

**Memorandum**

To: Division of Agriculture Faculty and Staff

From: Matt Brown  
Chief Financial Officer

Date: August 3, 2020

Re: FY 2021 Fringe Benefit Rates

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Effective July 1, 2020 the fringe benefit rates for Fiscal Year 2021 changed from the rates previously charged by the Agricultural Experiment Station and Cooperative Extension Service to the rates indicated below. Faculty and staff should use these rates when calculating budgets that are included in sponsored projects or grant proposals to be awarded after July 1, 2020. The federal rate should be used for **formula funding only**, not competitive grants. The new fringe benefit rates are as follows:

<b>Benefits Group 1: Students</b>	<b>0.35%</b>
<b><u>Includes:</u></b> <i>Student Hourly (non-work study), Work Study, Graduate Student (summer research), Graduate Student (summer teaching)</i>	
Components: Workers Compensation	0.29%
Prior Period Adjustment	0.06%
 <b>Benefits Group 2: Hourly Wages and Other Compensation</b>	 <b>7.55%</b>
<b><u>Includes:</u></b> <i>Annual Leave, Hourly (non-student), Overtime, Awards and Allowances, Lump Sum Payments, Salary (classified, 0-49% appointment), Salary (non-classified, 0-49% appointment)</i>	
Components: Workers Compensation	0.28%
Unemployment	0.02%
FICA and Medicare	7.33%
Prior Period Adjustment	-0.08%
 <b>Benefits Group 3: Graduate Assistants</b>	 <b>6.76%</b>
<b><u>Includes:</u></b> <i>Graduate Assistants (salaried)</i>	
Components: Workers Compensation	0.29%
Medical (Graduate Assistants)	5.65%
Prior Period Adjustment	0.82%

*Rates continue on the following page.*

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**Benefits Group 4: Summer Salaries**

**See Rates Below**

**Includes:** *Extra Compensation (credit), Extra Compensation (non-credit), Extra Compensation (service), Service Award, Summer Research, Summer Teaching*

**Institutional Rate** **16.61%**

Components:	Workers Compensation	0.29%
	Unemployment	0.02%
	FICA and Medicare	7.61%
	Retirement	8.52%
	Prior Period Adjustment	0.17%

**Federal Rate** **12.92%**

Components:	Workers Compensation	0.29%
	Unemployment	0.02%
	FICA and Medicare	7.61%
	Retirement	5.00%

**Benefits Group 5: Benefits-Eligible Appointed Employees**

**See Rates Below**

**Includes:** *Salary (classified, 50-99% appointment), Salary (non-classified, 50-99% appointment), Salary (classified, 100% appointment), Salary (non-classified, 100% appointment)*

**Institutional Rate** **30.07%**

Components:	Workers Compensation	0.28%
	Unemployment	0.02%
	FICA and Medicare	7.09%
	Medical Insurance	12.58%
	Retirement	9.02%
	Dental	0.54%
	Life Insurance	0.14%
	Long Term Disability	0.07%
	Employee Assistance Program	0.02%
	Termination Pay	0.68%
	Prior Period Adjustment	-0.37%

**Federal Rate** **26.42%**

Components:	Workers Compensation	0.28%
	Unemployment	0.02%
	FICA and Medicare	7.09%
	Medical Insurance	12.58%
	Retirement	5.00%
	Dental	0.54%
	Life Insurance	0.14%
	Long Term Disability	0.07%
	Employee Assistance Program	0.02%
	Termination Pay	0.68%