and number of the asset and record of transactions. Thus a record is kept of the asset cash.

Assets

The entire resources of the State or a governmental fund, including any property, tangible or intangible, of monetary value.

Balance Sheet Account

Accounts for transactions effecting assets, liabilities and fund balance/equity. These accounts are listed within the chart of accounts.

Batch

A group of similar transactions.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

Bond Discount

The excess of the face value of a bond over the price for which it is acquired or sold.

Bond Premium

The excess of the price at which a bond is bought or sold over its face value.

Bonded Indebtedness

That portion of debt, represented by outstanding bonds, owed by the state government or by state agencies.

Budget

A plan of proposed expenditures and the means of financing them with respect to a specific period of time. The plan may be for a particular organizational unit or for some combination - such as all state agencies.

Budget Year

The twelve months of the FY plus the lapse period.

Budgetary Accounting

A method of accounting which allows for the comparison of actual revenues and expenditures to budgeted figures. In many cases, budgetary accounting applies to allotments and the expenditures authorized thereby.

Bureau of Financial Control

The pre-audit bureau of the DFA. The BFC abbreviation is used throughout the MAAPP manual. The bureau receives and disburses all public funds required by law to be on deposit within the State Treasury.

Bureau of Financial Reporting

The financial reporting bureau of the DFA. The BFR abbreviation is used throughout the MAAPP manual. This bureau prepares the CAFR for the State, distributes monthly SAAS reports, maintains SAAS tables, prepares 1099's, maintains the MAAPP manual and performs various other financial reporting tasks.

Canceled Warrant

A warrant canceled by the BFC (refer to 19.20.10).

Cash

Currency, checks, postal and express money orders, and banker's drafts on deposit with the State Treasurer, in the hands of a state agency, or on deposit in the account of a state agency.

Cash Balance

Currency, checks, postal and express money orders, and bank drafts on deposit with the State Treasurer less any warrants written against these receipts. The amount of cash in a special treasury fund account.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

Cash Basis

The basis of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

Cash Disbursement Journal

A journal kept to record in sequential order the expenditure of funds whether by check or PV.

Cash Receipt

Cash received by a state agency and ordered by the BFC into the State Treasury or into a fund held by the State Treasurer; or cash received by a state agency for which it acknowledges accountability.

Cash Receipt Journal

A journal kept to record in a sequential order the receipt of funds whether to State Treasury or a bank account.

Chart of Accounts

A numerical listing of all asset, liability, fund balance/equity, revenue and expenditure accounts used to record accounting transactions. The State's chart of accounts is provided in section 25.60.20.

Cognizant Audit Agency

A federal agency assigned to Mississippi by the U.S. Office of Management and Budget as a liaison agency with the responsibility and authority for audit activities.

Collection Account

A bank account authorized by the State Treasurer and DFA in which collections are deposited before being remitted to the State Treasury. Collection accounts are for periodically transmitting a lump sum to the State Treasury.

Collections

Cash received by an agency which may or may not have been deposited.

Combining Financial Statement

A financial statement showing individual statements of each fund of a particular group of funds in separate, adjacent columns. Inter-fund transactions are not eliminated, and financial data of the respective funds is not combined.

Commodities

Various commodities, goods, merchandise, furniture, equipment, automotive equipment of every kind and other personal property purchased by the agencies of the State and governing authorities, but not commodities purchased for resale. For budget purposes, commodities do not include items coded to capital outlay.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

Compensated Absences

NCGA Statement 4 requires employers to accrue a liability for future personal, major medical and other leave benefits accrued by an employee and for which the employee may be paid upon termination of employment.

Comprehensive Annual Financial Report (CAFR)

The official annual report of a government. It includes combined financial statements - overview (the "liftable" general purpose financial statements) and basic financial statements for each individual fund and account group prepared in conformity with GAAP and organized into a financial reporting pyramid. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed statistical section. Every government should prepare and publish a CAFR as a matter of public record.

Contra Account

An account whose balance, by design, offsets fully or in part the balance(s) of one or more other accounts.

Contributed Capital

Monies contributed to a proprietary GAAP fund which are not a result of operations. Funds should be recognized as an addition to fund equity and not recognized as a revenue or financing source in the operating statement.

Cost Center

A division or area in which an agency keeps record of the receipts and disbursements. Expenditures will be coded by items or services purchased and not the use in the cost center.

Current

A term which, as applied to budgeting and accounting, designates the operations of the present fiscal period as opposed to past or future periods.

Current Assets

An asset owned that can readily be converted to cash or will be used up within an annual fiscal period. Examples are cash, accounts receivable, inventory and temporary investments.

Current Liabilities

Any debt which the agency will discharge within the space of an annual fiscal period.

Deferred Income or Deferred Revenue

Revenues collected in advance of the period in which they are earned.

Department Number

A four-digit number assigned for each account in the State Treasury. See fund name and number.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

Depreciation

The portion of the cost of a fixed asset which is charged as an expense during a particular period to reflect the expiration of the life of the asset, attributable to wear and tear, deterioration, inadequacy or obsolescence.

Designated Fund Balance

The fund equity of governmental and trust funds that has been reserved or restricted as to use.

Disbursement

Payment by BFC through a valid warrant being issued to the payee or to a holder in due course.

Division

Organizational unit for appropriation purposes within an agency.

