



MEMORANDUM

Date: July 1, 2015
To: Main Campus Principal Investigators, Chairs, Deans, Directors and Department Administrators
From: Michael J. Dougher, Ph.D., Vice President for Research
Re: Main Campus Fringe Benefit Rates on Proposals – FY 2016

The fringe benefit rates and methodologies provided in this memo are to be used on new contract and grant proposal budgets with a begin date on or after July 1, 2015. These rates replace prior year rates. Principal investigators may either use prior year actuals (Method 1) or estimated rates (Method 2). To be in compliance with the Uniform Guidance or Cost Accounting Standards, whichever method is used (Method 1 or Method 2) must be used consistently throughout the entire proposal.

Method 1 (Actuals):

Estimate actual cost by person based on past experience (actuals). A UNM MyReports report FNRSLE (Salary Labor Benefits and Encumbrance Report) showing fringe benefit rates as a percent of salary must be included as supplementary documentation when the proposal is sent to the Main Campus Office of Sponsored Projects. A schedule of all personnel on the grant and their respective fringe rates must be included in each proposal. Fringe benefits are to be increased by 1.3% per year.

FY16 Example

28.6% FY15 actual full-time faculty fringe rate is projected at 29.0% for FY16 and calculated as follows: .286 * 1.013 = .2897 or 29.0%

Method 2 (Estimates):

The fringe benefit rates below assume a 3.5% group insurance rate increase each year, FY 17-20, for eligible employees.

Table with 6 columns (Category, FY 16, FY 17, FY 18, FY 19, FY 20*) and 10 rows of fringe benefit rates for various employee categories.

Tuition for Research Assistants should be a separate line item.

*Proposals extending beyond F20 will continue to use FY20 rates.

Note on insurance:

For all Research Assistants (RA) and Project Assistants (PA) > .25 FTE, health insurance should be budgeted as follows for either method (student insurance projected to increase 10% per year):

Table with 6 columns (Category, FY 16, FY 17, FY 18, FY 19, FY 20) showing health insurance costs for Fall, Spring/Summer, and Summer Only.

Important Links

- Main Campus of Sponsored Projects, UNM Forms and RAPID Forms Suite
http://osp.unm.edu/?q=osp-forms
Office of Budget, Planning & Analysis, UNM Guidelines for Completion of 2015-16 Operating Budgeting Plans
http://www.unm.edu/~budget/guidelines/glinformation/index.html
Health Sciences Center (HSC), HSC Fringe Benefit Rates on Proposals – FY 2016
http://hsc.unm.edu/financialservices/preaward/common/docs/guidance-docs/fringe-benefits-proposals.pdf
Graduate Student Health Insurance
http://hr.unm.edu/benefits/student-health-insurance.php