

MICHIGAN STATE UNIVERSITY

January 26, 2023

TO: Deans, Directors, Chairpersons and Executive Managers

FROM: Gregory J. Deppong, Associate Vice President and University Controller

SUBJECT: FRINGE BENEFIT CHARGES FOR FISCAL YEAR 2023-24

Below are the specific identification (SI) fringe benefit charges that will be in effect for fiscal year 2023-24 (beginning with payrolls after July 1, 2023). The SI health care charge to departments will increase from \$15,480 to \$15,635 (full-time), while the miscellaneous rate will remain at 1.4%.

Looking ahead to fiscal year 2024-25, for your budget planning, please use a preliminary figure of \$16,026 (2.5% increase) for the fiscal year 2024-25 SI health care charge. This projected increase is based on the historical trend of health care cost increases. However, the actual rate will be determined at this time next year based on prior year actual experience.

Please contact Ann Payne in the Controller's Office at payneann@msu.edu if you have any questions.



OFFICE OF THE CONTROLLER

Hannah Administration Bldg
426 Auditorium Rd Rm 305
East Lansing, MI
48824

517-355-5020
FAX: 517-432-5269
<http://ctrl.msu.edu>

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)	\$15,635	7.65%	10%	1.4%
Faculty/Staff - 75% time	\$11,726	7.65%	10%	1.4%
Faculty/Staff - 50% time	\$7,818	7.65%	10%	1.4%
Research Associates (note 5)	\$7,754	7.65%	10%	1.4%
Lecturer, Asst. Instructor, Instructor Resident, Instructor Intern, Resident & Intern (note 6) - Full-time (90% or greater)	\$12,055	7.65%	10%	1.4%
Lecturer, Asst. Instructor, Instructor Resident, Instructor Intern, Resident & Intern (note 6) - 75% time	\$9,041	7.65%	10%	1.4%
Lecturer, Asst. Instructor, Instructor Resident, Instructor Intern, Resident & Intern (note 6) - 50% time	\$6,028	7.65%	10%	1.4%
Temporary/on-call - less than 50%	\$0	7.65%	n/a	n/a

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 (\$160,200 for calendar year 2023), Medicare @ 1.45% on all earnings types.
- 3) Retirement on base wages and others per labor contracts. Charged on all PARTICIPATING employees. The charge follows the university matching contribution percentages outlined on HR's website. Please visit their [403\(B\) Base Retirement Program](#) page for more information.
- 4) Miscellaneous on base wages. Includes unemployment compensation, workers' compensation, long-term disability, longevity, life insurance, employee tuition reimbursement and support staff vacation payouts. Please note that the miscellaneous rate will remain at 1.4% for the 2023-24 fiscal year.
- 5) For further information on Research Associates, the SI charging model and web-based budgeting tools, please visit [CGA Salary and Fringe Benefits](#).
- 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.