Double Entry

A method of accounting which requires that for every entry made to the debit side of an account(s) an equal entry(ies) be made to the credit side of an account(s).

Encumbered Balance

That portion of an appropriation or allotment expended or encumbered. Encumbered balance of major expenditure categories equals the encumbered balance of the State Treasury fund.

Encumbrances

Commodities and services in which the service has not been performed or the service rendered but an obligation or contract for the commodities or services has been established.

Enterprise Funds

Accounts for operations where the intent of the State is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or, where periodic measurement of the results of operations is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Equipment

Tangible personal property of a non-consumable nature exceeding \$100.00 in the operations of a state agency.

Equity

Assets less liabilities is the equity or net worth of an individual or entity.

Error Exception Slip

The document which is attached to payment vouchers or purchase orders which have failed BFC' s pre-audit (refer to section 9.40.20).

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

Expenditure

Exchange of an asset of the State or incurrence of a liability by a state agency for an asset, goods received, or services rendered. (1) At the agency level - when a voucher for goods and/or services is submitted by an agency for approval and payment by the Bureau of Financial Control. (2) At the State level - occurs when BFC approves a voucher for payment, as evidenced by the issuance of a warrant.

Expenditure Code

A five-digit number used to classify expenditures and expenses of state agencies into expenditure accounts. These accounts are listed within the chart of accounts.

Expenditures - Major Category

Expenditures made by a state agency in an expenditure category such as commodities, travel and contractual services.

Expense

Charges incurred, whether cash or non-cash, which are presumed to benefit operations of the current fiscal period.

Financial Accounting Standards Board (FASB)

The board was founded to study issues and promulgate accounting standards. Its focus of attention is on matters pertaining to the private sector. It is responsible to the Financial Accounting Foundation as is the Governmental Accounting Standards Board (GASB).

Fiduciary Funds

Those funds used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Each trust fund is classified for accounting measurement purposes as either a governmental fund or a proprietary fund. Expendable trust funds are accounted for in essentially the same manner as governmental funds. Non-expendable trust funds and pension trust funds are accounted for in essentially the same manner as proprietary funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Fiscal Year

The twelve accounting periods between each July 1 and June 30 of the following year and the thirteenth accounting period which is used for year end adjustments for GAAP reporting.

Fixed Assets

Assets of a long term character and non-consumable in nature which are intended to be held or used. These include land, buildings, improvements, machinery, furniture and other equipment with an initial cost exceeding \$100.

Function

A group of related activities aimed at accomplishing a major service or regulatory program for which a governmental unit is responsible.

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

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

Function - Major, GAAP

A group of related activities aimed at accomplishing a major service or regulatory program for which a governmental unit is responsible. The major functions are: general government; education; health and social services; law, justice and public safety; recreation and resource development; regulation of businesses and professions; and transportation.

Fund Accounts

All accounts necessary to set forth the financial position and results of operations of a fund.

Fund(s), GAAP

A fiscal and accounting entity, established by statute or administrative action, recording cash and other financial resources, together with all related liabilities, obligations and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with regulations, restrictions, or limitations.

Fund Balance

The equity of governmental funds and trust funds. For example, an agency having a special treasury fund will have a fund balance for the same amount as the cash in the treasury fund.

Fund Balance - Unexpended

Fund balance available for future expenditure.

Fund Name and Number

BFR' s official name of a fund and the assigned four-digit number.

Fund - Non-appropriated

An account established to record revenue and expenditures that are not required to be appropriated by the legislature.

Funds - Debt Service

Those accounts established by law to account for the payment of principal and interest associated with the general obligation and revenue bond issues of the State.

Funds - General Treasury

Agencies receive authority by legislative appropriation to spend portions of the State Treasury general funds (2000 accounts). Fund 2999 is established to receive the major portion of tax revenues and to pay the regular operating and administrative expenses as appropriated by the State Legislature.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

Funds - Petty Cash

An imprest fund established for the purpose of purchasing items of small cost, payment of postage due, and other nominal expenditures which cannot be administered economically and efficiently through customary procurement practices.

Funds - Public

Any monies, fees or any other emoluments received by an agency or governing authority, whether or not required by law to be deposited in the State Treasury.

Funds - Revolving

Those accounts established, generally by law, whereby the allotment for the fund is increased by the receipts into the fund. Each expenditure from the fund reduces the allotment by a like amount. Completion of a Z-1 budget form (refer to section 08.20.10) is not required. Disbursements are not restricted by a major expenditure category.

Funds - Special Treasury

Those funds deposited with the State Treasurer whose revenues are from special sources other than the State Treasury General Fund. These revenue sources include revenue from federal government, private sources, generated revenues, bond sales, loan repayments, etc.

GAAFR

Governmental Accounting, Auditing and Financial Reporting, published by the Municipal Finance Officers Association in 1988.

Governmental Accounting Standards Board (GASB)

The Board was established as the standard setting body for governmental accounting. It is responsible to the Financial Accounting Foundation.

General Journal

A journal in which all entries not recorded in special journals (such as cash receipts and disbursements) are entered.

General Ledger

A book, file, or other device which contains the accounts necessary to reflect in summary or in detail the financial position and the results of operations of a governmental unit or fund.

