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Huron Consulting Group

# University of Oregon Fringe Benefit Rate Proposal

Fiscal Year 2016



## Table of Contents

<b>A. Cover Letter &amp; Certifications</b>	<b>3</b>
<b>B. FY 2016 Fringe Benefit Rates</b>	<b>5</b>
<b>C. FY2016 Financial Statement Reconciliation</b>	<b>7</b>
FY 2016 Financial Statement Reconciliation Schedule	8
<b>D. Employee Class Categories</b>	<b>9</b>
Employee Class Categories	10
<b>E. Salary &amp; Wage Support</b>	<b>11</b>
Salary & Wage Detail	12
<b>F. Fringe Benefit Support</b>	<b>13</b>
Benefit Category Roll-up Detail	14
Benefit: Health Insurance	17
Benefit: Other	20
Benefit: Payroll Tax	21
Benefit: Retirement	23
Benefit: Unemployment Insurance	26
Benefit: Workers' Compensation Insurance - SAIF	27
Benefit: Leave	28
<b>G. Fringe Benefit Model Projections FY 2018</b>	<b>30</b>
FY2017 Projected Fringe Benefit Rate Calculation	31
FY2018 Projected Fringe Benefit Rate Calculation	32
Projected Fringe Benefit Assumptions	33
Projected Salary and Wage Assumptions	34



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# **A. Cover Letter & Certifications**



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January 10, 2017

Mr. Arif Karim  
National Director  
DHHS – Division of Cost Allocation  
90 7th Street, Suite 4-600  
San Francisco, CA 94103-6705

Dear Mr. Karim:

We propose to charge fringe benefits costs based on an annually calculated rate. The differences between the calculated rate and actual costs will be incorporated in future annual calculations so the rate will represent actual costs incurred over time. Currently we charge actual benefits as they are incurred by individual employees.

The attached proposal includes actual cost rates for FY2016 and projected cost rates for FY2017 and FY2018. We are proposing the following rate categories and the respective rates:

	<u>FY2018</u>
Faculty/Staff A	72.3%
Faculty/Staff B	48.3%
Faculty/Staff C	30.7%
Classified Service	108.0%
Classified Skilled/Clerical	93.6%
Classified Technical	79.6%
Retirees-Temps	25.7%
Students	2.5%

Included are rate schedules with supporting documentation.

Please contact Stuart Laing at (541) 346-5838 or email - [slaing@uoregon.edu](mailto:slaing@uoregon.edu) if you have further questions or need additional information.

Sincerely,

Jamie Moffitt  
Vice President for Finance and Administration  
Chief Financial Officer (CFO)



### Certificate of F&A Costs

This is to certify that to the best of my knowledge and belief:

- (1) I have reviewed the Fringe Benefit Rate proposal submitted herewith;
- (2) All costs included in this proposal dated January 10, 2017 to establish Fringe Benefit rates for fiscal year 2018 (July 1, 2017 through June 30, 2018) are allowable in accordance with the requirements of the Federal agreement(s) to which they apply and with the cost principles applicable to those agreements;
- (3) This proposal does not include any costs which are unallowable under applicable cost principles such as (without limitation): advertising and public relations costs, contributions and donations, entertainment costs, fines and penalties, lobbying costs, and defense of fraud proceedings;
- (4) All costs included in this proposal are properly allocable to Federal agreements on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements; and

I declare under penalty of perjury that the foregoing is true and correct.

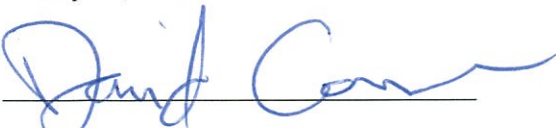
Institution: University of Oregon

Signature: 

Name of Official: Jamie H Moffitt

Title: Vice-Pres Fin & Admin and CFO

Date of Submission: January 10, 2017

Signature: 

Name of Official: David Conover

Title: Vice Pres for Research

Date of Submission: January 10, 2017



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# **B. FY 2016 Fringe Benefit Rates**



