



Department Administrative Policy and Procedure

Subject: Fringe Rates

Purpose:

Outlines how fringe rates are assessed at the University of Wyoming.

Context:

Fringe benefits are the additional benefits that UW provides for each employee. Examples include health plan, retirement, and workman's compensation expenses, among others.

As these benefits have a cost to UW, each employee at UW is assessed a fringe benefit rate based on their worker and assignment categories to fund the fringe pool.

There are six fringe benefit rates at UW, divided into two categories, Non-Sponsored Program Rates and Sponsored Program Rates:

Non-Sponsored Program Rates

These are employees who are not paid on externally funded awards (e.g. federal research grants) and are generally paid on unrestricted operating funds or designated operating funds.

Faculty/Academic Professional

Staff

Student/Non Benefited

Sponsored Program Rates

In general, these are employees who are paid on externally funded awards (e.g. federal research grants and/or on a project account).

Faculty/Academic Professional

Staff

Student/Non Benefited

The University of Wyoming Financial Affairs team reviews the fringe benefits rates each year, completing an analysis to ensure that UW is charging an appropriate fringe rate to keep the central fringe rate pool adequately funded. Thus, fringe rates are expected to vary slightly each year. Fringe rates are posted on the [budget office website](#). If a payroll expenditure correction is done in a prior fiscal year with a different rate than the current fiscal year, the correction will be charged with the prior fiscal year's fringe rate. The fringe rate cues off the pay period end date.

Fringe benefit rates are charged to the [organization](#) where the employee’s costing (e.g. salary) is charged to. The rate is also split between organizations if the employee’s costing is shared with more than one organization. The assessment of all non-sponsored program fringe benefits appear using natural account 60816 (Flat Fringe Rate Employer Share). The assessment of all sponsored program fringe benefits use the expenditure type FRINGE RATE.

Policy:

The below section outlines in more detail how fringe benefit rate assessments are calculated for each individual. Calculations are based on the following criteria:

- Worker category
- Assignment category
- Funding Source (sponsored project vs. non-sponsored project)
- Payroll element

Understanding the Impact of Worker Category and Assignment Category

An employee’s worker category and assignment category are UW’s way of denoting employee type. As noted above, there are three categories of employees in relation to fringe benefit rates:

- Faculty/Academic Professional
- Staff
- Student/Non-Benefited

Worker and Assignment categories are used to place employees into one of the three categories above. Two examples are provided below, and a full chart can be found in appendix A. This information is used when fringe is processed centrally, and no action is needed on the part of campus.

Employee Name	Worker Category	Assignment Category	Resulting Fringe Category
Cowboy Joe	FY Faculty	Full-time regular	Faculty/Academic Professional
Steamboat	FY Faculty	Full-time regular	Faculty/Academic Professional
Pistol Pete	Temporary	Hourly Non-Benefited	Student/Non-Benefited

An employee’s worker category and assignment category can be found on the [Payroll Expenditures without Fringe Report](#) or the [Payroll Funding Report](#).

Understanding the Impact of Funding Source

The next criteria used to calculate the fringe rate is funding source. This is if the employee’s salary is being paid on an externally funded award (sponsored project funds) or on a non-externally funded award (non-sponsored project funds, generally unrestricted operating funds).

These rates are different, as UW is required to negotiate fringe benefit rates each year with the federal government for sponsored project funds.

Taking our example from above, this means two employees with the same worker and assignment category could each have a different rate if their funding sources are different.

Employee Name	Worker Category	Assignment Category	Resulting Employee Category	Funding Source	Fringe Rate ¹
Cowboy Joe	FY Faculty	Full-time regular	Faculty/Academic Professional	Project Example: 1003637	34.8%
Steamboat	FY Faculty	Full-time regular	Faculty/Academic Professional	Non-Project Example: 10-60101-105-000001- 21003-550-0000-0000-0	39.1%
Pistol Pete	Temporary	Hourly Non-Benefited	Student/Non-Benefited	Non-Project Example: 10-60101-105-000001- 21003-550-0000-0000-0	1.8%

An employee's funding source (along with worker category and assignment category) can be found on the [Payroll Expenditures without Fringe Report](#) or the [Payroll Funding Report](#).

