I. GENERAL INFORMATION

Outlined herein are the guidelines, including salary adjustment policies, to be followed for the completion of the Fiscal Year 2019-20 Operating Budgets for all units of the University.

**Deadline for Submission of Operating Budget Plans:** All Operating Budget plans are required for all unrestricted indices (Instruction & General, Student Services, Institutional Support, Student Social/Cultural, Research, Public Service, Internal Service, Student Aid, Auxiliary, and Athletics). If indices are not budgeted expenditures for salaries and other expenses for Fiscal Year 2019-20 will not be processed.

- **Main Campus Departments Org level 4**  
  April 15, 2019 5pm
- **Colleges & Schools Org Level 3/Student Affairs Org Level 2**  
  April 17, 2019 5pm
- **Branch Campuses**  
  April 17, 2019 5pm
- **VP Units Org Level 2 (AA, AB, & AD)**  
  April 22, 2019 12pm

Lock dates can be found on the UNM Budget Development Calendar FY19-20 located on the Office of Planning, Budget and Analysis website:  
https://budgetoffice.unm.edu/assets/documents/budget/budgetdevcalendar.pdf

**Other Available Sources of Information**

The following resources are available on the Office of Planning, Budget and Analysis website:

A. **Budget Planner Overview:** Gives detailed information on the budget process and an overview of the system.  
   https://budgetoffice.unm.edu/assets/documents/budget/budgetplanneroverview.pdf

B. **Standard Operating Procedures (SOPs):** SOPs give detailed step-by-step instruction on functions associated with budget building in Salary Planner and Budget Development.  
   https://budgetoffice.unm.edu/budget/index.html

C. **Working Sessions:** These sessions will take place in the Technology and Education Center and will be available from March 28, 2019 through April 9, 2019. The sessions allow you the opportunity to bring in your own budget information and receive assistance inputting your budgets into Budget Planner. Registration through Learning Central is not required.  
   https://budgetoffice.unm.edu/budget/working-sessions.html
II. SALARY ADJUSTMENT POLICIES

A. Main Campus I&G: an allocation of funds for regular faculty, staff, GA/TA and student salary changes in organizations funded by the Main Campus I&G Pooled Funds is based on the following policies.

1. Faculty Compensation: *Guidelines to be released following budget summit

2. Staff Compensation:
   a. Regular Non-Bargaining Unit Staff: *Guidelines to be released following budget summit.
   b. Staff in the Collective Bargaining Units: *Guidelines to be released following budget summit.
   c. Teaching Assistant and Graduate Assistant Stipend Adjustments: *Guidelines to be released following budget summit.

3. Student, Temporary, and On-Call Employees: *Guidelines to be released following budget summit.

B. Health Sciences Center: Please reference the FY19-20 Budget Guidelines issued by the Health Sciences Center for information regarding Health Sciences Center employee salary increases and other budgetary changes: https://hsc.unm.edu/financialservices/budget/budget-information.html.

C. Branch Campuses and Graduate Centers: Branch Campuses and Graduate Centers will follow the same guidelines as the Main Campus.

D. Non-I&G Organizational Units: Units not directly funded by I&G appropriated funds, such as separately appropriated Research & Public Service organizations, Auxiliaries, Internal Services, etc., will follow the guidelines for Main Campus I&G.

E. UNM Non-Bargaining Unit Staff: Please reference the Human Resources Salary Ranges: https://hr.unm.edu/unm-staff-salary-structure.

III. INFLATIONARY INCREASES FOR GENERAL SUPPORT

A. Main Campus I&G: There is no allocation for increases in general support expenses.

B. Non-I&G Organizational Units: Units in this group may adjust for inflationary increases if funds are available.

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

A. Main Campus Administrative Overhead: Units affected by this will be informed of the amount which they should budget for FY19-20.
B. Branch Campuses Administrative Overhead: Branch campuses will be informed of the amount which they should budget for FY19-20.

C. Fringe Benefits:

1. General Guidelines for Budgeting Fringe Benefits: Note, you must budget for each account code that you are incurring fringe benefit expenses on. You may use the Chart below to budget for each account code.

Estimated Averages* for Budgeting Purposes - Calculate Benefits as a percent of salary, see below.

<table>
<thead>
<tr>
<th>Acct Code</th>
<th>Benefits</th>
<th>Faculty</th>
<th>Staff</th>
<th>Temp Faculty &amp; Temp/On Call Staff</th>
<th>Other Students</th>
<th>Graduate Students (GA/TA/RA/PA)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2110</td>
<td>FICA Gen (Includes Medicare)</td>
<td>7.65%</td>
<td>7.65%</td>
<td>7.65%</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>2140</td>
<td>Retirement****</td>
<td>13.90%</td>
<td>13.90%</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>2160</td>
<td>Group Insurance</td>
<td>8.73%</td>
<td>11.94%</td>
<td>n/a</td>
<td>n/a</td>
<td>17.37%</td>
</tr>
<tr>
<td>2180</td>
<td>Unemployment Compensation</td>
<td>0.07%</td>
<td>0.07%</td>
<td>0.07%</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>21A0</td>
<td>Workers Compensation ***</td>
<td>0.06%</td>
<td>0.06%</td>
<td>0.06%</td>
<td>0.06%</td>
<td>0.06%</td>
</tr>
<tr>
<td>21J0</td>
<td>Misc. Other Benefits</td>
<td>4.59%</td>
<td>4.59%</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>21L0</td>
<td>Accrued Annual Leave</td>
<td>0.01%</td>
<td>0.01%</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>21L1</td>
<td>Catastrophic Leave</td>
<td>0.01%</td>
<td>0.01%</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>total</td>
<td>Total</td>
<td>35.02%</td>
<td>38.23%</td>
<td>7.78%</td>
<td>0.06%</td>
<td>17.43%</td>
</tr>
</tbody>
</table>

