


MEMORANDUM

Date: July 1, 2021

To: Main Campus Principal Investigators, Chairs, Deans, Directors and Department Administrators

From: Ellen R. Fisher, Vice President for Research: 
Ellen R. Fisher (Jun 23, 2021 12:14 MDT)

Re: **Main Campus Fringe Benefit Rates on Proposals – FY 2022**

The fringe benefit rates and methodologies provided in this memo are to be used on new contract and grant proposal budgets with a start date on or after July 1, 2021. These rates replace the prior year rates. Principal investigators may use either prior year actuals (Method 1) or estimated rates (Method 2). To comply with OMB Uniform Guidance (2014), Cost Accounting Standards, whichever method is used, it must be used consistently throughout the entire proposal. Since we are responsible for the actual costs incurred, the budgeted amounts should reflect as close as possible what actual expenses would be. In the event that the budgeted amount does not cover the actual costs incurred, it will be necessary to re-budget during the period of the contract/grant to pay for actual fringe benefit costs.

Method 1 (Actuals):

Estimate cost per person based on past experience (actuals). UNM MyReports Report FNRSLEB- Salary Labor Benefits and Encumbrance Report showing fringe benefit rates as a percent of salary must be included as supplementary documentation when the proposal is sent to the Main Campus Office of Sponsored Projects. A schedule of all personnel on the grant and their respective fringe rates is to be included in each proposal. Fringe benefits are to be increased by 2.4% per year.

FY 22 Example:

If the FY 21 actual full-time faculty fringe rate was 29%, the FY 22 actual full-time faculty fringe rate would be projected at 29.70%, calculated as follows: $0.29 * 1.024 = 0.29696$ or 29.70%.

Method 2 (Estimates):

The fringe benefit rates below assume a 5.0% group insurance rate increase each year, FY23-FY26, for eligible employees.

	FY 22	FY 23	FY 24	FY 25	FY 26*
Faculty 0.50 FTE and above	29.00%	30.20%	31.40%	31.60%	31.80%
Staff 0.50 FTE and above	35.00%	36.40%	37.80%	38.20%	38.60%
Part-time Faculty and Staff, 0.25 – 0.49 FTE	22.00%	22.00%	22.00%	22.00%	22.00%
Part-time Faculty and Staff, less than 0.25 FTE	22.00%	22.00%	22.00%	22.00%	22.00%
Summer salary only	22.00%	22.00%	22.00%	22.00%	22.00%
Postdoctoral Fellows	24.00%	24.20%	24.40%	24.60%	24.80%
Undergraduate Students	1.00%	1.00%	1.00%	1.00%	1.00%
Graduate Students	----- 1.0% + Insurance -----				
Temporary Employees (if total work > 520 hours)	22.00%	22.00%	22.00%	22.00%	22.00%

Tuition for Research Assistants should be a separate line item.

*Proposals exceeding FY26 will continue to use FY26 rates.

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Note on Insurance:

For Research Assistants (RA) and Project Assistants (PA) working > 0.25 FTE, health insurance should be budgeted as follows for either method (student insurance projected to increase 15% per year from FY22):

	FY22	FY23	FY24	FY25	FY26*
Fall	\$1,466	\$1,686	\$1,939	\$2,230	\$2,564
Spring/Summer	\$2,053	\$2,361	\$2,715	\$3,122	\$3,590
Summer Only	\$880	\$1,012	\$1,163	\$1,338	\$1,539

*Proposals exceeding FY26 will continue to use FY26 rates.

Fringe benefit rates are subject to change. The following reference links may assist you with questions that arise in budget planning.

Reference Links:

Main Campus Office of Sponsored Projects, [UNM Sponsored Projects Forms](#)
 UNM Health Sciences Center (HSC), *HSC Fringe Benefit Rates on Proposals – FY 2022*
 Office of Budget, [Planning & Analysis, Budget Planner/Development](#)
 Division of Human Resources, [Benefits](#)
 Division of Human Resources, [UNM Student Health Plan](#)