Generally Accepted Accounting Principles (GAAP)

The conventions, rules and procedures necessary to define accepted accounting practices at a particular time. The principles have developed on the basis of experience, reason, custom, usage, and to a significant extent, practical necessity.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

General Obligation Bonds

Bonds for the payment of which the full faith and credit of the issuing government are pledged.

General Purpose Financial Statements (GPFS)

The annual report of a government presenting its financial position and operating results in conformity with GAAP. The GPFS are made up of the following financial statements plus notes to the financial statements.

(1) Combined Balance Sheet - All Fund Types and Account Groups (2) Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Funds (3) Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses and Changes in Fund Balances - Budget and Actual - General and Special Revenue Funds (and similar governmental fund types for which annual budgets have been legally adopted) (4) Combined Statement of Revenues, Expenses, and Changes in Retained Earnings/Fund Balances (or equity) - All Proprietary Fund Types and Similar Trust Funds (5) Combined Statement of Cash Flows - All Proprietary Fund Types and Non-expendable Trust Funds.

Governmental Accounting

The composite activity of analyzing, recording, summarizing, reporting and interpreting the financial transactions of governmental units and agencies.

Governmental Funds

Those funds established for GAAP financial reporting purposes through which most governmental functions typically are financed. The acquisition, use, and balances of the government's expendable financial resources and the related current liabilities - except those accounted for in proprietary and fiduciary funds - are accounted for through governmental funds. The governmental fund measurement focus is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources), rather than upon net income determination.

Grant

A contribution made by one governmental unit (state or federal) to another unit or to an individual. The contribution is usually made to aid in the support of a specified function, but it may be for general purposes.

Interfund Payables

An account used to reflect amounts owed to other funds.

Interfund Receivables

An account used to reflect amounts due from other funds.

Internal Control

The plan of organization and all of the methods and measures adopted within a fund or agency to safeguard its assets, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

Internal Service Funds

Internal service funds account for the operations of state agencies which render services and provide goods to other state agencies or governmental units on a cost reimbursement basis.

Inventories

Assets which may be held for internal consumption or for resale to other units of state government or to outside parties.

Investments

Securities, real estate, and other assets held for the production of income in the form of interest, dividends, etc.

Investments - Short-term

Investment of idle cash of a fund for a period of one year or less, generally in the form of an interest-bearing deposit or other marketable security, that may be needed at any time for financing the regular activities of the fund.

Investments - Long-term

Investments of idle cash of a fund expected to be held for more than a year, generally in the form of securities, real estate, or other property.

Invoice

The original bill of the vendor indicating the price, description of goods or services sold and terms of the sale. The invoice is used as documentary evidence that the service has been performed or the material received. (If not original, the invoice must read "customer copy".)

Journal

A book of original entry.

Lapse

The legal termination of the unexpended balance of an appropriation at a specified point in time, usually August 31.

Lapse Amount

The unexpended balance of an appropriation which becomes legally unavailable for expenditure at a specified date, usually August 31.

Lapse Period

The two-month period ending August 31 during which obligations outstanding at June 30 may be liquidated against appropriations of the previous FY under provisions of Section 64 of the State Constitution.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

Ledger

A ledger consists of a number of accounts. Each account represents stored information about a particular kind of asset, liability, owner's equity (fund balance), revenue, or expense.

Liabilities

Legal obligations arising out of transactions in the past that must be liquidated, renewed or refunded at some future date.

Long-term Obligations

Those debts of an agency which are not due within the present FY.

MAAPP

Mississippi Agency Accounting Policies and Procedures

MAAPP Coordinator - Agency

Agency official to which all MAAPP correspondence is sent. This individual has responsibility for distributing the information throughout the agency.

MAAPP Coordinator - State

The Division of DFA which is responsible for maintenance, revision and coordination of the MAAPP manual with all state agencies.

MAAPP Manual

The manual developed to assist agencies in implementing those accounting policies and procedures established by DFA.

Major Expenditure Category

Expenditures made by a state agency in a major expenditure category, such as personal services, travel, commodities, etc.

Major Medical Leave

Accrued time earned by state employees which may be used as a compensated absence when an employee is absent from work more than eight hours due to their illness or the death of an immediate family member.

Mississippi Management and Reporting System (MMRS)

Established to provide technical and functional support for SAAS. It also coordinates the implementation of SAAS in agencies desiring to become on-line users.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

Modified Accrual

The basis of accounting under which revenues should be recognized in the accounting period in which they become available and measurable. Expenditures should be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Mutilated Warrant

A warrant that has been torn, wrinkled, burned, etc., that cannot be paid by a bank or the State Treasurer.

Nominal Accounts

Temporary accounts in the general ledger. Temporary accounts are classified as revenue and expenditure accounts which are closed into the fund balance account at the end of a fiscal period.

Object Code

A specific five-digit number assigned to an expenditure code, such as 62120 or 61540.

Object of Expenditure

The purpose for which the State's resources have been expended such as travel, equipment, etc.

Obligations

Amounts which a governmental unit may be legally required to pay out of its resources, including encumbrances, as well as accounts payable and accrued liabilities.

Obligations - Outstanding

Total prospective expenditures recorded with BFC, such as POs.

On-line Agency

An agency with direct access to SAAS. The agency enters its own accounting data into SAAS through a direct computer link.

Operating Transfers

All interfund transactions, except loans, advances, reimbursements and residual transfers, (e.g., legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended).