## FY2016 Fringe Benefit Rates

	Faculty/Staff A	Faculty/Staff B	Faculty/Staff C	Classified Service	Classified Skilled/Clerical	Classified Technical	Retirees-Temps	Students	Total
<b>Fringe Benefit Costs:</b>									
Health Insurance	25,775,025	18,309,462	115,562	6,487,757	9,459,091	6,415,055	855,720	-	67,417,672
Other	773,687	1,220,636	67,658	116,140	211,503	180,676	49,293	258,646	2,878,239
Payroll Tax	8,362,517	7,750,312	838,053	962,731	1,835,708	1,699,335	582,962	446,567	22,478,186
Retirement	21,995,415	22,059,830	2,353,942	2,546,468	4,992,350	4,593,795	286,406	41,829	58,870,034
Unemployment Insurance	281,982	280,757	30,889	31,376	60,185	55,756	19,831	2,241	763,017
Workers Comp-SAIF	402,886	381,537	42,158	51,597	93,625	82,500	29,131	173,643	1,257,078
Leave	11,553,397	1,483,078		1,547,386	2,845,334	2,427,583	48,619	18,745	19,924,140
<b>TOTAL FRINGE BENEFIT COSTS</b>	<b>69,144,908</b>	<b>51,485,612</b>	<b>3,448,262</b>	<b>11,743,456</b>	<b>19,497,796</b>	<b>15,454,699</b>	<b>1,871,961</b>	<b>941,671</b>	<b>173,588,366</b>
<b>Salary and Wage Costs:</b>									
Salaries and Wages	100,259,514	113,281,471	12,222,763	11,045,920	21,324,652	20,036,716	7,884,873	39,010,539	325,066,448
<b>TOTAL SALARY AND WAGE COSTS</b>	<b>100,259,514</b>	<b>113,281,471</b>	<b>12,222,763</b>	<b>11,045,920</b>	<b>21,324,652</b>	<b>20,036,716</b>	<b>7,884,873</b>	<b>39,010,539</b>	<b>325,066,448</b>
<b>FRINGE BENEFIT RATE</b>	<b>69.0%</b>	<b>45.4%</b>	<b>28.2%</b>	<b>106.3%</b>	<b>91.4%</b>	<b>77.1%</b>	<b>23.7%</b>	<b>2.4%</b>	



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# **C. FY2016 Financial Statement Reconciliation**





## FY 2016 Financial Statement Reconciliation Schedule

Category	FY2016 Financial Statement	Post Payroll Ledger Adjustments	FY2016 Payroll Ledger	Leave	Other Adjustments <sup>1</sup>	Athletics	Amount included in Rate Calculation
Salaries and Wages	379,410,407	1,804,050	381,214,457	(21,037,499)	(9,930,802)	(25,179,707)	325,066,448
Fringe Benefits	197,157,220	(2,438,253)	194,718,968	21,037,499	(31,661,376)	(10,506,725)	173,588,366
<b>Grand Total of Personnel Costs</b>	<b>576,567,627</b>	<b>(634,203)</b>	<b>575,933,424</b>	<b>-</b>	<b>(41,592,178)</b>	<b>(35,686,432)</b>	<b>498,654,814</b>

Other Adjustments<sup>1</sup>: Removes earn codes that do not earn benefits and removes Graduate Assistant Tuition Remissions, Graduate medical insurance, Graduate Fees.

The Athletics department operates as a self-sufficient entity that does not charge federal fund sources and is completely removed from the rate calculation.



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# **D. Employee Class Categories**



## Employee Class Categories

Employee Class	Description
Faculty/Staff A	The Faculty/Staff A Employee Class consists of all salaried staff employees, and faculty members that are on a twelve month schedule. Most of these employees are all eligible for sick leave and vacation leave.
Faculty/Staff B	The Faculty/Staff B Employee Class consists of faculty members that are on a nine month schedule that are sick leave eligible but not eligible for vacation leave, and employees coded as Executives.
Faculty/Staff C	The Faculty/Staff C Employee Class consists of all employees excluding students on summer term employment.
Classified Service	The Classified Service Employee Class consists of hourly employees that are coded as service/maintenance such as groundskeepers, custodians, laborers, and food service workers.
Classified Skilled/Clerical	The Classified Skilled/Clerical Employee Class consists of hourly employees that are coded as skilled and clerical.
Classified Technical	The Classified Technical Employee Class consists of hourly employees that are coded as technical and professional.
Retirees-Temps	The Retirees-Temps Employee Class consists of retired University of Oregon officers/teachers/researchers and temporary support staff employees.
Students	The Students Employee Class consists of graduate employees, fellows, and undergraduate student employees.



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# **E. Salary & Wage Support**



## Salary & Wage Detail

Salary support for the employee titles included in each Employee Group can be provided in an Excel format. Due to the large data size these were not included within the proposal.

