



MEMORANDUM

June 16, 2017

TO: Vice Presidents, Chancellors, Deans and Directors
Fiscal Administrators and Administrative Officers

VIA: Vassilis L. Syrmos
Vice President for Research and Innovation

FROM: Darcie Yoshinaga
Interim Director, Office of Research Services

SUBJECT: **FY 2018 Fringe Rates Schedule**

The following is the FY 2018 composite fringe rate schedule for use in proposals for UH employees. The non-UH rates are based on the approved State of Hawaii fringe benefit rates for FY 16 (State of Hawaii Department of Budget and Finance Memo No. 16-05), except for the Pension Accumulation fringe rate which reflects the increased rate pursuant to Act 17, SLH 2017¹. Updated State of Hawaii rates for FY 17 and FY 18 are not yet available. The UH rates reflected below have been approved by US DHHS for FY 18. Refer to RCUH HR Policies No. 3.510 for estimated fringe benefit rates for RCUH employees. If the actual fringe rate for an employee is known, it should be used instead.

<u>Benefit</u>	<u>Subcode</u>	<u>Faculty</u>	<u>Staff</u>	<u>Graduate Assistant</u>	<u>Casual Hire</u>	<u>Student</u>	<u>Overload</u>
FICA	2x37	6.20%	6.20%	0.00%	0.00%	0.00%	0.00%
Medicare	2x43	1.45%	1.45%	0.00%	1.45%	0.00%	1.45%
Workers' compensation (UH)	2x41	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%
Unemployment insurance (UH)	2x42	0.17%	0.17%	0.00%	0.17%	0.00%	0.17%
Terminal vacation payout (UH) ²	2x49	1.77%	1.77%	0.00%	0.00%	0.00%	0.00%
Pension accumulation	2x34	18.00%	18.00%	0.00%	0.00%	0.00%	0.00%
Pension administration	2x36	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other post-employment benefits	2x33	7.78%	7.78%	0.00%	0.00%	0.00%	0.00%
Retiree health	2x44	8.07%	8.07%	0.00%	0.00%	0.00%	0.00%
Rates before health fund		44.30%	44.30%	0.86%	2.48%	0.86%	2.48%
State health fund estimate	Various	7.62%	7.62%	11.14%	0.00%	0.00%	0.00%
Composite fringe rate		51.92%	51.92%	12.00%	2.48%	0.86%	2.48%

¹ Effective July 1, 2017, the Employees' Retirement System (ERS) employer's contribution rate will increase each year until June 30, 2021. For more information, please refer to OHR Website (<https://www.hawaii.edu/ohr/hr/hr-announcements/ersemployercontributionrates>).

² Applicable only for employees eligible for accrued vacation payout.

Should you have any questions, please contact Joanne Yama, Cost Studies and Rate Analysis Manager at 956-9242.