* The above rates are Averages, if your department’s actual cost are higher, then use your own estimates.
** Not shown above are Tuition Waivers for GA/TA/RA/PA. Refer to Graduate Office Policy to estimate budget for Tuition Waivers.
*** Use Workers Comp Rate of 1.0% for employees in hazardous positions.
****ERB Changes pending governor approval of the 0.25% employer share increase

2. Additional Fringe Benefits Information:

a. Retirement: No rate increase expected; compute at 13.90% of salaries exclude GA/TA/RA/PA, students, temporary, and on-call.

b. Social Security and Medicare (FICA): No rate increase is expected. Use the chart above, or use your own department cost estimates if they are higher than average. Exclude GA/TA/RA/PA, students, temporary, and on-call. The rate currently is 7.65% for earnings up to $132,900.

c. Group Insurance: Increase of 5% is expected for staff & faculty, compute using the chart above or use your own estimates if they are higher. Increase of 15% is expected for GA/TA insurance, compute using the chart above or use your own estimates if they are higher.
d. **Unemployment Compensation:** No rate increase is expected, compute using 0.07% of salaries. Exclude GA/TA/RA/PA and students.

e. **Workers Compensation:** No rate increase is expected, compute at 0.06% of employee salaries in non-hazardous positions and 1.00% of employee salaries in hazardous positions.

f. **Miscellaneous Other Fringe Benefits:** Compute at 4.59% of salaries within unrestricted funds or 2.89% of salaries within restricted funds. Exclude GA/TA/RA/PA, students, temporary, and on-call.

V. **OTHER BUDGET CONSIDERATIONS**

A. **Automobile Insurance:** The below rates reflect FY19, FY20 rates TBD from SRS.

   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 “estimated rate” is $14.05 per-vehicle, per-month or $168.54 per-vehicle, per-year.

   The “estimated rate” for an electric vehicle (including Gems and NEIs) is $7.02 per-vehicle, per-month or $84.27 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 Gen). Safety and Risk Services will then use those funds to pay the State. Include these figures as you plan your FY20 budget. Note that these are estimates from FY19. FY20 estimated numbers to follow by Budget Summit April, 9, 2019 or sooner.

B. **Information Technologies and Parking Related Fees:** Please reference the respective web sites for any fee updates.

C. **Procurement Payment Service Charge (Banner Tax):** A University-wide service charge will be assessed monthly to each Banner Index in the amount of 1.00% of non-salary expenses in order to fund the on-going cost of Banner. 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).

D. **Procurement Payment Surcharge (Foundation):** A Foundation surcharge of 0.50% on all unrestricted current fund dollars to support the University of New Mexico Foundation operations. The surcharge is calculated on total expenditures, labor, materials, and all other expense account codes with some exclusions. This amount should be budgeted in account code 80K2, (Foundation Surcharge). Branches are excluded from the Foundation Surcharge.

E. **Deferred Compensation:** Departments will budget the appropriate expense amount in account code 2140, (Retirement Gen) of the applicable index. Human Resources will charge the department index and credit the liability account 514003-L110 and process the DPEZs to TIAA-CREF.

F. **Allocations and Transfers:** Within I&G, the I&G Pooled allocation from your VP Representative should be budgeted in account code 1640, (Allocations Pooled Allocation Gen).

   Transfers and allocations between unrestricted indices must be budgeted on both sides. If indices are within the same fund, an allocation must be budgeted using a 16xx account code (other than 1640). If indices are not in the same fund, a transfer must be budgeted using 11xx, or 12xx account codes as appropriate. Cost Share transfers must be budgeted if you expect to make
transfers from current unrestricted fund indices. Account code comments must be entered in Budget Planner detailing offset index, account code, and amount. Report available in MyReports “FNRMBTA – Main and Branch Transfers Allocation” use as a resource to check appropriate transfer and allocation account codes.

G. **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.

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

I. **Use of Reserves:** (Budgeted Use of Reserves Account Code **1901**). For Fiscal Year 2020, Main Campus units are **not allowed** to budget use of reserves unless it is **preapproved** by your org level 2 EVP representative. To obtain approval, please submit a memo to your Fiscal Agent with the justification.

*Final guidelines to be sent after Budget Summit, April 9, 2019*