## Earning Codes Excluded from the Salary and Wage Cost Base

Earn Code	Earnings Code Description
FAC	Awards, Cash
LPC	Comp Time, Exempt Paid
LPV	Vacation Leave Paid
LTC	Comp Time Taken, Exempt
LTP	Personal Leave Taken
LTQ	Personal Leave Taken
LTS	Sick Leave Taken
LTV	Vacation Time Taken
LW1	Leave with Pay, Full Benefits
LTG	Sick Days Taken - GTF
LW4	Leave with Part Pay, Benefits

Earn Code	Earnings Code Description
OAU	Other Pay, Units
ONB	Other Academic Pay, No Benefit
OVX	Overload, PERS Exempt
RSB	Regular, Student Bonus
RSC	Settlement
RW1	Fed Work-Study, Rate 1
RW2	Fed Work-Study, Rate 2
RWS	Regular, Fed Work-Study
SSC	Settlement
STO	Stipends without Benefits

**The leave dollars such as sick, vacation, personal and compensatory time have been removed from salaries and added into the fringe benefit rate calculation. In addition to leave, bonuses, allowances, awards and stipends without benefits have been removed from the salary base.**



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# **F. Fringe Benefit Support**



## Benefit Category Roll-up Detail

Deduction Category	Deduction Code	Deduction Description
Health Insurance	JGM	GTF Medical Fee
Health Insurance	P3P	PEBB Empl 3 Prcnt Pre-Tax
Health Insurance	P40	Prem. Subsidy \$40, Pre-Tax
Health Insurance	PSA	PEBB Employer Contrib Pre-Tax
Health Insurance	TAY	Academic Year Triple Cont
Health Insurance	TD1	Deferred OPE Exp - Health
Other	TD2	Deferred OPE Exp - Other
Other	TER	Employment Relations Board
Other	TT1	Mass Transit Taxing Districts
Other	TT2	LTD Bus Pass
Other	TUC	CaliforniaUnemp & Training Tax
Payroll Tax	TCA	Colorado Income Tax, Aurora
Payroll Tax	TMA	Medicare Tax, Additional
Payroll Tax	TME	Medicare Tax
Payroll Tax	TSS	Social Security Tax
Payroll Tax	TST	Oregon State Withholding Tax
Retirement	R00	OPSRP IAP Empl Acct Pd for You
Retirement	R01	IAP Employee Acct Paid for You
Retirement	R02	Retirement Emplr Contribution
Retirement	R04	PERS Prior Year Contribution
Retirement	R06	Retirement Empr Contrib Tier 1
Retirement	R07	Retirement Empr Contrib Tier 2
Retirement	R08	Retirement Empr Contrib OPSRP
Retirement	R11	PERS/TIAACREF Paid for You



### Benefit Category Roll-up Detail (continued)

Deduction Category	Deduction Code	Deduction Description
Retirement	R12	PERS/TIAACREF Employer Contrib
Retirement	R13	PERS/TIAACREF, 1st \$4800
Retirement	R14	PERS/TIAACREF Contrib on \$4800
Retirement	R1O	ORP OUS Tier 1 Paid for You
Retirement	R1T	ORP TIAA-CREF T1 Paid for You
Retirement	R1V	ORP VALIC Tier 1 Paid for You
Retirement	R2O	ORP OUS Tier 2 Paid for You
Retirement	R2T	ORP TIAA-CREF T2 Paid for You
Retirement	R2V	ORP VALIC Tier 2 Paid for You
Retirement	R3O	ORP OUS Tier 3 Paid for You
Retirement	R3T	ORP TIAA-CREF T3 Paid for You
Retirement	R3V	ORP VALIC Tier 3 Paid for You
Retirement	R4O	ORP OUS Tier 1 ER Contrib
Retirement	R4T	ORP TIAA-CREF T1 ER Contrib
Retirement	R4V	ORP VALIC Tier 1 ER Contrib
Retirement	R5O	ORP OUS Tier 2 ER Contrib
Retirement	R5T	ORP TIAA-CREF T2 ER Contrib
Retirement	R5V	ORP VALIC Tier 2 ER Contrib
Retirement	R6O	ORP OUS Tier 3 ER Contrib
Retirement	R6T	ORP TIAA-CREF T3 ER Contrib
Retirement	R6V	ORP VALIC Tier 3 ER Contrib
Retirement	RDR	PERS Retirement Debt Repayment
Retirement	REO	ORP Fidelity T4 Paid for You
Retirement	RET	ORP Tiaa-Cref T4 Paid for You





### Benefit Category Roll-up Detail (continued)

Deduction Category	Deduction Code	Deduction Description
Retirement	RMO	ORP Fid Pretax TDI/EE Match T4
Retirement	RMT	ORP TC Pretax TDI/EE Match T4
Retirement	RRO	ORP Fid Roth TDI/EE Match T4
Retirement	RRT	ORP TC Roth TDI/EE Match T4
Retirement	TDP	Deferred OPE Exp - Retirement
Unemployment Insurance	TUI	Unemployment Insurance
Unemployment Insurance	TUX	Unemployment Insur-Othr States
Workers Comp-SAIF	TSF	State Accident Insurance Fund
Workers Comp-SAIF	TWC	Workers' Benefit Fund
Workers Comp-SAIF	TWC	Workers' Comp Assessment
Workers Comp-SAIF	TWE	Workers' Benefit Fund-Exempt
Workers Comp-SAIF	TWN	New Mexico Workers' Comp Fee
Workers Comp-SAIF	TWW	WA State Workers' Compensation
Leave	LPC	Comp Time, Exempt Paid
Leave	LPV	Vacation Leave Paid
Leave	LTC	Comp Time Taken
Leave	LTC	Comp Time Taken, Exempt
Leave	LTG	Sick Days Taken - GTF
Leave	LTP	Personal Leave Taken
Leave	LTQ	Personal Leave Taken
Leave	LTS	Sick Leave Taken
Leave	LTV	Vacation Time Taken
Leave	LW1	Leave with Pay, Full Benefits
Leave	LW4	Leave with Part Pay, Benefits



