

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.

Period	1		
Start:	9/20/2014		
End:	9/19/2015		
Duration:	A9 + S3 = 12		

12 month budget period

Number of People:	1		
	AY	Sum	Cal
Effort Months (per person):	0	0	1.2
Effort Percent (per person):	0%	0%	10%
Capped Cal, FTE 1.0 Salary (After inflation):	\$90,000		
Salary requested (per person):	\$9,000		

Effort stated in person-months

Effort stated in % of effort

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:	<input type="text" value=""/>
Role:	Graduate Student
Key:	<input type="checkbox"/>
Intra University Consultant:	<input type="checkbox"/>
PeopleSoft AY Salary:	\$0
PeopleSoft Cal Salary:	\$19,500
PeopleSoft FTE:	0.5
Institutional Base Salary (Cal, FTE=1.0):	<input type="text" value="\$39,000"/>
Capped Calendar Salary:	\$39,000
ERE Staff Type:	<input type="text" value="RA/TA"/>
Automatic Tuition Remission	<input checked="" type="checkbox"/>
Budget Justification:	<input type="text" value=""/>
Is TBD	<input type="checkbox"/>

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.

Number of People:	<input type="text" value="1"/>		
	AY	Sum	Cal
Effort Months (per person):	<input type="text" value="4.5"/>	<input type="text" value="0"/>	<input type="text" value="4.5"/>
Effort Percent (per person):	<input type="text" value="50%"/>	<input type="text" value="0%"/>	<input type="text" value="37.5%"/>
Capped Cal, FTE 1.0 Salary (After inflation):	\$39,000		
Salary requested (per person):	\$14,625		

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).

Number of People:			<input type="text" value="1"/>
	AY	Sum	Cal
Effort Months (per person):	<input type="text" value="4.5"/>	<input type="text" value="1.5"/>	<input type="text" value="6"/>
Effort Percent (per person):	<input type="text" value="50%"/>	<input type="text" value="50%"/>	<input type="text" value="50%"/>
Capped Cal, FTE 1.0 Salary (After inflation):			\$39,000
Salary requested (per person):			\$19,500

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.

Automatic Tuition Remission

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. $\$18,000 \times 2 = \$36,000$.
- 2) Input \$36,000 as the Institutional Base Salary.

Employee:	<input type="text" value="Graduate Student TBD01"/>	Number of People:	<input type="text" value="1"/>
Role:	Graduate Student		
Key:	<input type="checkbox"/>		
Intra University Consultant:	<input type="checkbox"/>		
PeopleSoft AY Salary:	\$0	AY	Sum
PeopleSoft Cal Salary:	\$0	<input type="text" value="4.5"/>	<input type="text" value="1.5"/>
PeopleSoft FTE:	1	Cal	<input type="text" value="6"/>
Institutional Base Salary (Cal, FTE=1.0):	<input type="text" value="\$36,000"/>	Effort Months (per person):	<input type="text" value="4.5"/>
		Effort Percent (per person):	<input type="text" value="50%"/>
		Capped Cal, FTE 1.0 Salary (After inflation):	\$36,000
		Salary requested (per person):	\$18,000
		ERE Rate:	7.93%
		ERE (per person):	\$1,427

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

Employee:	<input type="text" value="Graduate Student TBD01"/>	Number of People:	<input type="text" value="1"/>						
Role:	Graduate Student								
Key:	<input type="checkbox"/>								
Intra University Consultant:	<input type="checkbox"/>								
PeopleSoft AY Salary:	\$0	Effort Months (per person):	<table border="1"><tr><td>AY</td><td>Sum</td><td>Cal</td></tr><tr><td>4.5</td><td>1.5</td><td>6</td></tr></table>	AY	Sum	Cal	4.5	1.5	6
AY	Sum	Cal							
4.5	1.5	6							
PeopleSoft Cal Salary:	\$0	Effort Percent (per person):	<table border="1"><tr><td>AY</td><td>Sum</td><td>Cal</td></tr><tr><td>50%</td><td>50%</td><td>50%</td></tr></table>	AY	Sum	Cal	50%	50%	50%
AY	Sum	Cal							
50%	50%	50%							
PeopleSoft FTE:	1	Capped Cal, FTE 1.0 Salary (After inflation):	\$48,000						
Institutional Base Salary (Cal, FTE=1.0):	<input type="text" value="\$48,000"/>	Salary requested (per person):	\$24,000						
		ERE Rate:	7.93%						
		ERE (per person):	\$1,903						

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

Employee:	<input type="text" value="Graduate Student TBD01"/>	Number of People:	<input type="text" value="1"/>						
Role:	Graduate Student								
Key:	<input type="checkbox"/>								
Intra University Consultant:	<input type="checkbox"/>								
PeopleSoft AY Salary:	\$0	Effort Months (per person):	<table border="1"><tr><td>AY</td><td>Sum</td><td>Cal</td></tr><tr><td>2.25</td><td>0</td><td>2.25</td></tr></table>	AY	Sum	Cal	2.25	0	2.25
AY	Sum	Cal							
2.25	0	2.25							
PeopleSoft Cal Salary:	\$0	Effort Percent (per person):	<table border="1"><tr><td>AY</td><td>Sum</td><td>Cal</td></tr><tr><td>25%</td><td>0%</td><td>18.75%</td></tr></table>	AY	Sum	Cal	25%	0%	18.75%
AY	Sum	Cal							
25%	0%	18.75%							
PeopleSoft FTE:	1	Capped Cal, FTE 1.0 Salary (After inflation):	\$48,000						
		Salary requested (per person):	\$9,000						
		ERE Rate:	7.93%						

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.

Number of People:			2
	AY	Sum	Cal
Effort Months (per person):	2.25	0	2.25
Effort Percent (per person):	25%	0%	18.75%
Capped Cal, FTE 1.0 Salary (After inflation):			\$48,000
Salary requested (per person):			\$9,000
ERE Rate:			7.93%
ERE (per person):			\$714
Manual Tuition Rem (per person):			\$0
Calculated Tuition Rem (per person):			\$7,448
Salary (total):			\$18,000
ERE (total):			\$1,428
Tuition Remission (total):			\$14,896
Total:			\$34,324

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.