

Fringe Benefit Rates

General Description: Fringes Rates are calculated by Cost Accounting and approved by the Office of Naval Research. For more information and the current year approved fringe rates, refer to the NMSU Cost Accounting website at the link below.

<https://af.nmsu.edu/cost-accounting-rates/>

Purpose: To provide the Colleges/Departments information on the processes associated with the calculating and adjusting position Fringe Benefit amounts made to State I&G Funds.

Fringe Benefit Rates for State I&G Funded Regular Positions

All existing regular positions funded by State I&G funds have salary plus fringe benefit budgets tied to the individual position. See the following for guidance:

- When creating a New State I&G funded regular position, I&G funding source must be identified for both the salary and the regular fringe rate.
- When using Existing I&G salary funds for a new position, then there is no need to identify a source of funding for the fringe portion, as the fringe budget is tied to existing salary funds.
- However, when using existing Operating Funds for a new position, then salary plus the regular fringe rate funding must be identified, as there are no fringe budgets tied to operating funds.

Fringe Benefit Rates for State I&G Budget Adjustments

Fringe budget adjustments are posted to all state I&G funds around the 15th of each month to match actual fringe expenditures (*i.e. when the fringe feed is processed on October 15, this covers the fringe charges from mid-September thru mid-October*).

Once the fringe budget adjustments are posted, the fund will show a net effect of zero balance for fringe expenditures compared to fringe budget. All fringe budget adjustments are trued-up by the fiscal year-end close:

- For I&G salary funds (110000, 110003, 110004, 120000, and 120003), fringe benefits are covered 100%.
- All other State I&G funds, fringe benefits are covered up to the non-regular fringe benefit rate. The department will cover the difference (if any).