Outstanding Encumbrances

The portion of the total prospective expenditures filed (such as POs or executory contracts) that still remain to be liquidated.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

Payment Voucher

A written request from the agency requesting BFC to make payment to a vendor for goods received or services performed and authorized. It evidences the propriety of a transaction and indicates the account in which the transaction is to be recorded. Refer to section 11.20.10.

Percentage Allotment Expended Year-to-Date

That percentage of an allotment which has been expended for the FY year-to-date.

Personal Leave

Accrued leave time earned by state employees which may be used as a compensated absence when an employee is on vacation or ill for the first eight hours.

Pre-Audit

An examination for the purpose of determining propriety of a proposed financial transaction or of a transaction currently in process. (1) At the agency level: An examination by the agency for the purpose of determining the legality and propriety of a proposed transaction or of a transaction in process. (2) At the State level: An examination by BFC of a transaction in process for the purpose of determining its legality and regularity.

Prepaid Expenses

Expenses which have been paid, but for which benefits have not been received. An example of a prepaid expense is premiums paid on unexpired insurance.

Prior Year Cash

The amount of cash left in the old BY and not transferred to the new BY. Prior year cash is utilized during the lapse period to pay expenses incurred in the prior BY.

Pro Forma

The term is used in conjunction with a noun to denote merely a sample form, document or statement. Often used in connection with financial forecasts.

Program Budget

A budget wherein projected expenditures are based on programs of work and secondarily on character and object.

Proprietary Funds

Those funds used to account for a government's on-going organizations and activities which are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to the government's business and quasi-business activities - where net income and capital maintenance are measured - are accounted for through proprietary funds. The generally accepted accounting principles here are those applicable to similar businesses in the private sector; and the measurement focus is upon determination of net income, financial position, and changes in financial position.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

Purchase Order

A document that authorizes the delivery of specified merchandise or the rendering of certain services and the making of a charge for them. Refer to section 09.20.12.

Receipts

Cash received and ordered by DFA into the State Treasury.

Register

A record for the consecutive entry of a certain class of events, documents, or transactions with a proper notation of all the required particulars.

Related Funds

Funds of a similar character which are brought together for administrative or reporting purposes; (e.g., trust funds). See also the definition for fund group.

Replacement Cost

The cost, as of a certain date, of a property which can render service similar to that provided by the property to be replaced.

Reserve

An account set up to indicate any of the following: (1) the segregation of fund balance (equity) representing contingent liabilities, (2) other segregation of fund balance, and (3) the difference between a total appropriation and that portion thereof which may be allotted for obligations and expenditures during a fiscal period.

Residual Equity Transfers

Nonrecurring or nonroutine transfers of equity between funds (e.g., contribution of enterprise fund or internal service fund capital by the general fund).

Resources

The actual assets of a governmental unit such as cash, receivables, investments and property which are available for the discharge of given responsibilities and attainment of governmental objectives.

Retained Earnings

An equity account reflecting the accumulated earnings of an enterprise or internal service fund.

Revenue

Additions to assets which do not increase any liability or represent the recovery of an expenditure.

Revenue Source

The account codes within the chart of accounts which detail revenue transactions.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

Schedules

(1) The explanatory or supplementary statements that accompany the statement of financial position or other principal financial statements periodically prepared from the accounts. (2) A form used to summarize and transmit a group of similar transaction documents, such as invoice - vouchers.

Single Audit Act of 1984

A federal act passed by Congress in October, 1984, establishing audit requirements for state and local governments which receive a total amount of federal assistance equal to or in excess of \$100,000 in a single year. This Single Audit Act requires the reporting entity to have its federal assistance programs audited on an organization-wide basis rather than on a grant-by-grant basis.

Statements

Presentations of financial data which show the financial position and the results of financial operations of a fund, a group of accounts or an entire governmental unit for a particular accounting period.

Statewide Automated Accounting System (SAAS)

The accounting system of the State. This is a computerized system which produces all financial transactions processed by BFC (refer to section 01.10.40).

Statute

A law enacted by the legislature.

Subsidiary Account

One of the group of related accounts which support in detail the summary data recorded in a control account.

Subsidiary Ledger

A group of subsidiary accounts, the sum of whose balances is equal to the balance of the related control account.

Tax Refund

An amount paid by the State as an expenditure in settlement of an over-collection of tax revenue.

Transaction Code

A two-digit code assigned within SAAS to represent each transaction type (refer to section 01.10.40).

Trial Balance

A self balancing list of the debit and credit balances of the individual accounts in a general ledger kept by double entry accounting.

Undesignated Fund Balance

The fund equity of governmental and trust funds which is not reserved, designated or restricted as to its use.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.30
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	DEFINITION OF TERMS	REVISION NUMBER 01-002

Unencumbered Balance of Appropriation or Allotment

That portion of an appropriation or allotment not yet expended or encumbered (obligated); the balance remaining after deducting from the appropriation or allotment the accumulated expenditures and outstanding encumbrances (obligations).

Unexpended Balance of Appropriation or Allotment

That portion of an appropriation or allotment which has not been expended; the balance remaining after deducting from the appropriation or allotment the accumulated expenditures (warrants issued).

Value

(1) The act of describing anything in terms of money - that is, assessing its worth; (2) the measure of an item in terms of money. The term should not be used in this sense without qualification as to timing and basis of valuation - that is, the value has been established at what point in time and upon what basis.

