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MEMORANDUM

TO: Mr. Doug Backman, Director Compliance, Office of Research and Commercialization
 FROM: Tracy Clark, Associate Provost for Budget, Planning and Administration and VP for Finance
 DATE: November 10, 2015
 SUBJECT: Fringe Benefit Rates for Contract and Grant Proposals, Effective December 1, 2015

The following table reflects fringe benefit rates as of the above effective date for use in contract and grant cost proposals. These rates apply to all personnel on established contract and grant payroll lines. These rates do not apply to consultants or independent contractors in the business of offering services on a contract basis for a limited period of time.

These rates are ESTIMATES for budget proposal preparations only. The Payroll Matching fringe benefits are charged to each contract or grant during the payroll process based on the ACTUAL cost of individual employee benefit elections. The Miscellaneous Fringe benefits are charged on a monthly basis at the rates in the table below. The rates for Post Doctoral Associates, and OPS Temp/ Adjunct/ Research who work 30 hours or more, vary based on salary level.

Fringe Category	Faculty A&P and USPS	Graduate & Student		OPS Temp/ Adjunct/ Research			Post Doctoral Associates			
		< 30 hours per week	> or = 30 hours per week	< 30 hours per week	> or = 30 hours per week			Salary < \$48,000	Salary \$48,001 - \$70,000	Salary > \$70,000
					Salary < \$48,000	Salary \$48,001 - \$70,000	Salary > \$70,000			
<i>Payroll Matching</i>										
State Health/ HMO	11.00%		46.00%		46.00%	32.00%	22.00%	46.00%	32.00%	22.00%
FICA	7.65%		7.65%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
Retirement	7.80%									
State Life Insurance	0.10%							0.10%	0.10%	0.10%
<i>Miscellaneous Fringe</i>										
Workers' Compensation	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%
General Liability	0.10%									
Unemployment Compensation	0.15%			0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%
Termination Pool	1.50%									
Total Fringe Benefit Rate	28.95%	0.65%	54.30%	2.25%	48.25%	34.25%	24.25%	48.35%	34.35%	24.35%

The actual cost of state health/HMO insurance is fixed based on individual employee elections and not a percent of individual employee salaries. On January 1, 2014, federal health care reform legislation went into effect that made employees who work 30 hours or more per week eligible for health benefits. Dual employment within the university and other state agencies counts toward eligibility. For teaching Adjuncts, 1 credit hour is deemed to be equivalent to 3 hours worked for purposes of determining eligibility. For other information regarding eligibility for health coverage, refer to OPS Healthcare Reference Guide on the Human Resources website at <https://hr.ucf.edu/files/OPSEligibilityMeasurementPeriodsReferenceGuide.pdf>.

The rates for retirement and state life insurance are based on a historical average of the costs incurred as a percent of payroll costs for externally sponsored awards. The rates for specific retirement, health, and life insurance plans can be found on the Human Resources website at <http://www.hr.ucf.edu/> or by contacting the Human Resources department. The Office of Research and Commercialization may choose to quote actual fringe benefit rates in lieu of estimated rates when actual rates are known and award conditions warrant such treatment.

The FICA Alternative Plan reduces the rate to 1.45% for OPS and Post Doctoral Associate employees. Information on the FICA Alternative Plan can also be found on the Human Resources website.

These rates are subject to change each year. A copy of this memo can be found in the Contracts and Grants section of the Finance & Accounting website at <http://www.fa.ucf.edu/>.

cc: Administration & Finance
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