Key Points for Budgeting Personnel in ERA

1. **ERA assumes a Full Time Equivalent when calculating the Institutional Base Salary.**

   **What this means to us:** If we include an individual (by name) who is employed by ASU for only a partial FTE, ERA automatically calculates what that person’s full-time salary would be if they were employed by ASU 100% (i.e. 1 FTE) – this full-time salary is listed in the Personnel grid of the budget and is used for calculating salary costs.

2. **Effort can be entered by either indicating the person-months that the individual will work OR by indicating the % of effort the individual will work over the course of the budget period.**

   **What this means to us:** When budgeting personnel the RA only needs to enter EITHER the number of months that the individual will work OR the percent effort.

   - **Example:** if an individual will work 10% effort during the calendar year and the budget period is 12 months, this is equivalent to 1.2 calendar months. This should not be confused with the person who will work 1.2 calendar months at 10%, which would be entered as .12 months because the effort is calculated over the entire budget period.

3. **In ERA, 20 hours per week = 50% effort**

   **What this means to us:** In recent past, if a graduate student was budgeted for 20 hours per week during the academic year, we would list their effort as 100% OR 9 academic months. In ERA, 20 hours per week during the academic year should be entered as EITHER 4.5 AY months OR 50% AY effort.
How to budget for named employees

If the graduate student is a current employee of ASU, their salary will automatically pull in from PeopleSoft.

Employee: [Name redacted]
Role: Graduate Student
Key: □
Intra University Consultant: □
PeopleSoft AY Salary: $0
PeopleSoft Cal Salary: $19,500
PeopleSoft FTE: 0.5
Institutional Base Salary (Cal, FTE=1.0): $39,000
Capped Calendar Salary: $39,000
ERE Staff Type: RA/TA □
Automatic Tuition Remission □
Budget Justification: □
Is TBD □

Based on Point #1 above (ERA assumes a Full Time Equivalent when calculating the Institutional Base Salary), the listed Calendar year salary for the named graduate student has been automatically doubled because the student’s salary in PeopleSoft is for 0.5 FTE.

A graduate student working full time during the Academic Year (20 hours per week) would dedicate 4.5 Academic Months (i.e. 50% AY effort) on this project.

<table>
<thead>
<tr>
<th>Number of People:</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>AY</td>
</tr>
<tr>
<td>Effort Months (per person):</td>
<td>4.5</td>
</tr>
<tr>
<td>Effort Percent (per person):</td>
<td>50%</td>
</tr>
<tr>
<td>Capped Cal, FTE 1.0 Salary (After inflation):</td>
<td>$39,000</td>
</tr>
<tr>
<td>Salary requested (per person):</td>
<td>$14,625</td>
</tr>
</tbody>
</table>

If this same graduate student was going to work an additional 1.5 months (i.e. 50% summer effort) during the Summer Term (20 hours per week), we do not need to change the summer pay rate (because ERA calculates salary based on 1 FTE).
Tuition Remission automatically calculates for graduate students. Users can turn off the automatic tuition remission and manually calculate it, if desired.

To do manual tuition remission, remove the checkbox from the Automatic Tuition Remission box.

Note – if you are cost sharing an RA/TA then you must use Academic and Summer months in order to calculate the cost share tuition remission correctly. You will receive an error message if you try to use calendar months.

HOW TO BUDGET FOR TBD EMPLOYEES

If the graduate student is a TBD employee, the RA will need to manually calculate their salary.

**Using Calendar Year Salary:**

If the student’s offer letter states they will be paid $18,000 during the calendar year for .5 FTE.

To determine the annual salary:

1) Take their annual salary and multiply it by 2 to calculate the Institutional Base Salary. $18,000 X 2 = $36,000.

2) Input $36,000 as the Institutional Base Salary.
Budgeting for Graduate Students in ERA

Using Academic Year Salary:

If the student’s offer letter states they will be paid $18,000 during the academic year for .5 FTE.

To determine the annual salary:

1) Take their academic salary and multiply it by 2. $18,000 x 2 = $36,000.
2) Take the Full Time Equivalent academic salary and divide it by the total number of academic year months. $36,000 ÷ 9 = $4,000.
3) Take the academic monthly pay rate and multiply that by the total number of calendar year months. $4,000 x 12 = $48,000
4) Input $48,000 as their Institutional Base Salary.

If the student’s offer letter states they will be paid $9,000 during the academic year for .25 FTE, below are the steps to determine their annual salary.

To determine the annual salary:

1) Take their academic year salary and multiply it by the appropriate number to get 1 Full Time Equivalent. $9,000 x 4 = $36,000.
2) Take the Full Time Equivalent academic salary and divide it by the total number of academic year months. $36,000 ÷ 9 = $4,000.
3) Take the academic monthly pay rate and multiply that by the total number of calendar year months. $4,000 x 12 = $48,000
4) Input $48,000 as their Institutional Base Salary.

USING THE MULTIPLIER “NUMBER OF PEOPLE” FUNCTION

With TBD employees RAs will have the ability to use a multiplier when budgeting. This should be used if the TBD employees will be paid the same dollar amount and have the same amount of time on the project.
If the above criteria are not met, RAs should add a new row to budget for the additional TBD employees.

<table>
<thead>
<tr>
<th>Number of People:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effort Months (per person): 2.25</td>
</tr>
<tr>
<td>Effort Percent (per person): 25%</td>
</tr>
<tr>
<td>Capped Cal, FTE 1.0 Salary (After inflation): $48,000</td>
</tr>
<tr>
<td>Salary requested (per person): $714</td>
</tr>
<tr>
<td>ERE (per person): $7,448</td>
</tr>
<tr>
<td>Manual Tuition Rem (per person): $18,000</td>
</tr>
<tr>
<td>Calculated Tuition Rem (per person): $1,428</td>
</tr>
<tr>
<td>Salary (total): $14,896</td>
</tr>
<tr>
<td>ERE (total): $34,324</td>
</tr>
</tbody>
</table>

**BEST PRACTICES**

Due to the Affordable Care Act (ACA), Graduate Students cannot exceed a rolling average of 25 hours per week during a year.

The number of months requested on the 424 should not differ from the number of months requested within the ERA system.

If you will be listing the base salary for the graduate students, you should refer to it as the “annualized full-time equivalent salary”.

Budget Justification Example: One TBD Graduate student will be hired full time over 9 academic months at 20 hours per week (FTE 4.5 months) and will work half time over the 3 month summer term (1.5 Summer months at 20 hours per week). The annualized full-time equivalent salary for the Graduate student is $36,000.