Vendor

The company or individual who has rendered a service or sold merchandise to an entity of the State.

Vendor Number

A unique eleven-digit number assigned by BFC to each vendor doing business with the State (refer to 17.10.10).

Vendor - Miscellaneous

A one time vendor who will not receive a 1099 form at the end of the year.

Voucher - Travel

A voucher used by state officials, employees or vendors to claim reimbursement of official business related travel expenses.

Warrant

A warrant is a negotiable instrument drawn by DFA on the State Treasury to effect payment of funds held by the State Treasurer for debts incurred by state agencies or for fund transfers authorized for payment by BFC.

Warrants - Canceled

A warrant canceled by BFC (refer to 19.20.10).

Warrants - Issued

The total amount of warrants issued by BFC to be paid by the State Treasurer.

Warrants - Paid

A warrant is paid when the warrant is presented for payment to the State Treasurer and the claim is honored; thus the warrant is no longer outstanding.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.40
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE NOVEMBER 24, 2008
SUB-SECTION	REVISION AND MAINTENANCE OF THE MAAPP MANUAL	REVISION NUMBER 09-004

REVISION AND MAINTENANCE OF THE MAAPP MANUAL

DFA is responsible for revising and maintaining the MAAPP manual. All users of this manual are encouraged to recommend revisions or ideas for improvements. The manual can be accessed at <http://www.dfa.state.ms.us>. If a revision is needed, it is recommended that the original section from the manual along with the changes to the section be emailed to the DFA MAAPP Coordinator at: sturgid@dfa.state.ms.us.

MAAPP DISTRIBUTION POLICY

Access to the MAAPP manual is via the internet on DFA's home page at <http://www.dfa.state.ms.us>.

REVISIONS

Revisions and updates to the manual will be made on a timely basis. The on-line version of the manual reflects all revisions and updates. A listing of recent revisions and the contents/description of each revision is found on DFA's home page at <http://www.dfa.state.ms.us>.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.50
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE FEBRUARY 15, 1999
SUB-SECTION	OVERVIEW OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION	REVISION NUMBER 99-002

OVERVIEW OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION

Mississippi laws define the duties and responsibilities of DFA. Some of the duties assigned to the Office of Fiscal Management are to:

- Maintain a complete system of general accounting to comprehend the financial transactions of every state department, division, officer, board, commission, institution, or other agency owned or controlled by the State, except those agencies specifically exempted [Section 7-7-9, Miss. Code Ann. (1972)].
- Not issue any disbursement warrant unless and until it shall have audited the bill, invoice, account, payroll or other evidence of the claim, demand or charge and determined that the expenditure or disbursement is regular, legal, and correct, and that the claim, demand or charge has not been previously paid [Section 7-7-33, Miss. Code Ann. (1972)].
- Collect or receive public funds or money from any source to be deposited in the State Treasury [Section 7-7-15, Miss. Code Ann. (1972)].
- Issue warrants within the appropriation or allotment as specified by law [Section 7-7-39, Miss. Code Ann. (1972)].
- Have available daily reports of each fund account which the DFA is required to maintain, showing thereon balances brought forward, receipts to date, net expenditures to date, the unexpended balances, the amount of unpaid POs and the unencumbered balances. In addition thereto, DFA shall be required to have available in its office reports of appropriation accounts, showing thereon the amount appropriated for each purpose, the amount of warrants issued to date, the unexpended appropriation balance, the amount of unpaid POs and the unencumbered appropriation balance for each such account. [Section 7-7-45(d), Miss. Code Ann. (1972)].
- Shall prescribe and implement in the office of each state agency an adequate accrual accounting system in conformity with generally accepted accounting principles and a system for keeping other essential financial records... [Section 7-7-3]
 - (1) may install a state centralized automated accounting system which facilitates reporting the financial position and operations of the state as a whole in conformity with generally accepted accounting principles.
 - (2) all such accounting systems shall be as uniform as is practicable for agencies and offices of the same class and character.
 - (3) said state centralized automated accounting system shall be made available to the agencies of state government through the services of the State Computer Center.
 - (4) each state agency shall adopt and use the system prescribed and approved for it by DFA which shall have the authority and power to impound all funds of such agency until it complies.

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

TOPIC	INTRODUCTION	SUB-SECTION 01.10.50
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE FEBRUARY 15, 1999
SUB-SECTION	OVERVIEW OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION	REVISION NUMBER 99-002

- To prepare a comprehensive annual financial report. [Section 7-7-45(c)]

Mississippi law gives DFA the authority to require agency assistance in preparation of the CAFR in Section 27-104-4 as follows:

- (1) Each state agency shall prepare annual financial statements at such other times as required by the DFA. The statements shall be in accordance with generally accepted accounting principles. DFA, in consultation with the State Auditor, shall prescribe rules and regulations to implement and specify the records, procedures and accounting systems necessary to carry out the provisions of this section.
- (2) DFA shall combine the financial statements of the various state agencies into a CAFR for the State of Mississippi and shall provide it to the State Auditor by September 30 of each year for postauditing. This report, together with the State Auditor's opinion on the financial statements, shall be published as the official financial statement of the state and shall be distributed to the Governor, other state officials, members of the Legislature, and other interested persons. The CAFR shall be prepared in accordance with generally accepted accounting principles, shall be audited by the State Auditor's office in accordance with generally accepted auditing standards, and shall be published within six (6) months after the June 30 close of each FY.
- (3) Within twelve (12) months of the June 30 close of each FY, the State Auditor's Office shall publish the State Auditor's statements on internal control systems and on compliance with federal grant requirements and with applicable state and federal laws, that conforms to the requirements of the Single Audit Act of 1984 for audit coverage of state and federal funds received by all state agencies.

