May 6, 2016

**MEMORANDUM**

TO: Deans, Directors and Department Heads

FROM: Barbara A. Moses

Interim 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, 2016 the special benefits rates are as follows:

###### Rate Change

Academic Affairs (16030) 0.70% No change

Agricultural Research (16031) 0.80% 0.30 decrease

Cooperative Extension (16032) 0.70% No change

Non-State Funded Projects (excluding ledger 5) 0.75% 0.20 decrease

Contracts and Grants (ledger 5) 1.00% No change at this time

A contract and grant rate of .90% 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.

If you have any questions concerning these rates, please contact me at 513-1263.

cc: W. Randolph Woodson, Chancellor

 Warwick A. Arden, Provost and Executive Vice Chancellor

 Alan H. Rebar, Vice Chancellor for Research, Innovation and Economic Development

 Scott R. Douglass, Vice Chancellor, Finance and Business

 Kathy Lambert, Interim Associate Vice Chancellor for Human Resources

 Joe Williams, Director, Benefits