

UNIVERSITY OF MAINE SYSTEM

**METHOD FOR BUDGETING AND CHARGING
EMPLOYEE BENEFITS**

The employee benefit rates for FY10 – FY12 are as follows:

	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>
Grants & Contracts Employees: (Federal Rate)			
Non-Faculty Regular Employees & All Faculty:	48.4%	47.6%	
Non-Faculty Temporary Employees:	8.5%	8.4%	
All Regular Employees			47.9%
All Temporary Employees			8.2%
Non Grants & Contracts Employees (Internal Rate)			
Regular Employees:	49.3%	51.9%	49.5%
Temporary Employees:	8.5%	8.4%	8.2%
Severance/Pay in Lieu of Notice	17.65%	17.65%	17.65%

Federal Rate - Salaries and wages charged to funds 04, 12, 20 (with grants & contracts project number), 22, 24, and 89 will be assessed the Federal Rate. This rate is negotiated with the federal government and is based on a different set of cost components than those used to determine the internal rate. In situations where a given grant or contract specifies a specific benefit rate, the specified benefit rate will be assessed.

Internal Rate - Salaries and wages charged to funds 00, 03, 10, 13, 18, 20 (chartfield combination does not include grants & contracts project number - - such as restricted gifts) 23, and 28 will be assessed the Internal Rate.

Note: Prior to FY12, all faculty salaries charged to grants and contracts were assessed the federal benefit rate for regular employees; beginning in FY12, faculty salaries charged to grants and contracts will be assessed either the regular or temporary rate as applicable.

Except for salaries & wages associated with workers compensation and sabbaticals, all actual benefit expenses are to be charged to the System Employee Benefits Pool:

Business Unit = UMS08 Department = 8000001 Fund = 00
Account = As appropriate based on the nature of the expense

The offset of the benefit charges resulting from applying the benefit rate to salary & wage expenditures will be credited to the System Employee Benefits Pool and the appropriate recovery account. The goal is for all benefit expenses charged to the Pool to be exactly offset by the credits from the employee benefit rate that is charged to departments and employee contributions.

All **sabbatical** salary expenses are to be charged to campus departmental chartfield combinations.