The penalty for failure to make required reports is detailed in Section 7-7-11 as follows:

If any officer or employee of any state agency shall refuse or fail to make any report to DFA or the Legislative Budget Office as required herein or in the manner prescribed by the said DFA, DFA shall proceed to make, or cause to be made, the said report. The expense thereof shall be personally borne by said officer or employee, and he or she shall be responsible on his or her official bond for the expense so incurred.

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

TOPIC	INTRODUCTION	SUB-SECTION 01.10.50
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE FEBRUARY 15, 1999
SUB-SECTION	OVERVIEW OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION	REVISION NUMBER 99-002

In addition, assistance is available from the Attorney General's office as it pertains to financial reporting:

- (1) The Legislative Budget Office or DFA may request and the Attorney General is authorized, upon receipt of such request, to bring an injunctive action against any special-fund agency failing to comply with the terms of sections 27-103-101 through 27-103-139 and 27-104-1 through 27-104-29.
- (2) Such injunctive action by the Attorney General may be either a mandatory injunction to force the filing of the required budget or a prohibitory injunction to prevent the special-fund agency from engaging in further business or other activities until such time as the terms of sections 27-103-101 through 27-103-139 and 27-104-1 through 27-104-29 have been complied with. [Section 27-104-29]

DFA provides fiscal control over state spending through pre-audit of POs, PVs and other documents and through its warrant writing functions. Warrants are written on funds held by the State Treasurer at least three times each week.

Statewide fiscal information is captured from SAAS and from periodic reports submitted by state agencies. The agencies reporting requirements are detailed in Section 27 of this manual.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.60
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE FEBRUARY 15, 1999
SUB-SECTION	DESCRIPTION OF THE STATE ACCOUNTING SYSTEM	REVISION NUMBER 99-002

DESCRIPTION OF THE STATE ACCOUNTING SYSTEM

GENERAL

The state accounting system operates through interaction and cooperation between state agencies and DFA. An important function of BFC, within DFA, is to verify and approve requests for payments to be made from funds held by the State Treasurer. BFR distributes financial reports necessary for fiscal management at both the individual agency and statewide levels.

AGENCY PARTICIPATION

Agencies participate in the operation of the state accounting system by submitting to BFC such information as:

- PVs, requesting BFC to approve payment to a vendor for goods or services rendered;
- payroll information, requesting BFC to prepare payroll checks for an agency;
- receipt deposits, requesting BFC to deposit monies with the State Treasurer;
- financial information which BFR uses to prepare financial statements for all fund types and account groups;
- allotments, transmitted by the Office of Budget and Fund Management, DFA, to BFC to set up spending limitations within an appropriation/expenditure account; and,
- POspurchase orders, informing BFC of an agency's intent to make an expenditure.

STATEWIDE AUTOMATED ACCOUNTING SYSTEM

The State of Mississippi acquired an accounting system which is an automated, on-line, multi-user, centrally-controlled, agency-discrete financial management system. This accounting system, known as SAAS, processes and produces information based on GAAP as applied to governmental entities and based on the State of Mississippi's modified cash basis. The SAAS system is operated and maintained through interaction and cooperation between state agencies and MMRS.

The SAAS system enables all agencies to capture and control the receipting functions, PO functions, payment functions, and warrant functions at the fund level. On-line agencies have the ability to capture at levels lower than fund detail within the system.

The SAAS software has several baseline modules:

- General Ledger
- Accounts Payable (Expenditure Accounting)
- Budgeting
- Revenues (Cash Collected, Accounts Receivables)
- Projects
- Grants

The on-line agencies also have access to the following implemented subsystems within SAAS:

- Cost Allocation
- Extended Purchasing
- Travel
- Performance Measurement

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

TOPIC	INTRODUCTION	SUB-SECTION 01.10.60
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE FEBRUARY 15, 1999
SUB-SECTION	DESCRIPTION OF THE STATE ACCOUNTING SYSTEM	REVISION NUMBER 99-002

The MMRS oversees the functions for operating and running the system and provides technical support and a help desk for the system users. BFR provides accounting assistance for the state agencies.

