May 6, 2015

**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, 2015 the special benefits rates are as follows:

|  |  |  |
| --- | --- | --- |
|  | Rate | Change |
| Academic Affairs (16030) | 0.70% | 0.10 decrease |
| Agricultural Research (16031) | 1.10% | 0.10 decrease |
| Cooperative Extension (16032) | 0.70% | No change |
| Non-State Funded Projects (excluding ledger 5) | 0.95% | 0.45 decrease |
| Contracts and Grants (ledger 5) | 0.80% | No change at this time |

A contract and grant rate of 1.00% has been requested for ledger 5 activity. This increase is pending the U.S. Department of Health and Human Services (USDHHS) approval and may not be charged under any circumstances until a new rate agreement has been signed by NC State and USDHHS. We will notify you of any rate changes as soon as possible after the negotiation process is complete.

The decreases in rates are driven by lower unemployment insurance and short-term disability costs.

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

Mladen A. Vouk, Interim Vice Chancellor for Research, Innovation and Economic Development

Charles D. Leffler, Vice Chancellor for Finance and Business

Barbara Carroll, Associate Vice Chancellor for Human Resources

Joe Williams, Director, Benefits

Barbara Moses, University Budget Director