

## UWL Fringe Benefits Overview

### Extramural Awards

(133 and 144 Account Types)

- Fringe benefits are required for all salary and wages paid to all UW System personnel at the [prescribed extramural rates](#).
  - This includes faculty, IAS, NIAS, university staff, and undergraduate and graduate student employees.
  - Other UW campuses have their own [prescribed university rates](#).
  - What constitutes “salary and wages”?
    - This *includes* honoraria and other nominal payments (e.g., to faculty/staff acting as “consultants”) made to UW System personnel.
    - This *excludes* participant support stipends paid to undergraduate or graduate students, which are processed as student scholarships.
- Extramural fringe rates are recalculated at the beginning of each fiscal year.
- The estimated rate increase for subsequent fiscal years is mandated by UW System.
- See [this Prezi](#) for an overview of how the UWL extramural fringe benefits pool operates.
- *Post award administration:*
  - All extramural awards (grants and sponsored research contracts) are administered by the UWL Grant Accountant in Business Services.
- *Deans beware:*
  - If a sponsor does not allow fringe benefits to be requested, but a proposal includes salary or wages for UWL personnel, cash cost sharing for fringe benefits is typically sought from the college. The cost of fringe benefits cannot be waived.

### UW System and WiSys Awards

- *UW System funds*
  - Fringe benefits are required for all salary and wages paid to all UW System personnel at the internal, actual university rates:
    - *Full-time*<sup>1</sup> faculty & academic staff: 18.8% (FY19 & FY20; this rate is updated annually)
    - *Part-time*<sup>2</sup> faculty & staff: the individual’s *actual* fringe rate (obtained from the Budget Office)
    - Undergraduates: 7.65% during summer, 0% during academic year
    - Graduate students:
      - If they have a GA position (whether or not it is related to the proposed project) *and* they have opted for health insurance<sup>3</sup>: Individual’s actual fringe rate for the FTE funded by grant (obtained from the Budget Office), which should be no less than 7.65% in summer but could be significantly higher. Note: An increase in FTE may make a GA eligible for health insurance even if they previously were not.

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<sup>1</sup> Full-time (for the purposes of calculating award fringe benefits): 12-month appointments: 0.50 FTE or more; 9-month appointments: 0.56 FTE or more

<sup>2</sup> Part-time (for the purposes of calculating award fringe benefits): 12-month appointments: less than 0.50 FTE; 9-month appointments: less than 0.56 FTE. Note: If an award increases an individual’s appointment from part-time to full-time, the award must cover the individual’s *actual* fringe for the award-funded FTE. The home department would be responsible for the remaining increase in fringe costs.

<sup>3</sup> GAs are eligible for health insurance when they have an appointment of 0.33 FTE or more for at least 6 months if they are a 12-month employee or for at least 1 semester if they are a 9-month employee.

- If they do *not* have a GA position (i.e., they are an hourly student employee) or a GA position with no health insurance: 7.65% during summer, 0% during academic year
- *WiSys funds* may be from UW System and/or WiSys source(s).
  - If an award notification does not specify the funding source, clarification must be sought from WiSys.
  - If an award is made exclusively from WiSys source(s), it is treated as a 133 (see the above guidelines for Extramural Awards).
  - If an award is made from UW System source(s), it is treated as other UW System awards (see above bullet point).
- *Deans beware:*
  - Grant guidelines from UW System or WiSys may advise that fringe benefits “will be covered by the GPR fringe benefit pool and will be automatically transferred by UW System directly” (i.e., fringe benefits are automatically covered by the grant). However, fringe benefits funding received from UW System does not cover additional salary dollars beyond the existing staff appointment. Consequently, the college/division must cover the fringe that would otherwise be covered by UW System funds. This is a cash commitment.
  - Flow-through funds are treated in the same manner as if received directly from the initial sponsor (e.g., federal funds awarded to UW System distributed to UW campuses). Thus, extramural fringe rates may apply to funds received via UW System.
- *Post award administration:*
  - UW System funds: administered by the UWL Budget Office
  - WiSys funds (133 only): administered by the UWL Grant Accountant in Business Services

