

Texas A&M University- Corpus Christi

BUDGET DEPARTMENT CONTACTS:

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Texas A&M University-Corpus Christi FY 2025 Phase II Operating Budget Instructions

FY 2025 GENERAL GUIDELINES FROM TEXAS A&M UNIVERISTY SYSTEM

In preparation for the upcoming FY 2025 budget process, we will remain focused on keeping administrative costs low through the continued improvement of operational efficiencies. In addition, budget recommendations shall be prepared within the estimated funds available and reserve balances should only be used in special **one-time** situations or where a definite plan provides justification for a limited use of such balances. In self-supporting activities, total funds budgeted shall not exceed realistic estimates of income and balances brought forward. Recommendations for other operating expenses should be based upon careful estimates of actual needs, considering every possibility for savings. Every effort should be made to ensure that we are taking advantage of cost-saving opportunities and reducing expenditures wherever possible. In addition, all budgetary projections should include provisions to accommodate items subject to possible inflationary increases during the upcoming operating year.

GENERAL BUDGET REMINDERS

- ❖ **Self-Supporting Budget Worksheets** – These worksheets will be prepared by departments using Smartsheet. Modifications have been made to simplify the process for preparers and approvers. These are scheduled to go out May 1st, 2024.
- ❖ **Revenue Calculation Guidelines** – If preparing revenue budgets for student fees, please do not exceed an annualized student headcount of 33,614 or an annualized student credit hour count of 277,563. When preparing revenue budgets for non-student fee revenues, please ensure the methodology reflects reasonable revenue projections.
- ❖ **Debt Service** – The Budget Department will provide the FY 2025 preliminary debt service payment amounts to each department with debt service transfers due to TAMU System Treasury; debt service payments must be reflected as an expense in your budget.
- ❖ **Service Department Activity Review** – Review your service department activities to ensure accuracy and consistency.
- ❖ **Benefits** - The benefits rate table below estimates the benefit expense by employee type. For planning purposes all student fee, auxiliary, service department and grant & contract accounts can use the table below to estimate employee benefit expense. Benefits funded from allocated university sources will be funded and expended from centralized accounts.

Member ID	Benefit Pool	Benefit Rate
15	Faculty	26.10%
	Grad Student	11.10%
	Staff-Exec	27.35%
	Staff-Reg	37.35%
	Student	1.10%
	Temp-Casual	10.10%

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- **GIP** - Regarding Group Insurance Premiums for non-allocated accounts, System members will pay the estimated following amounts monthly for GIP and Basic Life Insurance Premiums (\$4.70) on behalf of their employees. These rates will be updated this summer with the final FY2025 GIP Rates. The amounts below are preliminary estimates:

Coverage Level	Full-Time	Part-Time	Grad Assistants
Employee Only	\$ 957.04	\$ 478.37	\$ 274.34
Employee and Spouse	\$ 1,257.76	\$ 628.70	\$ 543.98
Employee and Children	\$ 1,165.97	\$ 582.82	\$ 582.82
Employee and Family	\$ 1,380.23	\$ 689.95	\$ 689.95
Waiver	\$ 483.40	\$ 244.05	

Eligibility for employee group health insurance has changed from a 90-day to a 60-day wait period, per the Affordable Care Act. However, the additional month must be covered by local funds as the SGIP is still applicable for the 90-day wait period.

- **ACAP, UCI, WCI** – Accrued Compensable Absence Payout factor for FY 2025 is 1.5% for faculty and staff. The factor for Unemployment Compensation Insurance (UCI) will remain at .15% and the Workers Compensation Insurance rate will remain at .13%. These factors are applied per \$ of salary.
 - **TRS & ORP**– The Teacher Retirement System (TRS) for FY24 is 8.25%. Regarding ORP for non-allocated accounts, the retirement contribution for employees participating in ORP is dependent upon hire date. Employees with an ORP start date on or before August 31, 1995, are provided the same contribution during FY 2025 as they received during FY 1995 (8.5%). The FY 2025 ORP state contribution will remain at 6.6%. However, each member will supplement to maintain the employer contribution rate by 1.9% for a total contribution of 8.5%.
 - **OASI & OAH** - Regarding Social Security and Medicare Tax for non-allocated accounts, Old Age and Survivors Insurance (OASI) and Old Age Health Insurance (OAH), collectively known as FICA, will be withheld, and matched at the rate of 7.65 percent. For calendar year 2024, members will match OASI (6.2 percent) on employees' wages up to \$168,600, For calendar year 2025, members should plan to match OASI (6.2 percent) on employee's wages up to an estimated \$174,900. Medicare tax (OAH) will be matched at a rate of 1.45 percent on all earnings (no maximum). Graduate and undergraduate students (at least one-half-time status) will be exempt from OASI and OAH withholdings and matching.
- ❖ **Available Fund Balance** – Reserves should only be used to fund one-time expenses that will result in future cost reductions or increases in income or expenses of carryover balances. Non-allocated accounts must maintain a minimum of **three** months of operating expenses in reserve, however, four months is recommended due to the university’s coastal location.