

UNIVERSITY OF NEW MEXICO GUIDELINES FOR COMPLETION OF 2011-12 OPERATING BUDGET PLANS

I. GENERAL INFORMATION

Outlined herein are the guidelines, including salary adjustment policies, to be followed for the completion of the Fiscal Year 2011-12 Operating Budgets for all units of the University.

Deadline for Submission of Operating Budget Plans

Specific Department and College deadlines and VP lock dates can be found on the Office of Planning, Budget and Analysis website UNM Department Budget Development Calendar FY 11-12.

<http://www.unm.edu/~budget/calendar/budgetdevelopmentfy2011-12.pdf>

Format for Operating Budget Plans

Submission of Budgets for FY 2011-12 must be completed through Banner Budget Planner.

Budget Planner is comprised of two modules. The first module is called Salary Planner, which allows you to budget employee's salaries and complete the Mass Salary Update (MSU) process for employee compensation. The second module is Budget Development, which allows you to build your fiscal year budget in all categories (account codes) other than compensation.

Operating budget plans are required for **all indexes other than contract and grant accounts; otherwise, expenditures for salaries and other expenses for 2011-12 will not be processed.**

Budgeted revenues and expenses for each index must balance to zero. Revenue categories that may be used to balance to expenditures can consist of revenues, allocations, transfers, or use of balance. All revenue from external sources should be budgeted in a revenue account code.

Security Clearance

The security clearance is based upon the Organization Hierarchy. You should request clearance to the highest level organization that you need access to for MSU's or budget building. Although most people will require access to both modules, some individuals may only need access to one or the other depending on their job requirements. In order to receive access to either Salary Planner or Budget Development you will need to have security clearance.

Like all of the other Banner applications, the request for security clearance occurs through the Banner Authorization Request (BAR). To access the BAR enter through the My UNM portal, click on the Employee Life Tab and then click on Banner Authorization Requests. Select the role(s) you need: "Department Salary Planner", "Department Budget Developer", or both and then submit to your regular supervisor for approval.

Security roles may be requested at anytime, but please remember you must complete the **Budget Planner Online Course** and the **Budget Planner Proficiency Exam** in order for your request to

be approved. The online course and the exam are located under the “Banner Budget Planner” section of Learning Central. The URL for Learning Central is:

<https://learningcentral.health.unm.edu/plateau/user/login.jsp>

Other Available Sources of Information

In addition to the online course there are several other areas where you can find information on Budgeting and Budget Planner.

- 1) Budget Planner Overview - Gives detailed information on the budget process and an overview of the system. The overview is available on the Office of Planning, Budget and Analysis website: <http://www.unm.edu/~budget/budgetplanner/>
- 2) Standard Operating Procedures (SOP's) - SOP's give detailed step-by-step instruction on functions associated with budget building in Salary Planner and Budget Development. The SOP's can be found on the Office of Planning, Budget and Analysis website: <http://www.unm.edu/~budget/sop/>
- 3) Working Sessions - These sessions will take place in computer pods across campus and will be available from April 7th through April 22nd. The sessions will allow you the opportunity to bring in your own budget information and receive assistance inputting your budgets into Budget Planner. Registration for the “Working Sessions” is available through “Learning Central”. The class is available under the catalog description “Banner Budget Planner” and is titled “Budget Planner Working Session”.

II. SALARY ADJUSTMENT POLICIES

A. Main Campus I&G: No additional funds are allocated for Faculty and Staff salary increases for Fiscal Year 2012. Refer to HR Guidelines for the 2011 Budget/Salary Planner Process for details.

1. Faculty Compensation:

- No funds are allocated for faculty salary increases. The Provost has been allocated funds for faculty promotions.

2. Staff Compensation

a. Non-Bargaining Unit Staff:

- No funds are allocated for staff salary increases.

b. Salary Adjustments for Staff in the Collective Bargaining Units (existing and new US-UNM): Increases for staff covered by collective bargaining agreements will take into consideration the same criteria and funding limits as noted for non-bargaining unit staff.

