Blended Fringe Benefit Rate

Frequently Asked Questions

1. What is the Blended Fringe Benefit Rate?
   • Currently the actual fringe expense incurred by each employee is charged to the department. Starting in FY 2013, the fringe expense charged to the department will be based on a blended rate (%).

<table>
<thead>
<tr>
<th>Employee Type</th>
<th>Blended Fringe Benefit Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty</td>
<td>35%</td>
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<tr>
<td>Administrative Staff</td>
<td>35%</td>
</tr>
<tr>
<td>Classified Staff</td>
<td>41%</td>
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<tr>
<td>Part-Time Staff</td>
<td>16.5%</td>
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2. What Funds are included in the new Blended Fringe Benefit Rates?
   • Fund 10000 (Education & General)
   • Funds 20000 – 22000 (Auxiliary Funds)
   • All other funds will not see a change

3. When will I see fringe expense hit my budget?
   • Fringe expense charged using the Blended Fringe Benefit Rate will be recorded at the end of each month during the month end close process.

4. When will I see the budget allocation for my fringe expense?
   • The budget allocation to cover fringe expense will be posted at the end of each month during the month end close process for E&G funds.

5. What is the difference between a budget load and a budget allocation?
   • A budget load is posted at the beginning of each fiscal year and is based on projected fringe expense for the entire fiscal year.
   • A budget allocation is posted monthly and is based on the actual amount of fringe expense charged during that month.

6. How will I know if I should get a budget load or a budget allocation
   • Fund 10000 (E&G) and Fund 11000 (Firelands) are the only two funds that will receive a budget allocation.

7. Will this change affect the E&G carry forward?
   • No. When calculating E&G carry forward we will continue to leave out all budget and expense for fringe benefits.