

**University of New Mexico
Health Sciences Center
Guidelines for Completion of
FY 2022-23 Operating Budget Plans**

I. GENERAL INFORMATION

Outlined herein are the guidelines, including salary adjustment policies, for completion of the FY 2022-23 Operating Budget Plans for all units of the UNM Health Sciences Center.

Deadline for Submission of Operating Budget Plans

All final budget plans are to be entered in the Banner Budget Planner system *by the date specified in the UNM Budget Development Calendar FY 2022-23* found at the following link: <https://budgetoffice.unm.edu/assets/documents/budget/budgetdevcalendar.pdf#Budget%20Development%20Calendar>

This includes a projection of FY 2022-23 revenues for programs that budget patient care revenue or fee revenue (CPH, CTH, CRTC, Locum Tenens, NBICU, ARF, OMI, and Housestaff).

Format for Operating Budget Plans

Banner Budget Planner is comprised of two modules: 1) Salary Planner, where employee compensation is budgeted and 2) Budget Development, where all other non-compensations expenses are budgeted.

Operating budgets are required for **all Unrestricted Indices**. Without an operating budget, expenditures for salaries and other expenses for FY 2022-23 will not be processed.

Funding notifications for SOM, CON, COP, HSLIC, VC Community Health, VC Diversity, VC Research, and HSC Administrative Offices will be emailed to the appropriate Vice Chancellor's/Dean's/Director's Offices.

Appropriation notification memos for research and public service projects (RPSPs) will be emailed to the corresponding Deans' Offices, Department Administrators, and Program Directors.

Security Clearance

Security roles may be requested at any time, but please remember that the **Budget Planner Online Course** and the **Budget Planner Proficiency Exam** must be completed in order for your security clearance to be approved. The online course and the exam are located under the "Banner Budget Planner" section of Learning Central. You can access Learning Central thru myUNM at:

<http://my.unm.edu/home>

Banner security clearance is based upon the UNM Organization Hierarchy. Clearance to the highest level organization required should be requested for access to Salary Planner and/or Budget Planner. While most budget builders require access to both modules, some may only need access to one or the other depending on their job requirements.

Security clearances may be obtained through the Banner Authorization Request (BAR) located on the myUNM portal. From myUNM, click on the Employee Life Tab and then click on Banner Authorization Requests. Select the role(s) you need: “Department Salary Planner”, “Department Budget Developer”, or both and submit to your regular supervisor for approval.

Other Available Sources of Information

In addition to the online course, there are several other areas where you can find information on Budgeting and Budget Planner.

- 1) [Budget Planner Overview](https://hsc.unm.edu/financialservices/budget/budget-information.html) - Gives detailed information on the budget process and an overview of the system. The overview is available on the HSC Budget website at: <https://hsc.unm.edu/financialservices/budget/budget-information.html>
- 2) [Standard Operating Procedures \(SOPs\)](http://budgetoffice.unm.edu/budget/index.html) - SOPs give detailed step-by-step instruction on functions associated with budget building in Salary Planner and Budget Development. The SOPs can be found on the Office of Planning, Budget and Analysis website: <http://budgetoffice.unm.edu/budget/index.html>

II. SALARY ADJUSTMENT POLICIES

A. Health Sciences Center: The Mass Salary Update (MSU) shall be processed through Salary Planner with an effective date of July 1, 2022 for both monthly and biweekly employees. Refer to Human Resources Guidelines for the 2023 Budget/Salary Planner Process for details.

- All proposed exceptions to the 2023 MSU guidelines must be requested through and approved by Ava Lovell, Senior Executive Officer for Finance and Administration in the HSC Chancellor’s office.

1. Faculty Compensation: The Legislature and Governor have recommended, pending the UNM Regent’s approvals, a 4% average cost of living increase. The 4% average is in addition to the 3% increase made effective April 2022 and which HR has loaded into salary planner. We recommend entering the 4% average in the budget for total compensation. Each college or school must follow its designated guidelines.

2. **Staff Compensation:** The Legislature and Governor have recommended, pending the UNM Regent's approvals, a 4% average cost of living increase. The 4% average is in addition to the 3% increase made effective April 2022 and which HR has loaded into salary planner. We recommend entering the 4% average in the budget for total compensation. Eligibility requirements for staff employees will be outlined in the Human Resources 2022-23 Mass Salary Update Guidelines that will be released after Regents Approval and will also be located on the HR website.
3. **Teaching Assistant and Graduate Assistant Adjustments:** No funds are allocated for Teaching and Graduate Assistant pay increases.
4. **Student Employees and Temporary Employees:** No funds are allocated for student and temporary employee pay increases.
5. **Housestaff:** Housestaff are listed in Salary Planner as pooled positions. Departments should budget only the amount that will be paid out and charged to departmental indices. Any increases will be applied to individual jobs through the normal process in the GME office.