CODING FOR SAAS

The SAAS software provides a coding block for the transactions entered into the system. This coding block provides a method for each transaction to be posted to the correct agency, fund, appropriation unit, etc., and provides a means of extracting the data in various formats. A description of the coding block is provided below;

<u>CODING BLOCK</u>	<u>NUMBER OF CHARACTERS</u>
Agency/Department	3
Fund	4
Appropriation Unit	4
Minor Object/Revenue Source/Balance Sheet Account	5
Sub-object/Sub-revenue Source Code (on-line user agencies)	2
Organization (on-line user agencies)	4
Sub-Organization (on-line user agencies)	2
Reporting Category (on-line user agencies)	4
Project (on-line user agencies)	5
Sub-project (on-line user agencies)	2
Phase (on-line user agencies)	1
Budget Year	2
Accounting Period	4
Federal Fiscal year (on-line user agencies)	2
Activity	4
Object Class (inferred by minor object on reports)	2

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

TOPIC	INTRODUCTION	SUB-SECTION 01.10.60
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE FEBRUARY 15, 1999
SUB-SECTION	DESCRIPTION OF THE STATE ACCOUNTING SYSTEM	REVISION NUMBER 99-002

ACCOUNT TYPE

The SAAS software groups accounts by transaction type. The asset accounts include cash accounts, short term investment accounts, accounts receivable accounts, etc.; the asset accounts are grouped within SAAS as asset accounts or account type 01. A listing of the account types and their uses is provided below:

<u>ACCOUNT TYPE</u>	<u>ACCOUNT TYPE NAME</u>	<u>EFFECT</u>
01	Assets	
02	Liabilities	
03	Fund Balance	
20	Pre-encumbrances	Used by on-line agencies only. Transactions within this account type have an effect on the budget tables.
21	Encumbrances	Transactions within this account type have an effect on the budget tables.
22	Expenditures/Expenses	Transactions within this account type effect the budget tables and result from daily cash transactions.
23	Expenditures	Used by on-line agencies only. Transactions in this account type effect the budget tables which show this account type as expenditures; however, the GAAP financial statements apply them against an asset.
24	Expenses	Used by on-line agencies or for GAAP adjustments for all agencies; transactions do not effect the budget tables.
31	Revenue	Transactions within this account type result from daily cash transactions.
32	Revenue Collected	Used for GAAP adjustments and for on-line agencies utilizing the accounts receivable module of SAAS.

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

TOPIC	INTRODUCTION	SUB-SECTION 01.10.60
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE FEBRUARY 15, 1999
SUB-SECTION	DESCRIPTION OF THE STATE ACCOUNTING SYSTEM	REVISION NUMBER 99-002

TRANSACTION CODES

A two-digit code has been assigned to represent each transaction type entered into SAAS and posted into the State's General Ledger. These transaction codes and a brief summary of each are listed below:

<u>TRANSACTION</u>	<u>DESCRIPTION</u>
AD	Automated Disbursements - Created during the overnight processing cycle when the warrants are produced.
CR	Cash Receipts - Cash receipts accepted by BFC.
CX	Canceled Warrants - Current year warrants canceled by BFC.
JV	Journal Voucher - Used to record adjusting entries, record corrections and post payroll. Journal Vouchers may be generated from JAs, JGs or J2s.
PO	Purchase Order - Used to encumber funds.
PV	Payment Voucher - Used to request BFC to pay an invoice.
MW	Manual Warrant - Used only in emergencies to produce an immediate warrant.
WR	Warrant Reconciliation - Used to show warrants that clear the State Treasury.

SYSTEM GENERATED REPORTS

Monthly reports produced by SAAS include the following:

<u>REPORT TITLE</u>	<u>REPORT NUMBER</u>	<u>MAAPP REFERENCE</u>
Detailed General Ledger (Trial Balance by Accounting Distribution)	A611A	25.30.30
Summary Trial Balance by Fund - by Fiscal Year	A614A	25.30.10
Summary Trial Balance by Fund - by Budget Year	614C	25.30.10
Purchase Order Activity - Detail Listing by Purchase Order	A640	09.30.30
Payment Voucher Activity - Detail Listing by Voucher	A650	11.30.20
Aged Open Purchase Orders by Department, Vendor and Purchase Order	E641A	09.30.10
Aged Open Purchase Orders by Department, Fund and Purchase Order	E641F	09.30.10
Open Purchase Orders by Department, Fund, Object and Purchase Order	E641O	09.30.10

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

TOPIC	INTRODUCTION	SUB-SECTION 01.10.60
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE FEBRUARY 15, 1999
SUB-SECTION	DESCRIPTION OF THE STATE ACCOUNTING SYSTEM	REVISION NUMBER 99-002

<u>REPORT TITLE</u>	<u>REPORT NUMBER</u>	<u>MAAPP REFERENCE</u>
Statement of Revenue	F120	21.30.20
Statement of Expense by Object by Fund	F121	11.30.30
Appropriation/Allotment by Object Class	A504	08.30.10
Appropriation/Allotment by Fund	A505	08.30.20
Cash Receipt Register	A690	21.30.10

There are additional reports for on-line agencies which are not listed above, for example, grant and project reports.

RELATIONSHIP BETWEEN BUDGET YEAR AND FISCAL YEAR

The SAAS system is a complete general ledger on a GAAP or accrual basis that keeps track of transactions on an accounting period (GAAP) basis and on a cash (budget) basis. Each transaction recorded through SAAS has an accounting (GAAP) period and a BY associated with it.

The FY and BY correspond from September through June. Daily receipt and expenditure transactions from July 1 through June 30 are recorded in accounting periods 1 through 12 of the current FY. Transactions during lapse periods (July and August) can be recorded in either the previous BY or the new BY, but will always be recorded in the new FY.

Each FY has a thirteenth accounting period which is reserved for year end GAAP adjustments. Once the CAFR is published the thirteenth accounting period and the FY is closed. At that point the previous FY balances will be rolled into the new FY.

