


MEMORANDUM

Date: July 20, 2023

To: Main Campus Principal Investigators, Chairs, Deans, Directors, and Department Administrators

From: Ellen R. Fisher, Vice President for Research 
Ellen R. Fisher (Jul 20, 2023 09:43 MDT)

Re: **Main Campus Fringe Benefit Rates on Proposals – FY 2024**

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 of July 1, 2023. These rates replace the prior year rates. Principal investigators may use either prior year actuals (Method 1) or estimated rates (Method 2). To comply with OMB Uniform Guidance (2014), Cost Accounting Standards, whichever method is used, it must be used consistently throughout the entire proposal. As the institution is responsible for the actual costs incurred, the budgeted amounts should reflect as closely as possible what actual expenses would be. If the budgeted amount does not cover the actual costs incurred, it will be necessary to re-budget during the period of the contract/grant to pay for actual fringe benefit costs.

Method 1 (Actuals):

Estimate cost per person based on past experience (actuals). UNM MyReports Report FNRSLBE – 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 MAIN CAMPUS Pre-Award. A schedule of all personnel on the grant and their respective fringe rates is to be included in each proposal. Fringe benefits are to be increased by 3.92% per year.

FY 24 Example:

If the FY 23 actual full-time faculty fringe rate was 30%, the FY 24 actual full-time faculty fringe rate would be projected at 31.12%, calculated as follows:
 $0.30 * 1.0392 = 0.31176$ or 31.12%.

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Method 2 (Estimates):

The fringe benefit rates below assume a 5.0% group insurance rate increase each year, FY 25 – FY 28, for eligible employees.

	FY 24	FY 25	FY 26	FY 27	FY 28*
Faculty 0.50 FTE and above	40.24%	40.76%	41.31%	41.88%	42.49%
Staff 0.50 FTE and above	44.07%	44.78%	45.53%	46.32%	47.14%
Part-time Faculty and Staff, 0.25 - 0.49 FTE	25.98%	25.98%	25.98%	25.98%	25.98%
Part-time Faculty and Staff, < 0.25 FTE	25.98%	25.98%	25.98%	25.98%	25.98%
Faculty summer salary only	25.98%	25.98%	25.98%	25.98%	25.98%
Postdoctoral Fellows	26.00%	26.20%	26.40%	26.60%	26.80%
Undergraduate Students	1.00%	1.00%	1.00%	1.00%	1.00%
Graduate Students	----- 1.0% + Insurance -----				
Summer Grad & Undergrad Students***	-----7.76%-----				
Temporary Employees (if total work > 520 hours)	25.98%	25.98%	25.98%	25.98%	25.98%

Tuition for Research Assistants should be a separate line item.

*Proposals exceeding FY28 will continue to use FY28 rates.

** Detailed breakout of FY24 Faculty and Staff fringe rates can be provided upon request.

*** Graduate and undergraduate students working over the summer and not registered for at least 3 credit hours are required to pay FICA and workman's comp insurance.

Note on Insurance:

For Research Assistants (RA) and Project Assistants (PA) working >0.25 FTE, health insurance should be budgeted as follows for either method (student insurance projected to increase 15% per year from FY24):

	FY24	FY25	FY26	FY27	FY28
Fall	\$1,539	\$1,770	\$2,036	\$2,341	\$2,692
Spring/Summer	\$2,155	\$2,478	\$2,850	\$3,278	\$3,770
Summer Only	\$924	\$1,063	\$1,222	\$1,405	\$1,616