

1 University of New Mexico  
Albuquerque, NM 87131-0001

April 11, 2017

### MEMORANDUM

To: Deans, Directors, and Others Responsible for Budgets

From: Craig White, Acting Provost and Executive Vice President for Academic Affairs

Subject: **BUDGET GUIDELINES FOR FY2017-18**

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If your unit receives an allocation of the Instruction & General (I&G) budget, an Excel workbook was emailed to you and your fiscal agents on March 24, 2017. Please examine these allocations closely.

All units that report to the Provost have until **April 17, 2017** to Lock Level 4 Organizations in Salary Planner and Budget Development. All Schools/Colleges/VP units at the Level 2/3 Organization must be completed and locked no later than **April 20, 2017** for both Salary Planner and Budget Development. However, smaller units are encouraged to complete their budgets before this date, if possible. Budgets must comply with the following instructions, which supplement the University-wide guidelines:

#### **Faculty Salaries**

Faculty compensation guidelines are currently **pending the final Budget Guidelines approval**. Once approved detailed information will be included in the final Provost Budget Guidelines and sent out to each unit.

Projected revenue to fund base salary faculty compensation increases should be budgeted in a pool using Account Code 20SA, please be sure to add a comment in Budget Planner (i.e. \$XX for faculty compensation). Do not apply any of this revenue to faculty jobs in Salary Planner. Instead budget all faculty jobs and any continuing SACs at the current (FY17) compensation levels in Salary Planner. **Please note that budgeting revenue for potential compensation increases is not approval for proposed increases; ALL proposed compensation changes must be separately approved and processed through the Provost Office.**

#### **Research Faculty Compensation:**

Consistent with prior year, for main campus research faculty, including Post Docs, increases are permitted provided that funding is available and approved in their respective **restricted** budgets. The range for salary increases is 0% -6%. **Any change outside of this range must be justified to the Vice Provost for Research by 4/17/2017.** In order for the July 1<sup>st</sup> salary increase to be applied, the relevant compensation form or post doc information form must be submitted to the OFAS.

#### **Faculty Promotions:**

Fixed promotional increments for Main Campus faculty 2017-2018 will be funded from a **separate allocation** of new revenue (Branch Campuses will fund their promotions internally) and will be as follows:

Full Professor to Distinguished Professor	\$5,000
Associate to Full Professor	\$5,000
Assistant to Associate Professor	\$4,000
Lecturer to Principal Lecturer	\$4,000
Lecturer to Senior Lecturer	\$3,000

These increments will be added to your budgets when promotion decisions have been completed. Submitted budgets should reflect the current titles of faculty under consideration for promotion and should not reflect the fixed promotional increments. Notifications for these faculty members, including the promotional increase, will be held pending final promotion and tenure decisions. The Provost Office will provide written notification to these faculty members at the completion of the process.

### **Faculty Sabbaticals and Leave Without Pay (LWOP):**

Sabbatical salaries should be footnoted and budgeted as follows:

- Full base salary for regular one-semester sabbaticals at full pay;
- 0.67 times base salary for regular one-year sabbaticals at 2/3 pay;
- 0.835 times base salary for mini-sabbaticals (one semester at 2/3 pay);
- 0.835 times base salary for regular one-year sabbaticals at 2/3 pay that span two academic or fiscal years.

Please indicate Sabbaticals at 67 percent appointment or 100 percent appointment, based on the fall semester assignment. Please add a comment in salary planner for all sabbaticals, indicating the 2016-2017 9 or 12 month base salary, before any anticipated Compensation Change Requests will take effect in 2017-2018.

For faculty on leave without pay (LWOP) please indicate the anticipated length of the LWOP and the 9 or 12 month base salary in the comments.

### **Compensation for Faculty Administrators**

While additional compensation is appropriate for faculty administrators, it should not include increases to the base salary, which would be retained after the administrative role ends. The preferred means for compensating an individual for additional administrative duties is via Special Administrative Components (SACs) and/or workload adjustments. SACs may be payable with non-recurring revenue.

### **Special Administrative Components (SACs):**

Any special administrative components (SACs) for faculty performing administrative duties which will continue in 2017-2018 should be included in Salary Planner. Please use comments to specify the amount and title of the SAC.

New SACs for 2017-2018 should not be applied in Salary Planner, however the SAC should be budgeted in Budget Planner under account code 20SA, please be sure add a comment (i.e. amount, name of faculty and SAC title). The new SAC should be submitted via the SAC Request Form, <http://ofas.unm.edu/docs/sfcc/SACRequest.pdf>, and awarded only if written SAC guidelines for making such awards are on file with the requisite Dean/Director per policy C.180.

For faculty who had a SAC in 2016-2017 that will not be continued in the 2017-2018, please zero out the position and job record, and include a comment that the SAC is being discontinued.

### **Extra Compensation:**

Funds to be paid to faculty from account codes: 2001-STCs, 2004-Teaching Overload, 2005-Incentives, 2008-Non-credit Instructors, 2009-Extended University; as Extra Compensation per policy C. 140 are to be budgeted as a line item in Budget Planner on account code 20EA, not on the position record. Extra Compensation should not be awarded unless written guidelines for making such awards are on file with the requisite Dean/Director per policy C.140.

