




June 21, 2022

MEMORANDUM

TO: Vice Presidents, Provost, and Chancellors

FROM: Vassilis L. Syrmos 
Vice President for Research and Innovation
Interim Director, Office of Research Services

SUBJECT: Preliminary FY 2023 Fringe Rates Schedule for Use in Proposals

The preliminary FY 2023 composite fringe rates for use in proposals for University of Hawai'i (UH) employees can be found in the table below. The schedule includes the interim FY 2023 State Department of Budget and Finance negotiated fringe rates and proposed UH rates. We anticipate updating the schedule when the U.S. Department of Health and Human Services (DHHS) approves the FY 2023 UH rates. *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	0.69%	0.69%	0.69%	0.69%	0.69%	0.69%
Unemployment insurance (UH)	2x42	0.39%	0.39%	0.00%	0.39%	0.00%	0.39%
Terminal vacation payout (UH) ²	2x49	0.92%	0.92%	0.00%	0.00%	0.00%	0.00%
Pension accumulation ¹	2x34	23.78%	23.78%	0.00%	0.00%	0.00%	0.00%
Pension administration	2x36	0.05%	0.05%	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	11.07%	11.07%	0.00%	0.00%	0.00%	0.00%
Rates before health fund		44.55%	44.55%	0.69%	2.53%	0.69%	2.53%
State health fund estimate	Various	8.59%	8.59%	13.45%	0.00%	0.00%	0.00%
Composite fringe rate		53.14%	53.14%	14.14%	2.53%	0.69%	2.53%

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.hawaii.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, 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.