

MICHIGAN STATE UNIVERSITY

June 11, 2014

TO: Deans, Directors, Chairpersons and Executive Managers
 FROM: Gregory J. Deppong, Controller
 SUBJECT: FRINGE BENEFIT CHARGES FOR FISCAL YEAR 2014-15

Below are the specific identification (SI) fringe benefit charges that will be effective for payrolls after July 11, 2014. Note the health care rates charged to departments across campus remain at the same level as 2014 and 2013, and the miscellaneous fringe rate is lowered from 1.8% to 1.5%. This is the second year in a row that the miscellaneous rate has been reduced.

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)	\$12,437	7.65%	10%	1.5%
Faculty/Staff - 75% time	\$9,328	7.65%	10%	1.5%
Faculty/Staff - 50% time	\$6,219	7.65%	10%	1.5%
Research Associates	\$6,165	7.65%	(note 5)	1.5%
Lecturer, Asst. Instructor, Instructor Resident, Instructor Intern, Resident & Intern (note 6) - Full-time (90% or greater)	\$9,827	7.65%	n/a	1.5%
Lecturer, Asst. Instructor, Instructor Resident, Instructor Intern, Resident & Intern (note 6) - 75% time	\$7,370	7.65%	n/a	1.5%
Lecturer, Asst. Instructor, Instructor Resident, Instructor Intern, Resident & Intern (note 6) - 50% time	\$4,914	7.65%	n/a	1.5%
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 (\$117,000 for calendar year 2014), 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. Please note that the miscellaneous rate has been decreased from 1.8% to 1.5% for the 2014-15 fiscal year.
- 5) For further information on Research Associates, the SI charging model, and web-based budgeting tools, please visit <https://cga.msu.edu>. Click on the "Pre-award" tab and choose "Fringe Benefit Information".
- 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. With the exception of Instructor/Interns and Instructor/Residents, these employees will be required to enroll in the retirement plan after 24 FTE months AND age 35. (Updated 10/3/14).

This memorandum is available at <http://ctrlr.msu.edu/COPayroll/Fringes.aspx>.