### **Temporary Part-Time Faculty:**

For temporary, part-time faculty, calculate FTE by dividing budgeted salaries by \$23,896. The minimum rate of pay for adjunct and temporary part-time faculty is \$664 per credit hour.

## **Staff Salaries**

Staff compensation guidelines are currently **pending the final Budget Guidelines approval**. Once approved detailed information will be included in the final Provost Budget Guidelines and sent out to each unit.

## **GA/TA Stipends**

There will be no I&G funds allocated to academic units to support GA/TA increases in FY16. Please use the following **minimum** amounts per 0.50 FTE appointment:

Graduate Assistants	\$12,907 pre-masters	\$14,198 post-masters
Teaching Assistants	\$13,919 pre-masters	\$15,312 post-masters

For calculating FTE use a value of \$30,624 for 1.0 FTE.

For more information please see Office of Graduate Studies website:  
<http://grad.unm.edu/funding/assistantships.html>.

## **Student and Temporary Employee Salaries**

There **is no additional I&G allocation** for student and temporary salaries. The minimum wage rate for student employees will not change. Use an average of \$19,068 to compute student/temporary FTEs.

### Other Allocations/Transfers

Schools/Colleges will receive a detailed spreadsheet regarding your base budget adjustments. Included will be allocations/transfers coming from the Provost and the VP for Equity and Inclusion. The allocation and transfer spreadsheet shows what the Provost and VP will be budgeting (in most cases a negative 1660 or transfer account code), you should budget the opposite (in most cases a positive 1660 or transfer account code).

### Indirect Cost (“Overhead”) Budgets

Separate budgets are required for all overhead funds allocated or “returned” by the Vice Provost for Research. Overhead budgets are subject to the guidelines included in this document. Your unit will receive a projected F&A budget for FY18. Questions regarding overhead budgets should be referred to Justin Walters at 277-8721 or [jwalters@unm.edu](mailto:jwalters@unm.edu).

### Budget Leadership Team (BLT) Recommendations

Given the budget shortfall for FY18, the following cost reductions were recommend by the BLT in order to shift expenses from I&G funds to other funding resources.

#### **Food and Business Meals (account codes 31A0 and 31B0):**

Food and business meals will no longer be allowed on I&G funds, with the exception of course fee indices (program code P10K or P10L). This includes I&G self-supporting indices. On these I&G indices please do not budget 31A0 or 31B0 account codes, as expenses will not be allowable throughout the year. Food and business can be budgeted and expensed from non-I&G resources.

#### **Travel:**

I&G travel budgets were reduced by 25% for FY18. We would like to encourage units to use non-I&G resources for travel expenses, however at this time we are not restricting travel budgets on I&G. Travel budgets will be at the discretion of the dean/VP/ director and the funding available within the unit for these types of expenses.

#### **Cell Phones:**

The I&G reduction was based off an estimated saving from moving to either a cell phone reimbursement plan or a non-smart phone plan. IT will be sending out communications and how the changes will affect your units before the new fiscal year begins.

### Other Instructions

The Academic/Student Affairs use the Budget Development system in Loboweb. Your budgets must be prepared using this system. At their discretion, deans and directors may reallocate funds within their overall I&G allocations. **However, non-salary allocations may not be used to supplement salary increases for continuing employees.**

Regarding employees with multiple salary sources, please utilize the “*comment*” field to show all sources of salary by index number. Contracts cannot be issued until all salary sources are known by index number.

Please pay close attention to the calculation of FTEs, which should be consistent with budgeted salary dollars.

Comments **will be required** for budgets using account code 1901, 20SA, and 20EA. Please provide detailed description of planned use for these amounts in the comments section of the account code. **If there are budgets in these account codes and no comments, the budget will be removed in the system.**

Please note that budget use of reserves (1901 entries) **requires EVP approval** for all funds and should only be used if your unit plans to use the reserves in FY18. If you are unsure please do not budget the use of reserves. Please send your requests through your school/college/VP unit, which should be consolidated into one request and sent by email to Nicole Dopson [nicole14@unm.edu](mailto:nicole14@unm.edu) by April 17, 2017.

Comments **will be required** for budgets using allocation account codes and transfer account codes. Please indicate the index, account code, short description and dollar amount where the offset allocation is occurring (**ex: To 688001-1660 Funding for Academic Excellence \$10,000 or From 158003-11F0 Departmental training support \$1,000**). All allocations and transfer budgets must tie out at a university level. This documentation will help both the Provost Office and Budget Office tie out the final allocations and transfers. **If there are budgets in these account codes and no comments, the budget will be removed in the system.**

***Budgets must be completed at the Level Three Org. no later than April 20, 2017 by 5pm. Please see Budget Office website <http://budgetoffice.unm.edu/> for University Budget Guidelines.***

Please contact Nicole Dopson at 277-8126 or [nicole14@unm.edu](mailto:nicole14@unm.edu) if you have questions.