

MICHIGAN STATE UNIVERSITY

May 26, 2011

TO: Deans, Directors, Chairpersons and Executive Managers

FROM: David B. Brower,
Assistant Vice President, Chief Financial Officer and Controller

SUBJECT: FRINGE BENEFIT CHARGES FOR 2011-2012

Below are the specific identification (SI) fringe benefit charges that will be effective for payrolls after July 1, 2011. The full-time SI rate increase, from \$11,500 to \$12,075, is 5%, consistent with budget planning.

Type of Employee - % of Employment	Annual Health/Dental/Rx (note 1)	FICA Social Security (note 2)	Retirement (note 3)	Miscellaneous (note 4)
Faculty/Staff - Full-time (90% or greater)	\$12,075	7.65%	10%	2.0%
Faculty/Staff - 75% time	\$9,056	7.65%	10%	2.0%
Faculty/Staff - 50% time	\$6,038	7.65%	10%	2.0%
Research Associates	\$5,985	7.65%	(note 5)	2.0%
Lecturer, Asst. Instructor, Instructor Resident, Instructor Intern, Resident & Intern (note 6) - Full-time (90% or greater)	\$9,630	7.65%	n/a	2.0%
Lecturer, Asst. Instructor, Instructor Resident, Instructor Intern, Resident & Intern (note 6) - 75% time	\$7,223	7.65%	n/a	2.0%
Lecturer, Asst. Instructor, Instructor Resident, Instructor Intern, Resident & Intern (note 6) - 50% time	\$4,815	7.65%	n/a	2.0%
Temporary/on-call - less than 50%	\$0	7.65%	n/a	n/a



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Notes:

- 1) Health costs on base wages. Charged on all ELIGIBLE employees, regardless of participation.
- 2) Social Security @ 6.2% on all earnings types to maximum (\$106,800 for calendar year 2011), Medicare @ 1.45% on all earnings types.
- 3) Retirement on base wages and others per labor contracts. Charged on all PARTICIPATING employees.
- 4) Miscellaneous on base wages. Includes unemployment compensation, workers' compensation, long-term disability, longevity, life insurance, and employee tuition reimbursement.
- 5) Please see the CGA website, www.cga.msu.edu for more details on Research Associates. Click on the "Preaward" tab and choose Fringe Benefit Information.

FRINGE BENEFIT CHARGES
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- 6) A reduced charge for health/dental/Rx charges (retiree costs eliminated) will be assessed on Lecturers, Assistant Instructors, Instructor/Interns, Instructor/Residents, Residents and Interns. In addition, these employees will be required to enroll in the retirement plan after 24 FTE months AND age 35.

For more details on the specific identification model and web-based budgeting tools, please visit www.cga.msu.edu. Click on the "Preaward" tab, and choose Fringe Benefit Information.

This memorandum is available at <http://ctrl.msu.edu/COFA/Fringes.aspx>.