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## Benefit: Health Insurance

The Category Health Insurance covers four different types of insurance: Medical, Dental, Vision, and Life. Additional information is available at <http://www.oregon.gov/DAS/PEBB/>

### Descriptions:

#### Medical

University of Oregon offers a choice of 3 medical plans:

- **PEBB Statewide PPO** – Plan allows access to a nationwide directory of preferred providers and does not require a designated primary care provider. Co-insurance is a percentage of rates. Referrals to specialists are not required.
- **Providence Choice and Moda Synergy** – These are managed care plans that require pre-designation of medical home or primary care physician. Co-payments are fixed amounts. Referrals are required to see specialists.
- **Kaiser HMO** – Managed-care model which allows care only through Kaiser Facilities. There are no deductibles and co-payments are fixed amounts. Referrals are required to see specialists.

#### Dental

University of Oregon offers four choices for dental plans:

- **ODS (Moda) PPO** - Plan does not require that policy holder pre-select a primary dentist. Services provided by dentists who do not participate in ODS (Moda) PPO plan will still be covered, although co-payments will be higher.
- **ODS (Moda) Premier** - Plan offers a nationwide network and does not require the policy holder to pre-select a primary dentist.
- **Willamette Dental** - Plan requires that the policy holder get treatment provided at the plan facilities only.
- **Kaiser Dental** - Plan requires that the policy holder get treatment provided in the plan facilities only.

#### Vision

University of Oregon offers one choice for the vision plan:

- **Vision Service Plan (VSP)** - University of Oregon provides this preferred-provider plan without any exclusions for pre-existing conditions. Plan holder is responsible for deductibles associated with vision exams and glasses, although there is no deductible for contact lenses.



**Life**

University of Oregon provides Basic Life insurance at no cost for employees. In addition, there are several types of optional life insurance plans available for a monthly premium paid by the employee.

- **Basic Life** - \$5,000 benefit.

**Applicable To:**

Benefit Category	Employee Class	Medical Eligible	Dental Eligible	Vision Eligible	Life Eligible
Health Insurance	Faculty/Staff A	Yes	Yes	Yes	Yes
Health Insurance	Faculty/Staff B	Yes	Yes	Yes	Yes
Health Insurance	Faculty/Staff C	Yes	Yes	Yes	Yes
Health Insurance	Classified Service	Yes	Yes	Yes	Yes
Health Insurance	Classified Skilled/Clerical	Yes	Yes	Yes	Yes
Health Insurance	Classified Technical	Yes	Yes	Yes	Yes
Health Insurance	Retirees-Temps	Yes*	Yes*	Yes*	Yes
Health Insurance	Students	No**	No**	No	No

\* Retirees and Temporary employees are eligible for the same benefits as other staff if they meet the Affordable Care Act guidelines.

\*\* Graduate employees are eligible for medical insurance offered through the GTFF union. Graduate medical insurance is not part of the rate calculation and will be charged on an actual basis.



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## **Conditions:**

### **Medical**

All benefit eligible employees may enroll for medical coverage provided they are employed at 0.5 FTE or higher. UO pays 95% of premium costs for all medical plans for those that qualify and are employed at 1.0 FTE. Eligible unclassified employees at 0.5 FTE or above are not prorated and receive full benefits. For eligible classified part-time staff, UO pays a prorated amount depending on hours worked. Per the current bargaining agreement, classified employees with 0.75 – 0.99 FTE are not prorated and receive full benefits. Classified employee may reduce their premium from 5% to 3% if they enroll in the lowest cost medical plan, increasing UO's portion to 97%. Benefit-eligible staff may cover their spouses, domestic partners and eligible dependent children.

### **Dental**

All benefit eligible employees may enroll for dental coverage provided they are employed at .5 FTE or higher. For full-time employees, the premium share is the same as medical coverage chosen. For part-time employees and those who opt out of medical, the share is 5%. Classified employee may reduce their premium from 5% to 3% if they enroll in the lowest cost medical plan increasing UO's portion to 97%. Employees pay the remaining portion of the premium through payroll deduction. Benefits-eligible faculty and staff may cover their spouses, domestic partners and eligible dependent children.

