




REVISION NO. 2

October 23, 2020

MEMORANDUM

TO: Vice Presidents, Provost, and Chancellors

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

SUBJECT: Revised FY 2021 Fringe Rates Schedule for Use in Proposals

The FY 2021 composite fringe rate schedule for use in proposals for University of Hawai'i (UH) employees has been updated since the July 2020 memo to incorporate the revised interim FY 2021 State Department of Budget and Finance negotiated fringe rates approved by the U.S. Department of Health and Human Services. Changes were made to the following rates -- pension administration, retiree health, and state health fund. *NOTE: If the actual fringe rate for a UH employee is known, it should be used instead of these rates.

Refer to RCUH HR Policies No. 3.510 for estimated fringe benefit rates for RCUH employees.

<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	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%
Unemployment insurance (UH)	2x42	0.14%	0.14%	0.00%	0.14%	0.00%	0.14%
Terminal vacation payout (UH) ²	2x49	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Pension accumulation ¹	2x34	24.00%	24.00%	0.00%	0.00%	0.00%	0.00%
Pension administration	2x36	0.02%	0.02%	0.00%	0.00%	0.00%	0.00%
Other post-employment benefits	2x33	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Retiree health	2x44	10.33%	10.33%	0.00%	0.00%	0.00%	0.00%
Rates before health fund		42.62%	42.62%	0.48%	2.07%	0.48%	2.07%
State health fund estimate	Various	7.31%	7.31%	13.45%	0.00%	0.00%	0.00%
Composite fringe rate		49.93%	49.93%	13.93%	2.07%	0.48%	2.07%

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 ERS Website (<http://ers.ehawaii.gov/wp-content/uploads/2013/04/May-30-2017-New-Employer-Rates-Effective-July-1-2017.pdf>).

² Applicable only for employees eligible for accrued vacation payout.

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Should you have any questions, please contact Kevin Hanaoka, Director of Cost Studies and Data Analytics via email at hanaokak@hawaii.edu or via phone at (808) 956-7874. Please distribute this information to your respective campus and/or office personnel as appropriate.