University of Alabama Fringe Benefit Rates

These rates are an ESTIMATE of the actual costs that might be charged, based on an average of UA's actual cost experience. ACTUAL fringe charges will be based on an individual's elections and may, therefore, vary significantly from the estimate used in the proposed budget.

Costs in Fringe Benefit Rate Include: Social Security (FICA), retirement, Workman's Compensation, Health/Hospitalization Insurance, Unemployment Insurance and Total Disability Insurance.

* Employee personal withholdings and deductions are not included in fringe calculations.

UA is responsible for reasonably estimating costs while not knowing for certain what an individual's fringe benefits will really cost in the future. The following fringe rates are used to accomplish this objective:

Fringe Benefit Rates and Calculations

**Faculty & Regular Full Time Exempt Staff: 32%**
Salary x 32%
Example: $20,000 x .32 = $6,400

**Regular Full Time Nonexempt Staff: 36.61%**
Salary x 36.61%
Example: $20,000 x .3661 = $7322

**Part-Time Staff (Exempt and Nonexempt): 35.83%**
Salary x 35.83%
Example: $5,000 x .3583 = $1791.50

**Post Doctoral Fellows: 17.38%**
Salary x 17.38%
Example: $5,000 x .1738 = $869

**Temporary Employees: 7.80%**
Salary x 7.80%
Example: $5,000 x .0780 = $390

**Graduate Students: 7.70% of summer earnings* plus the current GRA health insurance expenses.**
Summer Salary x 7.70% + insurance
Example: $2500 x .0770 = $192.50

If the student is working for three months, and the annual rate for GRA health insurance is $1,500**, the insurance included for 3 months = $1500/12 x 3 = $375
Total amount: $192.50 + 375 = $568

* FICA (7.70%) is calculated on summer earnings unless the student is enrolled in summer school.

**To determine the current GRA Health Insurance rate, go to http://osp.ua.edu/proposal-preparation.html.