### **Internal Awards**

*(102 and other GPR funds, 131, 136, and 233 Account Types)*

- Fringe benefits are *generally* required for all salary and wages paid to all UWL personnel at the internal, actual university rates.
  - Exception:
    - 102 and other GPR funds designated as salary dollars: Fringe is attached to these funds and does not need to be separately budgeted.
    - 102 and other GPR funds *not* designated as salary dollars: There is a conversion fee (38.69% for FY18). Consult with the Budget Office for guidance.
  - Internal, actual university fringe rates:
    - *Full-time*<sup>4</sup> faculty & academic staff: 18.8% (FY19 & FY20; this rate is updated annually)
    - *Part-time*<sup>5</sup> faculty & staff: individual’s *actual* fringe rate (from the Budget Office)
    - Undergraduates: 7.65% during summer, 0% during academic year

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<sup>4</sup> Full-time (for the purposes of calculating award fringe benefits): 12-month appointments: 0.50 FTE or more; 9-month appointments: 0.56 FTE or more

<sup>5</sup> Part-time (for the purposes of calculating award fringe benefits): 12-month appointments: less than 0.50 FTE; 9-month appointments: less than 0.56 FTE. Note: If an award increases an individual’s appointment from part-time to full-time, the award must cover the individual’s *actual* fringe for the award-funded FTE. The home department would be responsible for the remaining increase in fringe costs.

- Graduate students:
  - If they have a GA position (whether or not it is related to the proposed project) *and* they have opted for health insurance<sup>6</sup>: Individual's actual fringe rate for the FTE funded by grant (obtained from the Budget Office), which should be no less than 7.65% in summer but could be significantly higher. Note: An increase in FTE may make a GA eligible for health insurance even if they previously were not.
  - If they do *not* have a GA position (i.e., they are an hourly student employee) *or* a GA position with no health insurance: 7.65% during summer, 0% during academic year
- *Post award administration:*
  - Varies by grant program
  - Typically administered in collaboration between the office that administers the grant program, the college's Budget Manager, the awardee's departmental ADA, and Business Services

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<sup>6</sup> GAs are eligible for health insurance when they have an appointment of 0.33 FTE or more for at least 6 months if they are a 12-month employee or for at least 1 semester if they are a 9-month employee.

**Fringe Rates: Quick Reference Guide**

Award Source	Account Type	Employee Type		
		Faculty, Academic Staff, & University Staff <sup>7</sup>	Undergraduates	Graduates
Extramural	133	<a href="#">Extramural rates</a>		
	144			
UW System	All account types	<i>Full-time</i> <sup>8</sup> : 18.8% (FY19 & FY20)  <i>Part-time</i> <sup>9</sup> : Individual's actual fringe rate (contact Budget Office)	<i>Summer</i> : 7.65%  <i>Academic year</i> : 0%	With any GA position with health insurance: Individual's actual fringe rate for the FTE funded by grant (contact Budget Office)  No GA position or GA with no health insurance: <ul style="list-style-type: none"> <li>• Summer: 7.65%</li> <li>• Academic year: 0%</li> </ul>
WiSys	133	<a href="#">Extramural rates</a>		
	UW System source	See UW System awards above		
Internal	102 and other GPR funds designated as salary	Fringe is attached and does not need to be separately budgeted.		
	102 and other GPR funds <i>not</i> designated as salary	Fringe is attached and does not need to be separately budgeted. <i>However</i> , there is a conversion fee (38.69% for FY18). Consult with the Budget Office for guidance.		
	131	<i>Full-time</i> <sup>8</sup> : 18.8% (FY19 & FY20)  <i>Part-time</i> <sup>9</sup> : Individual's actual fringe rate (contact Budget Office)	<i>Summer</i> : 7.65%  <i>Academic year</i> : 0%	With any GA position with health insurance: Individual's actual fringe rate for the FTE funded by grant (contact Budget Office)  No GA position or GA with no health insurance: <ul style="list-style-type: none"> <li>• Summer: 7.65%</li> <li>• Academic year: 0%</li> </ul>
	136			
	233			

<sup>7</sup> Academic staff and university staff fringe should also account for ALRA, which (for FY19) adds 0.10% for academic staff and 0.23% for university staff to the variable rate (not an individual's actual rate because it encompasses ALRA).

<sup>8</sup> Full-time (for the purposes of calculating award fringe benefits): 12-month appointments: 0.50 FTE or more; 9-month appointments: 0.56 FTE or more

<sup>9</sup> Part-time (for the purposes of calculating award fringe benefits): 12-month appointments: less than 0.50 FTE; 9-month appointments: less than 0.56 FTE. Note: If an award increases an individual's appointment from part-time to full-time, the award must cover the individual's *actual* fringe for the award-funded FTE. The home department would be responsible for the remaining increase in fringe costs.