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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: February 23, 2009

SUBJECT: Fringe Benefit Rates for Contract and Grant Proposals
 Effective February 1, 2009

The following are the current fringe benefit rates for payroll on sponsored contracts and grants. 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
Payroll Matching					
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%
Miscellaneous Fringe – Dept. of Insurance Assessment					
Worker's Compensation	0.00%	0.00%	0.00%	0.00%	0.00%
General Liability	0.00%				
Miscellaneous Fringe - Other					
Unemployment Comp	0.00%	0.00%			0.00%
Termination Pool	4.00%				
TOTAL	33.95%	1.45%	0.00%	7.65%	13.55%

Please note the following:

Because of the large number of terminations anticipated on State of Florida contract and grant awards in the near future, the Termination Pool percentage must be increased at this time to support the payouts from the Termination Pool that will be required.

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 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. These rules can be found on the Human Resources Web Page.

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 as needed, but are reviewed no less than annually. A copy of this memo can be found on the F&A web page at <http://www.fa.ucf.edu/> in the Contracts & Grants section.

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