

Budget Development: Benefits Fiscal Year 2011-2012

When calculating fringe benefits for grant purposes, statutory benefits and flex benefits for medical election coverage are required to be included. Statutory benefits are a percentage of all salaries regardless of their employment status. Medical election coverage amounts are determined on employment status.

Statutory Benefits

For the 2011-2012 fiscal year the statutory benefits are 19.04% of salaries and go to support FICA, Arizona State Retirement, Medicare, etc. In the 2012-2013 fiscal year the rate has been projected to increase to 20.04%.

It is important to note that the rates have been increasing on an almost yearly basis. Therefore, we suggest for budget development for future years you budget for an annual rate increase of 1%.

Medical Election Coverage

The MCCC Human Resources Website (<http://www.maricopa.edu/employees/divisions/hr/benefits/coverage/credits>) lists the medical election coverage provided for employees based on their status (full-time, half-time, and one-year-only). The tables are listed below. When budgeting for medical election coverage it is necessary to budget for the full amount of coverage (employee and family). Please note a Domestic Partner rate chart is available on the MCCC Human Resources website (<http://www.maricopa.edu/employees/divisions/hr/benefits/coverage/credits/partner>).

Additionally, the cost of medical coverage has been increasing annually. This year medical coverage is up to \$16,054 per employee with a family. Therefore, we suggest for budget development for future years you budget for a minimum annual rate increase of 9.64%.

Medical Election Coverage for Full-Time Employees (.75 – 1.00 FTE)		
	Monthly	Annually
Waive	\$166.67	\$2,000.04
Employee Only	\$586.33	\$7,035.96
Employee and Child(ren)	\$973.25	\$11,679.00
Employee and Spouse	\$1,119.17	\$13,430.04
Employee and Family	\$1,337.83	\$16,053.96

Medical Election Coverage for Part-Time Employees (.50 – .74 FTE)		
	Monthly	Annually
Waive	\$0	\$0
Employee Only	\$490.58	\$5,886.96
Employee and Child(ren)	\$535.29	\$6,423.48
Employee and Spouse	\$615.54	\$7,386.48
Employee and Family	\$735.81	\$8,829.72

Medical Election Coverage for One-Year-Only Employees		
	Monthly	Annually
Waive	\$0	\$0
Employee Only	\$490.58	\$5,886.96
Employee and Child(ren)	\$490.58	\$5,886.96
Employee and Spouse	\$490.58	\$5,886.96
Employee and Family	\$490.58	\$5,886.96

Example:

Project Director (grade 15, step 4)

Salary: \$ 57,588

Benefits: \$27,019 (19.04% of salary (\$10,965) + medical election coverage (\$16,054))

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When developing grant budgets you will often need to project figures into the future. Below are commonly used figures with estimated increases based on historical increases. These are subject to change at any time.

Commonly used figures/rates for 2011-2012	
Adjunct Faculty Rate / Faculty Overload Rate	\$ 813
Faculty Development Rate	\$ 26
Minimum Wage	\$ 7.35/hour
Mileage Reimbursement	\$ 0.445/mile

Benefit Projections			
	Statutory Benefits * (20 + hours)	Health Care Benefits (20 – 30 hours)	Health Care Benefits (30 hours +)
2011-2012	19.04%	\$8,830	\$16,054
2012-2013*	20.04%	\$9,681	\$17,602
2013-2014*	21.04%	\$10,614	\$19,298
2014-2015*	22.04%	\$11,637	\$21,159
2015-2016*	23.04%	\$12,759	\$23,198
2016-2017*	24.04%	\$13,989	\$25,435
	1% annual increase	9.64% annual increase	9.64% annual increase
*Breakdown of 19.04%: 6.20% FICA; 1.45% Medicare and misc; 11.39% ASRS			