Understanding the Impact of Payroll Element

In addition to worker category, assignment category, and funding source, the fourth key criteria used to calculate fringe is payroll element. A payroll element tells you what type of pay the employee is receiving. Some common types of payroll elements are below:

- Salary
- Hourly
- Mobile communication device
- Supplemental pay
- Temporary increase

However, not all payroll elements are assessed a fringe benefit rate. This is because the set amount paid for the benefits for each employee (e.g. health insurance) may not change depending on the type of additional compensation (as denoted by the payroll element) that they are receiving. See two examples below:

Payroll Element Name	What is this payroll element mean?	Assessed fringe?	Why?
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¹ Based on FY20 rates

Mobile Communication Device	This is for a reimbursement for a cell phone allowance that some essential employees/on call employees receive.	No	These are normally small dollar amounts, and do not impact the fringe benefit rate pool; thus, they do not need to be assessed a fringe rate.
Supplemental Pay	Employees can receive supplemental pay for doing additional work beyond their normal job duties and salary, typically when the employee is in an interim role. It is given at the discretion of the supervisor with proper approvals.	Yes	These amounts can vary and can be material in nature. Further, if an employee's monthly salary increases, as it does with a supplement pay, so does UW's contribution to that employee's retirement account. Thus, it does have a material impact on UW's fringe benefit pool, and needs to be assessed a corresponding fringe benefit rate.

A full list of all payroll elements that are charged fringe can be found in Appendix B.

An employee's payroll element (along with worker category, assignment category, and funding source) can be found on the [Payroll Expenditures without Fringe Report](#) or the [Payroll Funding Report](#).

Appendix A

Worker Category	Assignment Category	Resulting Fringe Category
AY Academic Professional	Federal Exempt Benefited	Faculty/Academic Professional
AY Academic Professional	Full-time regular	Faculty/Academic Professional
AY Academic Professional	Salaried Exempt Benefited	Faculty/Academic Professional
AY Academic Professional	Salaried Non-Exempt Benefited	Faculty/Academic Professional
AY Faculty	Federal Exempt Benefited	Faculty/Academic Professional
AY Faculty	Full-time regular	Faculty/Academic Professional
AY Faculty	Salaried Exempt Benefited	Faculty/Academic Professional
AY Faculty	Salaried Non-Exempt Benefited	Faculty/Academic Professional
FY Academic Professional	Federal Exempt Benefited	Faculty/Academic Professional
FY Academic Professional	Full-time regular	Faculty/Academic Professional
FY Academic Professional	Salaried Exempt Benefited	Faculty/Academic Professional
FY Academic Professional	Salaried Non-Exempt Benefited	Faculty/Academic Professional
FY Faculty	Federal Exempt Benefited	Faculty/Academic Professional
FY Faculty	Full-time regular	Faculty/Academic Professional
FY Faculty	Salaried Exempt Benefited	Faculty/Academic Professional
FY Faculty	Salaried Non-Exempt Benefited	Faculty/Academic Professional
AY Administrative Professional	Federal Exempt Benefited	Staff
AY Administrative Professional	Full-time regular	Staff
AY Administrative Professional	Salaried Exempt Benefited	Staff
AY Administrative Professional	Salaried Non-Exempt Benefited	Staff
AY Administrator	Federal Exempt Benefited	Staff

AY Administrator	Full-time regular	Staff
AY Administrator	Salaried Exempt Benefited	Staff
AY Administrator	Salaried Non-Exempt Benefited	Staff
Classified	Federal Exempt Benefited	Staff
Classified	Full-time regular	Staff
Classified	Salaried Exempt Benefited	Staff
Classified	Salaried Non-Exempt Benefited	Staff
Contract	Federal Exempt Benefited	Staff
Contract	Full-time regular	Staff
Contract	Salaried Exempt Benefited	Staff
Contract	Salaried Non-Exempt Benefited	Staff
Executive	Federal Exempt Benefited	Staff
Executive	Full-time regular	Staff
Executive	Salaried Exempt Benefited	Staff
Executive	Salaried Non-Exempt Benefited	Staff
FY Administrative Professional	Federal Exempt Benefited	Staff
FY Administrative Professional	Full-time regular	Staff
FY Administrative Professional	Salaried Exempt Benefited	Staff
FY Administrative Professional	Salaried Non-Exempt Benefited	Staff
FY Administrator	Federal Exempt Benefited	Staff
FY Administrator	Full-time regular	Staff
FY Administrator	Salaried Exempt Benefited	Staff
FY Administrator	Salaried Non-Exempt Benefited	Staff
Temporary	Federal Exempt Benefited	Staff
Temporary	Full-time regular	Staff
Temporary	Salaried Exempt Benefited	Staff
Temporary	Salaried Non-Exempt Benefited	Staff
Unclassified	Federal Exempt Benefited	Staff
Unclassified	Full-time regular	Staff
Unclassified	Salaried Exempt Benefited	Staff
Unclassified	Salaried Non-Exempt Benefited	Staff
AY Academic Professional	Hourly Non-Benefited	Student/Non-Benefited
AY Academic Professional	Salary Exempt Non Benefited	Student/Non-Benefited
AY Administrative Professional	Hourly Non-Benefited	Student/Non-Benefited
AY Administrative Professional	Salary Exempt Non Benefited	Student/Non-Benefited
AY Administrator	Hourly Non-Benefited	Student/Non-Benefited
AY Administrator	Salary Exempt Non Benefited	Student/Non-Benefited

