**BUDGET PROCEDURE: BUDGETING EMPLOYEE BENEFITS ON BASE FUNDED VACANT POSITIONS**

Employee benefits are budgeted using the federally approved rate for Auburn University. During the budget development cycle, an allocation based on the current fringe rate is made from the central pool to each FOAP to cover the employee benefits needed on all base-budgeted positions. While this allocation is done for budget development, employee benefits on base-funded positions that are not filled as of Oct 1st (this includes the college’s/VP’s vacant salary reserves) will be taken back centrally until the position is filled.

The budget office will initiate the pull back of these potentially unused employee benefits after the first of the fiscal year. As the base-budgeted position becomes filled, the budget office will transfer the employee benefits needed for the remaining part of the year. Savings on employee benefits resulting from positions that become vacant during the year will remain in the budgeted FOAP.

Temporary budget transfers are allowed into and out of the employee benefits account, and benefits remaining in the FOAP at year end will roll over as reserves. Deficits in the account resulting from budget transfers out and/or employee benefits paid on unbudgeted salaries such as overtime pay, supplemental pay, or out-of-class pay will be the college’s/VP’s responsibility.