### **Vision**

All benefit eligible employees may enroll for vision coverage provided they are employed at .5 FTE or higher. UO pays 95% of premium costs for all medical plans for those that qualify. Classified employee may reduce their premium from 5% to 3% if they enroll in the lowest cost medical plan increasing UO's portion to 97%. Employees pay the remaining portion of the premium through payroll deduction. Benefits-eligible staff may cover their spouses, domestic partners and eligible dependent children.

### **Life**

Employees must be enrolled in a medical plan or choose to opt out. Employee pays 5% of the basic life insurance and full premiums for optional life insurance.



## Benefit: Other

The “Other” benefit category primarily consists of public transportation benefits. This includes the Lane Transit District Bus Pass and the Mass Transit Tax. Additional information is available at <http://hr.uoregon.edu/benefits/new-employee-resource-center/quick-summary-services> and at [https://www.oregon.gov/DOR/forms/FormsPubs/transit-payroll-taxes\\_211-503.pdf](https://www.oregon.gov/DOR/forms/FormsPubs/transit-payroll-taxes_211-503.pdf) . The “Other” benefit category also includes minor fringe benefit accounting adjustments.

### Descriptions:

#### Lane Transit District Bus Pass

The University of Oregon contracts with the Lane Transit District to provide free-to-the-user LTD bus ridership. This program allows eligible employees to ride any LTD bus free of charge by presenting their UO Photo ID to the driver when boarding.

#### Mass Transit Tax

This transit tax is imposed directly on the employer. It is managed by the Oregon Department of Revenue for Lane County Mass Transit District.

### Applicable To:

Benefit Category	Employee Class	LTD Bus Pass	Mass Transit Tax
Public Transportation	Faculty/Staff A	Yes	Yes
Public Transportation	Faculty/Staff B	Yes	Yes
Public Transportation	Faculty/Staff C	Yes	Yes
Public Transportation	Classified Service	Yes	Yes
Public Transportation	Classified Skilled/Clerical	Yes	Yes
Public Transportation	Classified Technical	Yes	Yes
Public Transportation	Retirees-Temps	Yes	Yes
Public Transportation	Students	No	Yes



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**Conditions:**

**Lane Transit District Bus Pass**

All Faculty and all other employees who are 0.5 FTE or greater are eligible.

**Mass Transit Tax**

It applies to the amount of gross payroll paid for services performed within the Lane County Mass Transit District and Tri-Met District (Portland).



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**Description:**

FICA (Federal Insurance Contributions Act) is a payroll tax imposed by the U.S. government on both employees and employers to fund Social Security and Medicare. FICA is a two-part tax consisting of OASDI (Old Age, Survivors and Disability Insurance Program), which is a 6.2% tax imposed up to a specified wage limit (announced annually) and Medicare which is a 1.45% tax. An additional 0.9% Medicare Tax is imposed on employee wages in excess of \$200,000 or more in a calendar year.

**Applicable To:**

Benefit Category	Employee Class	Eligible
Payroll Tax	Faculty/Staff A	Yes
Payroll Tax	Faculty/Staff B	Yes
Payroll Tax	Faculty/Staff C	Yes
Payroll Tax	Classified Service	Yes
Payroll Tax	Classified Skilled/Clerical	Yes
Payroll Tax	Classified Technical	Yes
Payroll Tax	Retirees-Temps	Yes
Payroll Tax	Students	Yes

**Conditions:**

FICA Tax is applicable to all employees except enrolled UO students employed by the University.



## Benefit: Retirement

### Description:

University of Oregon has two employer paid pension plans, Oregon Public Service Retirement Plan (OPSRP)/Public Employees Retirement System (PERS) and the Optional Retirement Plan (ORP). Several options for a monthly retirement benefit exist and depend on the date of hire.

- **OPSRP/PERS** – is a hybrid arrangement including a defined benefit pension along with a defined contribution Individual Account Program (IAP). Plan benefits are formula driven and based on date of hire, years of service and earnings. Vesting occurs after 5 years of contributions or normal retirement age according to tier. IAP vests immediately.
  - PERS Tier 1-** Oregon PERS and an IAP. Retirement age of 58 or 30 years of qualifying service for employees hired before January 1, 1996.
  - PERS Tier 2-** Oregon PERS and an IAP. Retirement age of 60 or 30 years of qualifying services for employees hired on or after January 1, 1996 and before Aug 29, 2003.
  - OPSRP** - Defined Benefit and IAP. Retirement age 65 or 58 with 30 years of qualifying service for employees hired on or after August 29, 2003.
- **ORP** - This UO Defined Contribution 401(a) plan may be chosen by academic and unclassified employees in lieu of PERS membership. This is a self-directed account with a number of available investment options. It currently has 4 Tiers based on hire date. Retirement age of 58. Vesting occurs after 5 years of contribution or age 50.

