



Brian Bertlshofer
2/4/2021

MEMORANDUM

To: Deans, Directors, and Department Chairs
UNC Department Business Managers
Research Administration Support Group

From: Brian Bertlshofer
Director, Cost Analysis & Compliance
Office of Sponsored Research

Date: 02/04/2021

Subject: **Budgeting Fringe Benefits and Fixed Health Insurance Rates - FY 2021**

The FY 2021 fringe benefits budgeting guidelines for sponsored agreements (see previous memorandum dated 08/05/20) have been updated to reflect the calendar year changes to the following categories: **Social Security (OASDI) Maximum Taxable Salary Base and Maximum Contribution, Compensation Limits Subject to Retirement (TSERS & ORP), UNC Faculty Physicians (FP) Supplemental and Dental Insurance**. Refer to the attached rate schedules to appropriately determine personnel benefits in proposals.

The fringe benefits and health insurance amounts require separate calculations to incorporate them into a proposal. The variable rate of fringe benefits is applied to an employee's proposed salary amount. The amount of fixed health insurance is calculated by including the prorated amount of insurance based on the proposed salary level. These two calculations are combined to determine the total amount to include in a sponsored project's budget.

Schedule I provides the finalized rates for permanent employees, post-doctoral appointees, and graduate students.

SCHEDULE I	Fringe Benefit Rate	Fixed Health Insurance
Permanent Employee	25.889%	\$6,512.00
Post-Doctoral Appointee	9.490%	\$4,808.76
Graduate Students	9.490%	\$4,137.60
Graduate Students (with FICA exemption)	1.840%	\$4,137.60
Undergraduate Students (with FICA exemption)	1.840%	-

Schedule II lists supplemental fixed health insurance and fringe benefits rates applicable to UNC Faculty and Physicians (FP) Practice Plan members only. This amount is in addition to the rates included in Schedule I.

SCHEDULE II	Fringe Benefit Rate	Fixed Health Insurance
FP Member - Permanent Employee	4.907%	\$2,003.16

Example: FP Practice Plan member benefits calculation would include both schedules, 30.796% (Schedule I 25.889% + Schedule II 4.907%) + \$8,515.16 (Schedule I \$6,512.00 + Schedule II \$2,003.16).

A detailed breakdown of Schedules I and II are available online at (https://research.unc.edu/wp-content/uploads/sites/61/2020/08/osr_FY-2021-Schedule-I-II-Final.pdf)

Fringe Benefit and Health Insurance rates are available on the OSR website and at (<http://research.unc.edu/sponsored-research/resources/information-sheet/#info8>)

Please contact your department's assigned OSR Sponsored Projects Specialist with questions on applying these rates on sponsored projects. For all other general questions, please contact Brian Bertlshofer at (919) 843-4891 (bertlsbj@email.unc.edu).