

E&G Staff Benefit Budget Calculation

In order to make sure the benefit funding is used appropriately the University administration has developed the E&G staff benefit budget pool process. The advantage of this process is the staff benefit budget will automatically adjust with payroll, reallocations, and changes in the benefit rates. This makes it easier to reconcile and make projections.

Most E&G indexes that are tied to fund 101164 are included in the E&G staff benefit budget pool process. Individual index exceptions are determined by the Office of Budget & Planning and are usually because of a specific one-time funding source.

E&G Staff Benefit Budget Entries

The staff benefit budget adjusting entries are processed automatically every morning after payroll, encumbrances, and reallocation entries have been processed for the prior day's activity. The description on the budget entry will be "EG STAFF BEN BUDGET TRSF".

The approved E&G indexes receive budget to cover the staff benefit encumbrances and actual staff benefit expenses. The benefit account codes authorized to receive staff benefit budget are:

- 630010 – Early Retirement
- 630250 – Workers Compensation
- 630500 – Social Security
- 631100 – Retirement
- 631500 – Federal Retirement
- 631900 – Unemployment
- 632300 – Long Term Disability
- 632700 – Short Term Disability
- 635700 – Insurance
- 630075 – Staff Benefit Encumbrance

There should not be any other entries made into or out of the budget account code 635100 or the staff benefit budget account codes listed above.

E&G Staff Benefit Budget Entry Calculation

The E&G staff benefit budget calculation subtracts the total staff benefit expenses and staff benefit encumbrance amount from the previously allocated staff benefit budget amount. If there is a difference in this calculation, a budget entry is processed. The E&G staff benefit budget process is run every morning for the previous day's activity. Following are two examples of how the entry is calculated.

Staff Benefit Calculation Example 1

Start by subtracting the total **YTD Activity** for the staff benefits of **\$10,372.77** and the total **staff benefit encumbrances** (630075) of **\$20,698.28** from the previously allocated **staff benefit budget** (631900) of **\$31,071.05**. The difference in this example is \$0.00. The calculation shows that this E&G index has received the appropriate budget.

Total Staff Benefit Budget (631900)	31,071.05
Less YTD Activity Total for Staff Benefits	(10,372.77)
Less Total for Benefit Encumbrances (630075)	(20,698.28)
Total	0.00

Account	Title	Adjust Budget	YTD Activity	Commitments	Available Balance
630010	Early Retirement	0.00	300.52	0.00	-300.52
630075	Staff Benefit Enc	0.00	0.00	20,698.28	-
					20,698.28
630250	Workers Compensation	0.00	61.61	0.00	-61.61
630500	Social Security	0.00	1,693.55	0.00	-1,693.55
631100	Retirement	0.00	3,584.40	0.00	-3,584.40
631900	Unemployment	0.00	13.21	0.00	-13.21
632300	Long Term Disability	0.00	64.22	0.00	-64.22
632700	Short Term Disability	0.00	24.95	0.00	-24.95
635100	Budget – Benefits	31,071.05	0.00	0.00	31,071.05
635700	Insurance	0.00	4,630.31	0.00	-4,630.31
	Net Total	31,071.05	10,372.77	20,698.28	0.00

Staff Benefit Calculation Example 2

Start by subtracting the total **YTD Activity** for the staff benefits of **\$4,088.55** and the total **staff benefit encumbrances** (630075) of **\$8,158.51** from the previously allocated **staff benefit budget** (635100) of **\$0.00**. The difference in this example is \$-12,247.06.

CONTROLLER'S OFFICE

COLLEGE ACCOUNTING

Reference Material

The **\$0.00** in account code 635100 indicates the index has not received any staff benefits budget.

Total Staff Benefit Budget (635100)	0.00
Less Total for Staff Benefits	(4,088.55)
Less Total for Benefit Encumbrances (630075)	(8,158.51)
Total	(12,247.06)

Account	Title	Adjust Budget	YTD Activity	Commitments	Available Balance
630010	Early Retirement	0.00	118.47	0.00	-118.47
630075	Staff Benefit Enc	0.00	0.00	8,158.51	-8,158.51
630250	Workers Compensation	0.00	24.30	0.00	-24.30
630500	Social Security	0.00	667.53	0.00	-667.53
631100	Retirement	0.00	1,412.84	0.00	-1,412.84
631900	Unemployment	0.00	5.20	0.00	-5.20
632300	Long Term Disability	0.00	25.32	0.00	-25.32
632700	Short Term Disability	0.00	9.82	0.00	-9.82
635100	Budget – Benefits	0.00	0.00	0.00	0.00
635700	Insurance	0.00	1,825.07	0.00	-1,825.07
	Net Total	0.00	4,088.55	8,158.51	-
					12,247.06

There are three possible reasons that there is no staff benefit budget yet:

1. The index had payroll, encumbrance, and/or reallocation entries made today and the E&G staff benefit budget pool process has not run to allocate the E&G staff benefit budget. The process will run the following morning and the budget will be increased by \$12,247.06.
2. The index has not been reviewed and added to the list of indexes that are approved to participate in the E&G staff benefit budget pool process. Once the index has been reviewed and approved to be included in the E&G staff benefit budget pool process, the budget will be increased by \$12,247.06 when the next process is run the following morning.
3. The index is not allowed to participate in the E&G staff benefit budget process and will not be receiving budget from the E&G staff benefit budget pool process. The benefit expenses will need to be covered by the yearly E&G budget given.

If you have any questions, please contact your accountant in the Controller's Office.