Additional information is available at <http://hr.uoregon.edu/benefits/retirement>





**Applicable To:**

Benefit Category	Employee Class	Eligible
Retirement Plan	Faculty/Staff A	Yes
Retirement Plan	Faculty/Staff B	Yes
Retirement Plan	Faculty/Staff C	Yes
Retirement Plan	Classified Service	Yes
Retirement Plan	Classified Skilled/Clerical	Yes
Retirement Plan	Classified Technical	Yes
Retirement Plan	Retirees-Temps	Yes*
Retirement Plan	Students	No

\*Retiree employees are not eligible, but Temporary Staff are.

**Conditions:**

University of Oregon employees must work 6 full months before being eligible to participate in a retirement plan. All classified employees who meet the criteria will be enrolled in the OPSRP/PERS while unclassified employees need to choose between OPSRP/PERS and ORP. Employees who work 600 or more hours in a calendar year are eligible. Additionally, unclassified employees who work between 9 and 12 months per year and perform 50 or more hours of service during each of 6 full calendar months are eligible for ORP.

**Employer Contribution:**

Employer contribution is based on the actuarially-determined amounts necessary to fully fund pension benefits. For PERS, the Employer Contributions for Tier One and Tier Two members are subject to change based on the rates periodically established by PERS. Under state law, the employer contributions to the ORP Tiers 1, 2, and 3 are based on the contribution rate of OPSRP/PERS and may change whenever the PERS/OPSRP defined benefit pension plan funding methods are revised.



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**Employee Contribution:**

University of Oregon pays the Employee Contribution on behalf of employees. In OPSRP/PERS and ORP Tiers 1, 2, and 3, employee contributions are currently 6% of the first \$265,000 of the employee's annual salary (this limit is periodically adjusted for cost-of-living increases). However, ORP Tier 4 does not contribute the 6%; instead it offers an employer match of 1 – 4% of monthly applicable gross wages, which is contributed to the ORP, and is based on the employee's monthly contribution to the Tax Deferred Investment (TDI) 403(b) plan. The TDI has a maximum contribution as determined by the federal government each year.

**Pension Obligation Bonds:**

Currently, University of Oregon pays a portion of the debt service for a pension obligation bond incurred by PERS. A percentage is contributed monthly on behalf of all enrolled PERS employees towards this repayment.



## Benefit: Unemployment Insurance

### Description:

Unemployment Insurance is a federal-state program jointly financed through federal and state employer payroll taxes, which provides compensation to unemployed workers.

### Applicable To:

Benefit Category	Employee Class	Eligible
Unemployment Insurance	Faculty/Staff A	Yes
Unemployment Insurance	Faculty/Staff B	Yes
Unemployment Insurance	Faculty/Staff C	Yes
Unemployment Insurance	Classified Service	Yes
Unemployment Insurance	Classified Skilled/Clerical	Yes
Unemployment Insurance	Classified Technical	Yes
Unemployment Insurance	Retirees-Temps	Yes
Unemployment Insurance	Students	Yes

### Conditions:

University of Oregon coverage ends on the last day the policy holder is actively working at the university. The employee may be eligible for Unemployment Insurance benefits. However, if the employee is on temporary layoff between academic terms and has reasonable assurance that he or she will be rehired, they are generally not eligible for benefits.



## Benefit: Workers' Compensation Insurance - SAIF

### Description:

Oregon's State Accident Insurance Fund (SAIF) is a state chartered workers compensation insurance provider. Workers' Compensation Insurance coverage is a program that provides medical, rehabilitation, income, death and other benefits to employees and dependents due to injury, illness and death resulting from a compensable work-related claim covered by law.

### Applicable To:

Benefit Category	Employee Class	Eligible
Workers' Compensation Insurance - SAIF	Faculty/Staff A	Yes
Workers' Compensation Insurance - SAIF	Faculty/Staff B	Yes
Workers' Compensation Insurance - SAIF	Faculty/Staff C	Yes
Workers' Compensation Insurance - SAIF	Classified Service	Yes
Workers' Compensation Insurance - SAIF	Classified Skilled/Clerical	Yes
Workers' Compensation Insurance - SAIF	Classified Technical	Yes
Workers' Compensation Insurance - SAIF	Retirees-Temps	Yes
Workers' Compensation Insurance - SAIF	Students	Yes

### Conditions:

State Accident Insurance Fund is applicable to all employees.



## Benefit: Leave

### Descriptions:

#### Sick Leave

Eligible employees earn sick leave credits and use them for any period of absence from service due to the employee's illness, injury, medical or dental care, or attendance upon members of the employee's (or employee's spouses) immediate family due to illness or death.

