I. GENERAL INFORMATION

Outlined herein are the guidelines, including salary adjustment policies, to be followed for the completion of the Fiscal Year 2024-25 Operating Budgets for all units of the University.

Deadlines for Submission of Operating Budget Plans: 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 2024-25 will not be processed.

- Main Campus Departments Org level 4
  - April 11, 2024 5pm
- Colleges & Schools Org Level 3/Student Affairs Org Level 2
  - April 16, 2024 5pm
- VP Units Org Level 2 (AA, AB, & AD)
  - April 19, 2024 5pm
- Branch Campuses
  - April 19, 2024 5pm

Lock dates can be found on the UNM Budget Development Calendar FY24-25 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 and is available on our website: https://budgetoffice.unm.edu/assets/documents/budget/budgetplanneroverview.pdf


If you have questions or need assistance, please send an email to budget@unm.edu. You may also contact an OPBA staff member directly on Microsoft Teams. See the OPBA website for a list of staff.

II. SALARY ADJUSTMENT POLICIES

A. Main Campus I&G: A 3% 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. **Compensation within Academic Affairs units**, please reference The Office of the Provost & Executive Vice President for Academic Affairs Budget Guidelines: Academic Affairs FY25 Budget Guidelines for the following categories:
   a. Faculty
   b. Temporary Part-Time Faculty
   c. Teaching Assistant and Graduate Assistant Stipend Adjustments
   d. Regular Non-Bargaining Unit Staff
   e. Staff in Collective Bargaining Units (See Below)
   f. Student, Temporary, and On-Call Employees

2. **Compensation within all other units**, please refer to HR Mass Salary Update (MSU) guidelines for details https://hr.unm.edu/mass-salary-update which includes:
   a. Regular Non-Bargaining Unit Staff
   b. Staff in Collective Bargaining Units (See Below)
   c. Student, Temporary, and On-Call Employees

3. **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.

   B. **Health Sciences Center**: Please reference the FY24-25 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.

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 FY24-25.

B. Branch Campuses Administrative Overhead: Branch campuses will be informed of the amount which they should budget for FY24-25.

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>18.15%</td>
<td>18.15%</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>2160</td>
<td>Group Insurance</td>
<td>11.32%</td>
<td>16.39%</td>
<td>n/a</td>
<td>n/a</td>
<td>24.83%</td>
</tr>
<tr>
<td>2180</td>
<td>Unemployment Compensation</td>
<td>0.05%</td>
<td>0.05%</td>
<td>0.05%</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>21A0</td>
<td>Workers Compensation ***</td>
<td>0.11%</td>
<td>0.11%</td>
<td>0.11%</td>
<td>0.11%</td>
<td>0.11%</td>
</tr>
<tr>
<td>21J0</td>
<td>Misc. Other Benefits</td>
<td>3.6%</td>
<td>3.6%</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><strong>Total</strong></td>
<td></td>
<td>40.90%</td>
<td>45.97%</td>
<td>7.81%</td>
<td>0.11%</td>
<td>24.94%</td>
</tr>
</tbody>
</table>

* 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 1.61% for employees in hazardous positions.

2. Additional Fringe Benefits Information:

a. Retirement: No rate increase is expected. Compute at the department level of salaries exclude GA/TA/RA/PA, students, temporary, and on-call.

b. Social Security and Medicare (FICA): No rate increase for FY25 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 $168,600.
c. **Group Insurance:** Increase for FY25 for staff & faculty of 16.4% plus a tier shift increase, compute using the chart above or use your own estimates if they are higher. 5% increase for GA/TA insurance, compute using the chart above or use your own estimates if they are higher.

d. **Unemployment Compensation:** Decrease for FY25 is expected, compute using 0.05% of salaries. Exclude GA/TA/RA/PA and students.

e. **Workers Compensation:** No rate increase for FY25 is expected, compute at 0.11% of employee salaries in non-hazardous positions and 1.61% of employee salaries in hazardous positions.

f. **Miscellaneous Other Fringe Benefits:** Decrease for FY25 is expected. Compute at 3.6% of salaries within unrestricted funds or 2.89% 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 that belong to the University. The State sets the rates, resulting in the per-vehicle charge each year. The “estimated rate” for a UNM vehicle is $24.35, per-month or $292.19 per-vehicle, per-year. The “estimated rate” for an electric vehicle is $12.17, per-month or $146.09 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 FY25 budget.

B. **Information Technologies and Parking Related Fees:** Please reference the respective websites 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 06XX, (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 2025, 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.