
Memorandum

To: Division of Agriculture Faculty and Staff

From: Matt Brown
Associate Vice President for Finance & Administration

Date: June 30, 2025

Re: FY 2026 Fringe Benefit Rates

Effective July 1, 2025 the fringe benefit rates for Fiscal Year 2026 will change to the rates indicated below. Faculty and staff should use these rates when calculating budgets that are included in sponsored projects or grant proposals to be awarded after July 1, 2025. The federal rate should be used for **formula funding only**, not competitive grants. *Note: As of the date of this memo, the rates below have only been provisionally approved by HHS, our federal cognizant agency. While the rates are not expected to change, adjustments are possible upon final review and approval by HHS.* The new fringe benefit rates are as follows:

Benefits Group 1: Students 0.10%
Includes: *Student Hourly (non-work study), Work Study, Graduate Student (summer research), Graduate Student (summer teaching)*

Components:	Worker's Compensation	0.30%
	Prior Period Adjustment	-0.20%

Benefits Group 2: Hourly Wages and Other Compensation 6.80%
Includes: *Annual Leave, Hourly (non-student), Overtime, Awards and Allowances, Lump Sum Payments, Salary (0-49% appointment)*

Components:	Worker's Compensation	0.03%
	Unemployment	0.01%
	FICA and Medicare	7.24%
	Prior Period Adjustment	-0.48%

Benefits Group 3: Graduate Assistants 6.40%
Includes: *Graduate Assistants (salaried)*

Components:	Worker's Compensation	0.03%
	Graduate Assistant Medical	5.59%
	Prior Period Adjustment	0.78%

Benefits Group 4: Summer Salaries See Rates Below.

Includes: *Extra Compensation (credit), Extra Compensation (non-credit), Extra Compensation (service), Service Award, Summer Research, Summer Teaching*

Institutional Rate 15.10%

Components:	Worker's Compensation	0.03%
	Unemployment	0.01%
	FICA and Medicare	7.24%
	Retirement	8.80%
	Prior Period Adjustment	-0.98%

Federal Rate 12.28%

Components:	Worker's Compensation	0.03%
	Unemployment	0.01%
	FICA and Medicare	7.24%
	Retirement	5.00%

Benefits Group 5: Benefits-Eligible Appointed Employees See Rates Below.

Includes: *Salary (50-99% appointment), Salary (100% appointment)*

Institutional Rate 27.60%

Components:	Worker's Compensation	0.03%
	Unemployment	0.01%
	FICA and Medicare	7.24%
	Retirement	8.80%
	Medical Insurance	11.60%
	Life Insurance	0.07%
	Long Term Disability	0.05%
	Dental Insurance	0.48%
	Termination Pay	0.84%
	Employee Assistance Program	0.05%
	Prior Period Adjustment	-1.57%

Federal Rate 25.37%

Components:	Worker's Compensation	0.03%
	Unemployment	0.01%
	FICA and Medicare	7.24%
	Retirement	5.00%
	Medical Insurance	11.60%
	Life Insurance	0.07%
	Long Term Disability	0.05%
	Dental Insurance	0.48%
	Termination Pay	0.84%
	Employee Assistance Program	0.05%