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**MEMORANDUM**

TO: Mr. Doug Backman, Associate Director  
 Office of Sponsored Research

FROM: Mr. Randy Foster, Associate Controller  
 Finance and Accounting

DATE: July 22, 2008

SUBJECT: Fringe Benefit Rates for Contract and Grant Proposals  
 Effective August 1, 2008

The following are the current fringe benefit rates for payroll on contracts and grants in the Sponsored Research Trust Fund. The fringe benefit rates are for all salary/OPS personnel on established Contracts and Grants payroll lines. Exclude consultants and independent contractors in the business of offering services on a contract basis for a limited period of time.

These rates are ESTIMATES for Contracts and Grants proposals only. ACTUAL fringe costs are charged to each contract or grant based on the individual employee's actual fringe benefits costs.

Category	Salaried	OPS Temp/Adjunct and Research	Graduate & Student <= 32 hours	Graduate & Student > 32 hours	Post Doctoral Associates
<b>Payroll Matching</b>					
FICA	7.65%	1.45%		7.65%	1.45%
Retirement	10.20%				
State Health/HMO	11.87%				11.87%
State Life Insurance	0.23%				0.23%
<b>Miscellaneous Fringe – Dept. of Insurance Assessment</b>					
Worker's Compensation	0.00%	0.00%	0.00%	0.00%	0.00%
General Liability	0.00%				
<b>Miscellaneous Fringe - Other</b>					
Unemployment Comp	0.00%	0.00%			0.00%
Termination Pool	0.20%				
<b>TOTAL</b>	<b>30.15%</b>	<b>1.45%</b>	<b>0.00%</b>	<b>7.65%</b>	<b>13.55%</b>

Please note the following:

Rates for the Payroll Matching items; Retirement, State Health/HMO and State Life Insurance, are calculated by taking total fringe costs and dividing them by total payroll costs for externally sponsored awards. Specific benefit rates can be found on the Human Resources Web Page; <http://www.hr.ucf.edu/>.

The FICA Alternative Plan reduces Payroll Matching for FICA to 1.45%. This information can be found on the Human Resources Web Page also.

A new category is included for Graduate Students working greater than 32 hours a week, or that do not meet other federal requirements for not charging FICA. The rules can be found on the Human Resources Web Page.

Cell phone supplemental pay does include a 7.65% fringe for FICA.

Miscellaneous Fringe items are not applied during the Payroll process but are charged once a month during the month end closing process and are based on all Sponsored Research Trust Fund payroll entries.

These rates are subject to change each year. A copy of this memo can be found on the F&A web page at <http://www.finacctg.ucf.edu/> in the Contracts & Grants section.

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