3. Teaching Assistant and Graduate Assistant Stipend Adjustments: No funds are allocated for TA/GA stipend increases.

- 4. Student Employees and Temporary Employees:** No funds are allocated for student or temporary employee salary increases. The minimum wage rate for student employees will not change. Use an average of \$19,068 to compute student/ temporary FTE's.
- B. Health Sciences Center:** Staff salary policy for the Health Sciences Center will follow the same guidelines as the Main Campus.
- C. Branch Campuses/Graduate Centers:** Branch Campuses and Graduate Centers will follow the same guidelines as the Main Campus.
- D. Non-I&G Organizational Units:** Organizational units not directly funded by I&G appropriated funds, such as separately appropriated Research & Public Service organizations, Auxiliary Enterprises, Internal Services, etc., will follow the guidelines for Main Campus I&G.
- E. Please reference the following URL for the UNM Non-Bargaining Unit Staff Salary Ranges** <http://hr.unm.edu/compensation/salary.php>

III. INFLATIONARY INCREASES FOR GENERAL SUPPORT

- A. Main Campus I&G:** No additional allocation has been made for increases in general support expenses for non-academic departments. A funding pool has been made available to the Provost to distribute additional operating funds to academic units. Please contact the Provost staff regarding the allocation of these funds.
- B. Non-I&G Organizational Units:** Units in this group may adjust for inflationary increases if funds are available.

IV. SUPPLEMENTAL INFORMATION FOR UNITS AND PROGRAMS THAT INCLUDE FRINGE BENEFITS AND ADMINISTRATIVE OVERHEAD IN THEIR BUDGETS

- A. Administrative Overhead:** Administrative Overhead is to be budgeted at the same rate (percentage of total expenditures, excluding administrative overhead) as was budgeted in Fiscal Year 2010-11.

B. Fringe Benefits

1. General Guidelines for Budgeting Fringe Benefits

Payroll Benefits as a Percent of Salary

<u>Salary Range</u>	<u>Total Percent</u>
\$15,000 - \$25,000	64%
\$25,000 - \$35,000	45%
\$35,000 - \$50,000	36%
\$50,000 - \$75,000	32%
\$75,000+	29%

2. Alternate Budget Guidelines for Fringe Benefits in lieu of General Guidelines

- a. **Retirement:** Compute at 9.15% of salaries and wages exclusive of student salaries and wages.
- b. **Social Security & Medicare (FICA)**
 - The maximum for calendar year 2011 is $\$106,800 \times .0765 = \$8,170.20$ except that salaries over \$106,800 are subject to an additional tax of 1.45 % for Medicare.
 - The maximum for calendar year 2012 is estimated to be the same as calendar year 2011.
 - Exclude student salaries and wages.
- c. **Group Insurance:** No change to current group insurance rates.
- d. **Unemployment Compensation:** Compute at .30% (.0030).
- e. **Worker's Compensation:** Compute at .12% (.0012) of total salaries and wages for all employees employed in non-hazardous positions, including students. For employees in hazardous positions use 2.04% (.0204) of total salaries.
- f. **Miscellaneous Fringe Benefits:** No change to current rates. The Fringe Benefit assessment rates will be 3.6% (.036) for all unrestricted accounts and 3.09% (.0309) for all restricted accounts. Note that this assessment does not include student, temporary or non-regular employees.

V. OTHER BUDGET CONSIDERATIONS

Automobile Insurance

The State of New Mexico provides insurance for automobiles which belong to the University. The State sets the rates and those rates result in the per-vehicle charge each year. The FY12 rate is \$67.00 per-vehicle per-month or \$804.00 per-vehicle per-year. If you have a UNM vehicle the charge will automatically be deducted from your index utilizing account code “70J0”, Auto Insurance. Safety and Risk Services will then use those funds to pay the State. Include these figures as you plan your FY12 budget.

Procurement/Payment Service Charge (Banner Tax)

A University-wide service charge will be assessed monthly to each Banner Index in the amount of 1% of non-salary expenses in order to fund the on-going cost of our Project LINK information systems upgrade. The charge will generally exclude non-procurement expenses such as Financial Aid, Cost of Goods Sold, Cost Share, and F&A overhead charges on restricted accounts. This amount should be budgeted in account code “80K0”, Banner Tax.

Allocations

In the non-I&G indexes, if you budget your revenues in one index and your expenditures in other indexes, you will need to allocate your revenues to your expense indexes. Use account code “1660” to allocate funds from one index to another. This allocation account code can only be used where the revenue and expense indexes are within the same fund.

Within I&G, your allocation from your appropriate President or EVP should be budgeted in account code “1640”, pooled revenue allocation.

Student Fees

If Main Campus I&G units have outside revenue from student course fees or other student related fees, these should be budgeted in the index where the expenses will occur. In order to charge these fees to the students, they must be approved by the Board of Regents and be listed in the Schedule of Classes.

Internal Service Center/Internal Sales

Account codes “061x”, (Internal Service Center/Internal Sales) are reserved for Internal Services units only (program code P181).

Use of Balance

To Budget your “Use of Balance”, use the “1901” account code. This should be the amount of the anticipated actual beginning balance you intend to use in FY 2012. If you do not anticipate a balance forward for FY 2012, do not budget anything in “1901”.