

# MICHIGAN STATE UNIVERSITY

May 23, 2019

TO: Deans, Directors, Chairpersons and Executive Managers

FROM: Gregory J. Deppong, Controller

SUBJECT: FRINGE BENEFIT CHARGES FOR FISCAL YEAR 2019-20

Below are the specific identification (SI) fringe benefit charges that will be effective for payrolls after July 5, 2019. The SI health care rates charged to departments will increase 6% to \$15,480 (full time), while the miscellaneous rate will remain at 1.4%.

*For your budget planning, please use a preliminary figure of \$16,255 (5% increase) for fiscal year 2020-21. The actual rate will be determined at this time next year.*

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)	\$15,480	7.65%	10%	1.4%
Faculty/Staff - 75% time	\$11,610	7.65%	10%	1.4%
Faculty/Staff - 50% time	\$7,740	7.65%	10%	1.4%
Research Associates	\$7,677	7.65%	(note 5)	1.4%
Lecturer, Asst. Instructor, Instructor Resident, Instructor Intern, Resident & Intern (note 6) - Full-time (90% or greater)	\$11,936	7.65%	n/a	1.4%
Lecturer, Asst. Instructor, Instructor Resident, Instructor Intern, Resident & Intern (note 6) - 75% time	\$8,952	7.65%	n/a	1.4%
Lecturer, Asst. Instructor, Instructor Resident, Instructor Intern, Resident & Intern (note 6) - 50% time	\$5,968	7.65%	n/a	1.4%
Temporary/on-call - less than 50%	\$0	7.65%	n/a	n/a



## 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>

### 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 (\$132,900 for calendar year 2019), 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, employee tuition reimbursement and support staff vacation payouts. Please note that the miscellaneous rate will remain at 1.4% for the 2019-20 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. 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. If these employees were previously enrolled in a contributory retirement program before their appointment or if they are age 55 or older upon appointment, they may elect immediate participation in the University's retirement plan, with the University contribution. Please visit the [Faculty Handbook](#) for further guidance.