

January 10, 2024

FY2025 Budget Guidelines

Dear colleagues,

Welcome back to campus. I'm energized for the year ahead as we work towards our collective goals. The legislature will convene its annual General Session on January 16, and we expect this to be a lean budget year compared to last year. Throughout the session, we will be working diligently to ensure that policymakers understand the critical role the University of Utah plays in our state. After the session concludes on March 1, 2024, we will provide additional detail on state appropriations, including what was allocated for salary and benefits. In addition, the Utah Board of Higher Education must approve any tuition increases. The Board meets March 21-22, 2024, where they plan to discuss and approve any tuition increases.

While we await final budget numbers, we encourage you to complete as much of your planning and budgeting as possible, in accordance with the guidelines attached to this letter and the previous strategic planning guidance. Thank you for your work so far on your 3-year plans. I am kicking off my strategic planning effort soon, and look forward to a streamlined and visionary process, in which we are all collectively moving toward impactful outcomes. As you recall, you will finalize your 3-year plan this month, prior to your April budget submission and meeting. This will allow us to collectively discuss and review strategy together, before the budget finalization season. **Any budget requests should be directly aligned to your new 3-year plan.** All budgets and corresponding budget reports are due to the Budget Office by Close of Business on **April 15, 2024.**

If you have questions, please reach out to the Budget Office. I am grateful to begin another year with amazing leaders, and I thank you for your continued partnership and prudent management.



Taylor Randall

Attachment: Detailed Budget Guidance January 2024 FY2025

Enterprise Performance Management ([EPM](#)) Budget System

The EPM budget system will open January 16, 2024 for you to budget all operating funds for your College/Area, including funds 1001, 2xxx, 49xx, 6xxx, 7xxx.

- All budget data must be entered into the EPM System. ***Do not place specific budget requests in narrative documents without also entering these requests into the “New Funding Request” report in EPM.*** If you only list requests in the narrative, they risk being left off the official request list, which is generated directly from EPM.
- Notify the Budget Office when you have finished your budget so they can lock it in EPM.
- New this year, personnel-level budgeting is enabled and required in EPM, which builds your budget from individual salaries.

Required Reports in EPM

The following are all found in EPM, and should be completed at the top level of your Org (i.e., Parent Level). Complete the forms in EPM, convert to PDF format, and submit to the Budget Office by **April 15**.

- Required from all Units:
 - Fund Summary, 5-Year Comparison, Efficiency Template, Carryforward Comparison
- May be required, if applicable to your Unit:
 - SVPAA Recurring Commitments, New Funding Request, Faculty Promotions, Research Expenditure Narrative, Endowment Narrative, Faculty Planning Template, Employee Detail Report, and Salary Justification (*please note that new this year, you will automatically be prompted to the salary justification report if you enter an individual salary that exceeds the increase threshold; in previous years you were required to email a separate Excel file to the Budget Office in June*)

Salaries

While final salary guidelines are not available until after the legislative session, you may begin building your budget now by keeping these amounts the same as last year. If there is an increase in personnel funding it will be communicated as soon as possible, but not before mid-March.

As you begin considering appropriate salary increases within your entity, please note the following:

- [University Policy 5-401](#) mandates that annual pay increases be approved as part of the annual budget approval process. Off-cycle pay increases should be infrequent and require the approval of the cognizant Vice President/Dean.
- In mid-March the President will designate a salary percentage ceiling. If you plan to award a salary increase greater than this percentage, Presidential approval is required. A **Salary Justification** form documenting any individual’s increase above the maximum percentage is submitted through EPM. If approved, these increases will be reflected in DMU by **June 15th**.

- Because these salary requests will be decided during the first two weeks of June, ***please do not communicate any expectation about salary increases to individuals until after you have received notification.***
- For equity requests, departments should provide comparable information for others in the department/division that hold the same job title as well as any relevant market data (e.g., HR data showing market comparisons).
- For performance-based requests, departments should describe what factors were used to determine the proposed salary increase (e.g., additional duties or merit).

New Funding Request Guidelines

We expect resources to address New Funding Requests to be limited this year. Areas are expected to maintain a reasonable amount of financial reserves and flexibility to meet routine internal funding needs. Board of Higher Education policy indicates that the University should hold between 4-7%, which is a general guideline that all units should follow.

- Submit requests at a Top Level (i.e., Parent Level) for your College/Area.
- Requests for ongoing funding should be for 1001 Funds.
- You may request one-time funding
- New funding requests that have been approved this year prior to your budget meeting should also be listed on the New Funding Request form in EPM. Please note that the request was **pre-approved** outside of the normal Budget process and provide supporting documentation to the Budget Office if needed (e.g., printed email showing the request and approval).
- For new funding requests that total less than 2% of your base budget, or if your carryforward balance totals more than 7% of your base funding for the current fiscal year (FY23), decision makers will consider requests in relation to your ability to fund requests with internal resources.

Recurring Commitments

Normally, funding commitments identified on the list of Recurring Commitments have a three-year maximum length. Please review your list of Recurring Commitments for accuracy and funding end date.

- Please list requests specific to expired Recurring Commitments on the New Funding Template and select **re-submit** in the dropdown.
- If a commitment on this list is required beyond the listed ending date, you must submit an extension request via the New Funding Request Template in EPM.
- Please include a reason for the extension as well as information regarding your plans to replace this funding through reallocations in your unit.