

April 21, 2014

MEMORANDUM

TO: Deans, Directors and Department Heads

FROM: Stephen W. Keto
Associate Vice Chancellor for Finance and Resource Management

SUBJECT: Special Benefits Rates

Special benefits rates are applied to all projects to provide funds to pay special personnel benefits specified on this site: <http://budget.ncsu.edu/budgetoffice/documents/SpecialFringeBenefitsPools.pdf>

On a monthly basis, the special benefits rates are automatically charged to the salary expenditures of each project.

The university level projects that pool these funds are analyzed periodically to assure sufficient cash flow to meet anticipated costs. Based on our recent analysis and projected future needs, effective July 1, 2014 the special benefits rates are as follows:

	<u>Rate</u>	<u>Change</u>
Academic Affairs (16030)	0.80%	0.10 decrease
Agricultural Research (16031)	1.20%	0.40 increase
Cooperative Extension (16032)	0.70%	0.05 increase
Non-State Funded Projects (excluding ledger 5)	1.40%	0.55 decrease
Contracts and Grants (ledger 5)	0.80%	No change at this time

A contract and grant rate of 0.80% has been requested for ledger 5 activity. This rate represents no change from the current fiscal year rate but is pending the U.S. Department of Health and Human Services (USDHHS) approval. We will notify you of any rate changes as soon as possible after the negotiation process is complete.

The increases in rates are driven by higher unemployment insurance and workers' compensation payments.

If you have any questions concerning these rates, please contact Barbara Moses in the University Budget Office at 513-1263.

cc: W. Randolph Woodson, Chancellor
Warwick A. Arden, Provost and Executive Vice Chancellor
Terri L. Lomax, Vice Chancellor for Research
Charles D. Leffler, Vice Chancellor for Finance and Business