#### Vacation Leave

Eligible employees accrue vacation leave monthly. Full time employees accrue from 8 hours up to 18 hours per month depending on their years of service and employment classification. Eligible employees on a .50 FTE or more 12-month contract accrue vacation in proportion to their FTE.

#### Personal Leave

Eligible Full time classified employees are entitled to 24 hours of personal leave with pay each fiscal year. Part-time employees are granted such leave in a prorated amount.

#### Compensation Time

All University of Oregon Service SEIU and Teamster contract employees may elect to receive compensatory time for overtime worked.

### Applicable To:

Benefit Category	Employee Class	Sick Eligible	Vacation Eligible	Personal Eligible	Compensation Time Eligible
Leave	Faculty/Staff A	Yes	Yes	No	No
Leave	Faculty/Staff B	Yes	Yes*	No	No
Leave	Faculty/Staff C	Yes	Yes	No	No
Leave	Classified Service	Yes	Yes	Yes	Yes
Leave	Classified Skilled/Clerical	Yes	Yes	Yes	Yes
Leave	Classified Technical	Yes	Yes	Yes	Yes
Leave	Retirees-Temps	Yes	No	No	No
Leave	Students	Yes	No	No	No

\*Academic year (9 Month) Faculty are only eligible for sick leave.



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## **Conditions:**

### **Sick Leave**

Full-time employees are credited up to eight hours of sick leave for each full month of service. Part-time employees are credited a pro rata amount dependent upon the bargaining agreement. Beginning January 1, 2016, all employees are eligible for sick leave in the State of Oregon under SB 454 – 2016. This will include Retiree-Temp and students.

### **Vacation Leave**

Employees may not accrue in excess of 260 hours (SEIU - Service Employees International Union - employees 250 hours), and any accrued vacation leave in excess of this cap will be forfeited. Upon termination of employment or movement from a 12-month appointment to a 9-month contract, unclassified employees receive payment for 180 unused accrued vacation hours. SEIU employees receive payment for 250 hours.

### **Personal Leave**

Personal Leave applies to University of Oregon Employees who are part of the SEIU Collective Bargaining Agreement and the Teamsters Collective Bargaining Agreement. Personal leave is not cumulative from year to year. Unused leave is not compensable in any other manner.

### **Compensation Time**

SEIU employees may not accrue more than 120 hours. Teamster contract employees may not accrue more than 100 hours.



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# **G. Fringe Benefit Model Projections FY 2018**



**FY2017 Projected Fringe Benefit Rate Calculation**

	Faculty/Staff A	Faculty/Staff B	Faculty/Staff C	Classified Service	Classified Skilled/Clerical	Classified Technical	Retirees-Temps	Students	Total
<b>Fringe Benefit Costs:</b>									
Health Insurance	26,806,026	19,041,840	120,185	6,747,268	9,837,454	6,671,658	889,949	-	70,114,379
Other	804,867	1,269,827	70,384	123,871	225,581	192,702	49,935	266,457	3,003,624
Payroll Tax	8,613,393	7,982,821	863,195	1,016,644	1,938,508	1,794,498	584,711	455,498	23,249,268
Retirement	22,655,277	22,721,625	2,424,561	2,689,070	5,271,921	4,851,047	287,265	42,665	60,943,432
Unemployment Insurance	290,441	289,179	31,815	33,133	63,556	58,878	19,891	2,286	789,180
Workers' Compensation - SAIF	414,973	392,984	43,423	54,487	98,868	87,120	29,218	177,116	1,298,188
Leave	11,899,999	1,527,570	-	1,634,039	3,004,672	2,563,527	97,530	38,239	20,765,576
<b>TOTAL FRINGE BENEFIT COSTS</b>	<b>71,484,975</b>	<b>53,225,847</b>	<b>3,553,563</b>	<b>12,298,512</b>	<b>20,440,561</b>	<b>16,219,429</b>	<b>1,958,498</b>	<b>982,262</b>	<b>180,163,647</b>
<b>Salary and Wage Costs:</b>									
Salaries and Wages	103,267,299	116,679,915	12,589,446	11,664,491	22,518,833	21,158,772	7,908,528	39,790,750	335,578,034
<b>TOTAL SALARY AND WAGE COSTS</b>	<b>103,267,299</b>	<b>116,679,915</b>	<b>12,589,446</b>	<b>11,664,491</b>	<b>22,518,833</b>	<b>21,158,772</b>	<b>7,908,528</b>	<b>39,790,750</b>	<b>335,578,034</b>
<b>Fringe Benefit Rate</b>	<b>69.2%</b>	<b>45.6%</b>	<b>28.2%</b>	<b>105.4%</b>	<b>90.8%</b>	<b>76.7%</b>	<b>24.8%</b>	<b>2.5%</b>	