The statute allows previous BY POs to be recorded by BFC through the first five working days of July, and previous BY POs may be adjusted during the lapse period. These transactions are recorded in the first and/or second accounting periods of the new FY and the previous BY.

Since the SAAS system has one general ledger which combines fiscal (GAAP) data and budget data, reports are used to extract the desired information for either FY reporting or BY reporting. This subsection provides a listing of the standard SAAS reports.

TOPIC	INTRODUCTION	SUB-SECTION 01.10.70
SECTION	OVERVIEW OF THE MAAPP MANUAL	ISSUANCE DATE FEBRUARY 15, 1999
SUB-SECTION	USER RESPONSIBILITIES	REVISION NUMBER 99-002

USER RESPONSIBILITIES

Every agency head and employee has a responsibility for ensuring compliance with the policies and procedures delineated in this manual in addition to compliance with state laws and regulations not contained herein. In the case of larger agencies, the responsibilities may be clearly segregated as to agency head, chief accounting officer, accounting supervisors, accountants, etc. In the case of smaller agencies, such a delegation of responsibilities may not be feasible due to the limited number of persons in the agency.

The following paragraphs briefly describe the general responsibilities of users of the MAAPP manual. These descriptions are not intended to be all inclusive but are guidelines to follow.

AGENCY HEADS

Agency heads have overall responsibility for ensuring that the fiscal management programs and procedures prescribed by DFA are carried out. Depending on the size of the agency, these could range from being familiar with detail processing procedures to being in a review and approval position and evaluating operating results with agency management or staff.

AGENCY ACCOUNTANTS

Agency accountants will perform accounting procedures themselves or have the responsibility of supervising and training the support staff who perform the actual document processing. For effective training and supervision, agency accountants should have a thorough knowledge of the material presented in this manual.

AGENCY SUPPORT PERSONNEL

Agency support personnel usually work under the direct supervision of agency accountants who determine their specific duties and responsibilities in preparing state accounting system input documents. Support staff should be thoroughly knowledgeable in operating procedures necessary for the proper performance of their duties.

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

TOPIC	TERMINOLOGY	SUB-SECTION 01.10.80
SECTION	REFERENCE	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	FORMS	REVISION NUMBER 01-002

FORMS

Transactions for SAAS are generated by preparing source documents, generally by use of an established form. Each form has a number in the top left-hand corner; this number corresponds with the MAAPP manual section in which it is discussed and exhibited. Most forms utilized by the BFC/BFR to generate a transaction are listed below by form name and number.

BUDGET FORMS

<u>Form Name</u>	<u>Form Number</u>
Escalation of 100% Federal Funds	08.20.40
Escalation of Nonfederal Funds	08.20.50
Notification of Transfers	08.20.20
Notification of Transfer Between Budgets	08.20.30
OPRS-152	08.20.60
Z-1 (Approval of FY Budget)	08.20.10

PURCHASING FORMS

<u>Form Name</u>	<u>Form Number</u>
Purchase Order	09.20.12
Purchase Order Adjustment Voucher	09.20.13
Purchase Order Exception Report	09.40.20
Vendor File Maintenance	09.20.14*

*Note: This form is in section 17.20.05 of the MAAPP manual.

EXPENDITURE FORMS

<u>Form Name</u>	<u>Form Number</u>
Error Exception Slip (BFC form)	11.30.10
Payment Voucher	11.20.10

TRAVEL FORMS

<u>Form Name</u>	<u>Form Number</u>
Travel Authorization	13.20.20
Travel Voucher	13.20.10

PAYROLL FORMS

<u>Form Name</u>	<u>Form Number</u>
Call Back and Overtime Report	15.20.26-B
Payroll Adjustment	15.40.20
Payroll Data Form	15.20.31
Payroll Name and Address Additions and Changes	15.40.22

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

TOPIC	TERMINOLOGY	SUB-SECTION 01.10.80
SECTION	REFERENCE	ISSUANCE DATE JANUARY 25, 2001
SUB-SECTION	FORMS	REVISION NUMBER 01-002

PAYROLL FORMS Cont.

<u>Form Name</u>	<u>Form Number</u>
Payroll Register	15.20.20
Payroll Requisition	15.20.21
Schedule to Support the Additional Earnings Payroll	15.20.26-A

WARRANT FORMS

<u>Form Name</u>	<u>Form Number</u>
Indemnity Agreement - Individuals	19.20.30-A
Indemnity Agreement - Corporations	19.20.30-B

RECEIPT FORMS

<u>Form Name</u>	<u>Form Number</u>
Application for Receipt Warrant	21.20.10

VENDOR FORMS

<u>Form Name</u>	<u>Form Number</u>
Reporting Late Payments to Vendors	29.60.55
Vendor File Maintenance Form	09.20.14*

*Note: This form is in section 17.20.05 of the MAAPP manual.

JV FORMS

<u>Form Name</u>	<u>Form Number</u>
JV	25.20.10
J2 JV for Program Budgeting	25.20.12
JV Correction Request	25.20.15

OTHER FORMS

<u>Form Name</u>	<u>Form Number</u>
Application to Establish or Dissolve a Fund Authority for Opening a Bank Account and Authorizing Withdrawals	07.20.10
Request to Open or Change Bank Account	29.60.35-B
Request to Open or Change Bank Account	29.60.35-A
Depository Compensation of Expenses Request	29.60.35-C