

March 27, 2018

MEMORANDUM

To: Deans, Directors, and Others Responsible for Budgets

From: Chaouki Abdallah, Provost and Executive Vice President for Academic Affairs

Subject: **BUDGET GUIDELINES FOR FY2018-19**

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 23, 2018. Please examine these allocations closely.

All units that report to the Provost have until **April 13, 2018** 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 19, 2018** 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

A 1% increase has been approved for individual faculty (12 month faculty, 9 month faculty, Executive faculty, and Post Docs/Fellows), which should be awarded on the basis of satisfactory performance to all faculty listed above. Funding for the I&G portion of the increases will be allocated to your unit in the base allocation. In addition to the 1%, a pre-authorized range for individual salary increases is 0%-2% such factors as merit, market competitive salary levels and correction of inequities. **Any changes outside of this range must be justified to the Provost Office by 4/13/18 and all adjustments beyond the 1% should be submitted to the Office of Faculty Affairs and Services by the Compensation Change Request Form:**

<http://ofas.unm.edu/faculty/compensation/Processing%20Contract%20Changes.html>

Please note that only the 1% compensation increase should be reflected in Salary Planner (on both the position and job side). All other proposed compensation increases should be accounted for in account code 20SA with comments.

The salary increase is to be calculated based on the individual's 2017-2018 base salary prior to any promotional or equity base adjustments. The individual's base salary **does not** include special administrative components, special teaching components, or extra compensation as defined by Faculty Handbook Policy C140.

Projected revenue to fund base salary faculty compensation increases (outside of the 1%) 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 (FY18) 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 4/13/2018.** In order for the July 1st 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 2018-2019 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 | \$8,000 |
| 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 2017-2018 9 or 12 month base salary, before any anticipated Compensation Change Requests will take effect in 2018-2019.

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 2018-2019 should be included in Salary Planner. Please use comments to specify the amount and title of the SAC.

New SACs for 2018-2019 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 2017-2018 that will not be continued in the 2018-2019, please zero out the position and job record, and include a comment that the SAC is being discontinued.

If an academic year SAC is ending, you must submit a SAC form ending the assignment with an effective date of 5/31/18. Please make sure to submit these to ensure that we have the correct effect dates. Otherwise they will be loaded with \$0 compensation.

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

A 1% increase has been approved for eligible staff, which should be awarded on the basis of satisfactory performance. Funding for the I&G portion of the increases will be allocated to your

unit in the base allocation. Please see details regarding Mass Salary Update on HR's website: <https://hr.unm.edu/mass-salary-update>.

GA/TA Stipends

There will be **1% I&G-pooled allocation to academic units to support GA/TA increases** in FY19. 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 will be **1% I&G-pooled allocation for student 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).

Please only use account code 1660 for allocations outside of your college/school/VP unit (level 3 unit). All allocations within your college/school/VP unit please use account code 1666. If you plan to transfer or allocate funding outside your school/college/VP unit (level 3) please email Nicole Dopson nicole14@unm.edu for approval with the detailed information of the reasoning for the transfer/allocation and index the funding is moving to and from. **Any transfer/allocation that has not received pre-approval will be removed in the system.**

Comments **will be required** for budgets using allocation 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.**

Please DO NOT enter transfers to plant funds (account code 12XX). These entries

will be removed in the system if entered.

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 FY19. Questions regarding overhead budgets should be referred to Justin Walters at 277-8721 or jwalters@unm.edu.

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 FY19. 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 by April 6, 2018.

Budgets must be completed at the Level Three Org. no later than April 19, 2018 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 if you have questions or need assistance.