## FY2018 Projected Fringe Benefit Rate Calculation

	Faculty/Staff A	Faculty/Staff B	Faculty/Staff C	Classified Service	Classified Skilled/Clerical	Classified Technical	Retirees-Temps	Students	Total
<b>Fringe Benefit Costs:</b>									
Health Insurance	27,905,073	19,822,556	125,112	7,023,906	10,240,790	6,945,196	926,437	-	72,989,068
Other	845,432	1,333,827	73,932	132,116	240,596	205,528	50,687	280,425	3,162,541
Payroll Tax	8,957,928	8,302,134	897,723	1,073,576	2,047,064	1,894,990	587,634	474,629	24,235,679
Retirement	26,785,461	26,847,899	2,846,039	3,260,867	6,396,525	5,882,922	329,822	50,912	72,400,447
Unemployment Insurance	302,059	300,746	33,088	34,989	67,115	62,175	19,990	2,382	822,545
Workers' Compensation - SAIF	431,572	408,703	45,160	57,538	104,405	91,998	29,364	184,555	1,353,295
Leave	12,375,999	1,588,673	-	1,725,545	3,172,934	2,707,085	98,018	39,845	21,708,098
<b>TOTAL FRINGE BENEFIT COSTS</b>	<b>77,603,523</b>	<b>58,604,538</b>	<b>4,021,053</b>	<b>13,308,537</b>	<b>22,269,429</b>	<b>17,789,893</b>	<b>2,041,951</b>	<b>1,032,748</b>	<b>196,671,673</b>
<b>Salary and Wage Costs:</b>									
Salaries and Wages	107,397,991	121,347,112	13,093,024	12,317,703	23,779,887	22,343,663	7,948,071	41,461,962	349,689,412
<b>TOTAL SALARY AND WAGE COSTS</b>	<b>107,397,991</b>	<b>121,347,112</b>	<b>13,093,024</b>	<b>12,317,703</b>	<b>23,779,887</b>	<b>22,343,663</b>	<b>7,948,071</b>	<b>41,461,962</b>	<b>349,689,412</b>
<b>Fringe Benefit Rate</b>	<b>72.3%</b>	<b>48.3%</b>	<b>30.7%</b>	<b>108.0%</b>	<b>93.6%</b>	<b>79.6%</b>	<b>25.7%</b>	<b>2.5%</b>	



## Projected Fringe Benefit Assumptions

Fringe Benefit Projections	FY2017 % Change	FY2018 % Change
Health Insurance	4.0%	4.1%
Other	Salary % Increase + 1%	Salary % Increase + 1%
Payroll Tax	Salary % Increase	Salary % Increase
Retirement	Salary % Increase	Salary % Increase + Rate Increase Below
Unemployment Insurance	Salary % Increase	Salary % Increase
Workers' Compensation - SAIF	Salary % Increase	Salary % Increase
Leave	Salary % Increase + 100% Increase for Students & Retirees-Temps	Salary % Increase

FY2018 Retirement Projections	FY2018 % Change
Faculty/Staff A	13.7%
Faculty/Staff B	13.6%
Faculty/Staff C	12.9%
Classified Service	14.8%
Classified Skilled/Clerical	14.9%
Classified Technical	14.8%
Retirees-Temps	14.2%
Students	14.5%

The majority of fringe benefit categories will increase at the same pace as salaries, with a few exceptions. The most significant change is related to Leave and Retirement. Per Oregon Senate Bill 454, all employees not currently receiving Sick Leave benefits will now be eligible to receive Sick Leave benefits effective January 1, 2016. This change will be fully implemented for the entire FY2017. The State of Oregon PERS board has informed agencies state wide there will be significant increases in retirement contributions in FY2018, FY2020, and FY2022. The University of Oregon will need to work with DHHS to incorporate these increases in any of our future rates. Please see attached documentation.



## Projected Salary and Wage Assumptions

Salary and Wage Projections	FY2017 % Change	FY2018 % Change
Faculty/Staff A	3.0%	4.0%
Faculty/Staff B	3.0%	4.0%
Faculty/Staff C	3.0%	4.0%
Classified Service	5.6%	5.6%
Classified Skilled/Clerical	5.6%	5.6%
Classified Technical	5.6%	5.6%
Retirees-Temps	0.3%	0.5%
Students	2.0%	4.2%

The salary and wage projections are based upon union contracts and University decisions on cost of living adjustments, step increases, and merit increases. Contracts with the United Academics Union, the Service Employees International Union, the Teamsters Union, and the Graduate Teaching Fellows Federation were all considered in these projections. More details are available upon request.