

FY09 Benefits Decentralization

In December 2008 UPBAC approved campus-wide benefits decentralization for all general operating fund indexes. As a result of this decision, departments will be responsible for monitoring their benefits budget throughout the fiscal year.

Guidelines

- The benefits budget is based on original position budgets as of July 1st, 2008.
- The benefits budget allocations were distributed to departmental indexes on February 3, 2009 and appear in account code 61499.
- Benefit encumbrances were re-established for Feb-June on February 9, 2009 and appear in account code 61499.
- Benefit expenditures for July 08 through January 09 were moved from the central pools to the departmental indexes on February 2, 2009. There is one total for each month (July-Jan) for each benefit account code in Finance. A spreadsheet reflecting the detail is available from executive contacts; SAS—Terry Leist, President—Shari McCoy, Research—Joe Sidley, A&F—Heidi Gagnon, Provost—Clyde Carroll, or the Budget Office.
- For payrolls beginning Feb 11, 2009, the detail of benefit expenses can be seen on the “Payroll Report (Idx or Org)” under Finance Reports on the SAIS website <https://sais.montana.edu>. You can choose to run the Payroll Report at either a (S)ummary or (D)etail level. The detail level will provide you with benefits by employee.
- Any position budget changes since the 7-1-08 base budgets could affect your actual benefits expenses. Departments need to account for such changes.
- If your benefits budget allocation does not adequately cover your actual benefits expenses, academic departments need to work with their dean for possible options and nonacademic departments need to work with their budget/fiscal directors at the executive level.
- Benefits computation templates and guidelines can be found at our website: (<http://www.montana.edu/wwwbdgt/Benefits%20Decentralization.html>). This template should be used to determine the amount of annual benefits to be paid on a certain employee or position.
- A retirement report has been provided to each executive. The report reflects the retirement system that an employee is enrolled in and also includes what each employee payout would be upon retirement. The payout includes annual leave, sick leave, and TRS Opt 1 payouts. Please contact your budget/fiscal director if you would like a listing of payouts for your employees.
- When hiring an individual at less than half-time, please research whether that employee is working elsewhere on campus. If the combination of the employees FTE’s is greater than 0.5, your index will pay a prorated portion of the employee’s health benefits.
- The only exception to the benefits computation template applies to student employees taking six credits or more. These employees are assessed worker’s comp only.
- FY10 benefit budgets will begin with the FY09 benefits allocation and applicable increases will be distributed during the allocation process prior to budgeting in May. These would include increases for health insurance, WC, and approved retirement rate changes.
- If you have questions, please contact the Budget Office, your dean’s office, or the Budget/Fiscal Director in each executive’s office.