AY Faculty	Hourly Non-Benefited	Student/Non-Benefited
AY Faculty	Salary Exempt Non Benefited	Student/Non-Benefited
Classified	Hourly Non-Benefited	Student/Non-Benefited
Classified	Salary Exempt Non Benefited	Student/Non-Benefited
Contract	Hourly Non-Benefited	Student/Non-Benefited
Contract	Salary Exempt Non Benefited	Student/Non-Benefited
Executive	Hourly Non-Benefited	Student/Non-Benefited
Executive	Salary Exempt Non Benefited	Student/Non-Benefited
FY Academic Professional	Hourly Non-Benefited	Student/Non-Benefited
FY Academic Professional	Salary Exempt Non Benefited	Student/Non-Benefited
FY Administrative Professional	Hourly Non-Benefited	Student/Non-Benefited
FY Administrative Professional	Salary Exempt Non Benefited	Student/Non-Benefited
FY Administrator	Hourly Non-Benefited	Student/Non-Benefited
FY Administrator	Salary Exempt Non Benefited	Student/Non-Benefited
FY Faculty	Hourly Non-Benefited	Student/Non-Benefited
FY Faculty	Salary Exempt Non Benefited	Student/Non-Benefited
Temporary	Hourly Non-Benefited	Student/Non-Benefited
Temporary	Salary Exempt Non Benefited	Student/Non-Benefited
Unclassified	Hourly Non-Benefited	Student/Non-Benefited
Unclassified	Salary Exempt Non Benefited	Student/Non-Benefited

Appendix B

List of all payroll elements that are assessed the fringe benefit rate.

ELEMENT_NAME
Balance of Earnings Contract
Comp Time Payout
GU Supplemental Pay
Grant Funded Supplemental Pay
Grant Funded Supplemental Pay AY Faculty
Grant Funded Supplemental Pay Ext Funded Research
Grant Funded Supplemental Pay Gross Up
Grant Funded Supplemental Pay Outreach Instruction
Grant Funded Supplemental Pay Recurring
Grant Funded Temporary Increase
Grant Funded Temporary Increase Recurring
Grant Funded Temporary Increase Recurring
Hourly
Hourly Emergency Leave with Pay
Hourly Emergency Leave with Pay Retro
Hourly Emergency Leave with Pay Retro Results
Hourly FMLA
Hourly FMLA Retro
Hourly FMLA Retro Results
Hourly Pandemic Leave with Pay
Hourly Pandemic Leave with Pay Retro
Hourly Pandemic Leave with Pay Retro Results
Hourly Retro
Hourly Retro Results
Hourly Special 2020 Holiday Pay
Hourly Special 2020 Holiday Pay Retro
Hourly Special 2020 Holiday Pay Retro Results
Hours Worked Non Calendar Day
Hours Worked Non Calendar Day Retro
Hours Worked Non Calendar Day Retro Results
Leave No Pay
Non Benefited One Time Increase
On Call Pay
On Call Pay Earnings Results
On Call Pay Earnings Retro Results
On Call Pay Hours
On Call Pay Hours Retro
On Call Pay Hours Retro Results
On Call Pay Result
On Call Pay Retro
Overtime

ELEMENT_NAME
Overtime 15
Overtime 15 Retro
Overtime 15 Retro Results
Overtime Retro
Overtime Retro Results
Physician Support
Retro Salary Adjustment
Salary
Salary Adjustment
Supplemental Pay
Supplemental Pay AY Faculty
Supplemental Pay External Funded Research
Supplemental Pay External Funded Research Recurring
Supplemental Pay External Funded Research Recurring
Supplemental Pay Recurring
Supplemental Pay Retro
Supplemental Pay for Outreach Instruction
Supplemental Pay for Outreach Instruction Recurring
Supplemental Pay for Outreach Instruction Recurring
Temporary Increase
Temporary Increase Recurring