B. Units with (a) Approved Course Fees, (b) Program Application Fees, (c) Tuition Differentials, (d) Curriculum Fees, and other similar education related fees: Organizational units funded via non-allocated revenues, such as: Program Tuition Differentials, Program Curriculum Fees, Program Application Fees, and Course Fees must be budgeted in a *self supporting I&G index*.

In order to charge fees and tuition differentials, the fees and tuition differentials must *first be approved* in the manner specified by University Policy #8210, *Tuition and Related Fees*.

C. Please reference the following URL for the UNM Non-Bargaining Unit Staff Salary Ranges <https://hr.unm.edu/docs/compensation/unm-staff-salary-structure-2022.pdf>

III. INFLATIONARY INCREASES FOR GENERAL SUPPORT

- A. No allocation is made for increases in general support expenses. Units may adjust for inflationary increases if funds are available.

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

General Guidelines for Budgeting Fringe Benefits: Fringe benefits budgets for **I&G units** will be calculated by the HSC Budget Office. **Non-I&G units** may use a rate of 38% **for staff** and a rate of 30% **for faculty**. **PPD** may use a rate of 49% **for staff**.

Employer Cost of ERB: Employer cost of ERB to increase 3%. The above rates take into account the 3% ERB increase.

V. STATE APPROPRIATION ADMINISTRATIVE OVERHEAD

Starting in FY 2011-12, the HSC implemented an administrative overhead component on all General Fund, Research and Public Service Project (RPSP) state appropriations. The established rate is 5.0% of your General Fund state appropriation. The Appropriation Notification will reflect the Administrative Overhead amount.

Starting in FY 2014-15, main campus implemented an administrative overhead component on all Research and Public Service Project (RPSP) state appropriation new funding. The established rate is 1.0% of your total General Fund state appropriation. The Appropriation Notification will reflect the Administrative Overhead amount.

VI. PROCEDURES RELATED TO BANNER

A. NSF Checking: NSF checking is utilized for all unrestricted indices and is calculated based on an Organization Level 5 and Fund combination.

B. Position Maintenance: To budget employees, each employee is assigned to either a discrete or pooled position. Working Retirees, Housestaff, On-call, Temp, Student, and Part-Time employees are budgeted in pooled positions. All other employees are budgeted in discrete positions. Anticipated salary expense for which there currently is not a position, will need to be budgeted in Budget Planner in account code '20SA'. **Budgets in account code 20SA must be moved to appropriate Salary and Fringe account codes after budgets are loaded and before the July month end close.**

C. Budgeting in Banner:

1. Budgets Required for All Unrestricted Indices:

All Unrestricted Indices must be budgeted in Banner Budget Planner, including Non Endowed indices.

In Banner, budgeted revenues must equal budgeted expenses within each index. Revenue categories that may be used to offset expenditures could consist of revenues, allocations, transfers, and/or use of balance.

If you are allocating revenue from one index to another (within the same fund level 2 and program level 2), make sure you budget the allocation on both the “from” index and the “to” index. Please use the account code look up function in Banner Budget Planner for the most appropriate allocation account code.

Your I&G allocation will be budgeted in account code “1640,” pooled revenue allocation.

To Budget “Use of Balance”, use the “1901” account code. This should be the amount of the anticipated actual beginning balance you intend to use in FY 2022-23. If you do not anticipate a balance forward for FY 2022-23, do not budget anything in “1901”.

All revenue from external sources should be budgeted in a revenue account code. Account codes “061x”, Internal Service Internal Sales, are reserved for Internal Services units only.

0610 - Internal Service Ctr Internal Sales

Budget 0610 revenue for indexes that are Program P18s, and are NOT only unrestricted indexes.

0611 – Unrestricted Internal Sales

Budget 0611 revenue for internal sales that involve ONLY unrestricted indexes.

0699 – Miscellaneous Services

Budget 0699 revenue for all other miscellaneous internal sales that are NOT 0610 or 0611.

HSC Unrestricted Accounting Office will analyze and make requests of departments for any index that is budgeted incorrectly for FY23.

2. Procurement/Payment Service Charge (Banner Tax):

A University-wide service charge will be assessed monthly to each Banner Index in the amount of 1% of non-salary expenses in order to fund the on-going cost of our Banner information system. 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 80K0, Banner Tax.

VII. OTHER BUDGET CONSIDERATIONS:

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 \$30.88, per-month or \$370.60 per-vehicle, per-year.

The “estimated rate” for an electric vehicle is \$15.44, per-month or \$185.30 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). Safety and Risk Services will then use those funds to pay the State.

Please include these figures as you plan your FY23 budget.

Foundation Assessment: Be sure to include the Foundation assessment in your FY 2022-23 budget. Please see the Foundation Surcharge spreadsheet for your departments charge. This amount should be budgeted in account code 80K2, Foundation Surcharge. If you have any questions, please contact the HSC Budget office.