GUIDELINES FOR COMPLETION OF FISCAL YEAR
2021-2022 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 2021-22 Operating Budgets for all units of the University.

**Deadlines 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 Fiscal Year 2021-22 will not be processed.

- Main Campus Departments Org level 4  
  **April 19, 2021 5pm**
- Colleges & Schools Org Level 3/Student Affairs Org Level 2  
  **April 21, 2021 5pm**
- Branch Campuses  
  **April 21, 2021 5pm**
- VP Units Org Level 2 (AA, AB, & AD)  
  **April 25, 2021 5pm**

Lock dates can be found on the UNM Budget Development Calendar FY21-22 located on the Office of Planning, Budget and Analysis (OPBA) 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. Overview of presentation has been cancelled due to the current situation related to the coronavirus (COVID-19) however you may view the power point presentation linked here:
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 have been cancelled due to the current situation related to the coronavirus (COVID-19) https://budgetoffice.unm.edu/budget/working-sessions.html

  a. The OPBA team will be available to assist with budget questions throughout the University’s period of limited operations via email or skype meetings as needed. Please direct your questions to our email: budget@unm.edu
II. SALARY ADJUSTMENT POLICIES

A. Main Campus I&G: An average 1.5% pool of funds will be allocated to organizations funded by Main Campus I&G for faculty, staff, GA/TA and student salary increases and is based on the following policies:

1. Faculty Compensation: Please reference The Office of the Provost & Executive Vice President for Academic Affairs Budget Guidelines: Academic Affairs FY22 Budget Guidelines

2. Temporary Part-Time Faculty: Please reference The Office of the Provost & Executive Vice President for Academic Affairs Budget Guidelines: Academic Affairs FY22 Budget Guidelines

3. Teaching Assistant and Graduate Assistant Stipend Adjustments: Please reference The Office of the Provost & Executive Vice President for Academic Affairs Budget Guidelines: Academic Affairs FY22 Budget Guidelines

4. Staff Compensation:

   Academic Affairs Units: Please refer to Academic Affairs (MSU) Guidelines for details: Academic Affairs FY22 Budget Guidelines

   All Other Units: Please refer to HR Mass Salary Update (MSU) guidelines for details https://hr.unm.edu/mass-salary-update

   Regular Non-Bargaining Unit Staff: Please refer to HR Mass Salary Update (MSU) guidelines for details: https://hr.unm.edu/mass-salary-update

   Staff in the Collective Bargaining Units: Increases are subject to collective bargaining unit agreements. At this time, please budget the funding for these increases in a pooled budget account code (20SU- Pooled Union Staff Compensation) until final decisions have been made for this allocated increase pool. These increases should not be budgeted in Salary Planner, not on the position or the job side. Fringe benefits for these pooled accounts should be budgeted in the appropriate fringe account codes.

5. Student, Temporary, and On-Call Employees: Increases are subject to Academic Affairs and HR guidelines: Academic Affairs FY22 Budget Guidelines

B. New Mexico Minimum Wage Increase (year 3 of 4): Minimum wage increase effective January 1, 2022 at $11.50 per hour, per current budget planning please use current hourly wage for the full fiscal year and budget adjustments and allocations will be done in January 2022.

C. Health Sciences Center: Please reference the FY21-22 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.
D. **Branch Campuses and Graduate Centers:** Branch Campuses and Graduate Centers will follow the same guidelines as the Main Campus.

E. **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.

F. **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:** A 1.5% base allocation increase was approved that can be used for general support expenses. At this time, it will be held centrally by the VP unit. If you need additional I&G support, please contact your fiscal agent or VP unit.

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 FY21-22.

B. **Branch Campuses Administrative Overhead:** Branch campuses will be informed of the amount which they should budget for FY21-22.

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.

   ![Benefits Chart](attachment:image.png)
**The above rates are Averages, if your department’s actual costs 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 1.21% for employees in hazardous positions.

2. **Additional Fringe Benefits Information:**

   a. **Retirement:** For FY22, compute at 14.15% at the department level of salaries exclude GA/TA/RA/PA, students, temporary, and on-call. The approved 1% increase will be held centrally until further notice.

   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:** No Increase for FY22 for staff & faculty, compute using the chart above or use your own estimates if they are higher. Increase of 8.7% for GA/TA insurance, compute using the chart above or use your own estimates if they are higher.

   d. **Unemployment Compensation:** No Increase for FY22 is expected, compute using 0.09% of salaries. Exclude GA/TA/RA/PA and students.

   e. **Workers Compensation:** Increase of 10% for FY22 is expected, compute at 0.08% of employee salaries in non-hazardous positions and 1.21% of employee salaries in hazardous positions.

   f. **Miscellaneous Other Fringe Benefits:** Decrease of 4% for FY22. Compute at 4.59% of salaries within unrestricted funds or 3.02% of salaries within restricted funds (rate pending approval from feds). Exclude GA/TA/RA/PA, students, temporary, and on-call.

V. **OTHER BUDGET CONSIDERATIONS**

A. **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 “estimated rate” for a UNM vehicle is $218.00 per-vehicle, per-year.
   The “estimated rate” for an electric vehicle is $109.00 per GEM, per-year. If you have a UNM vehicle, the charge will automatically be deducted from your index utilizing account code 70J0, (Auto Insurance Gen). Risk Services will then use those funds to pay the State. Include these figures as you plan your FY22 budget.

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

C. **Procurement Payment Service Charge (Banner Tax - 80K0):** 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 – 80K2): 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 payment 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/or Academic Affairs and be listed in the Schedule of Classes.

H. Internal Service Center/Internal Sales: Account codes 061x, (Internal Service Center Internal Sales) are usually reserved for Internal Services units only (program code P181). Please contact your fiscal agent regarding the budgeting of internal service revenues.

I. Use of Reserves: (Budgeted Use of Reserves Account Code 1901). For Fiscal Year 2022, 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. Account code comments must be entered in Budget Planner referencing prior authorization for budgeting use of reserves.