



Grants Benefit Rate Guide

Benefit Rates for Fiscal Year 2020

All Grant Funds (Applicable for all Business Units)

FICA

7.65%

General Ledger

All University employees have their benefits calculated with the pay-based and per-person components using GL Accounts 710025 and 710010 for each pay period. The federal government requires that the benefit rate for federally funded grants be a percentage of salary. In lieu of a pay-based component and a per-person component, all University grant funds (Fund 2100-2299) are charged the federally negotiated benefit rate using GL Account 710015. A special allocation is ran in PeopleSoft Finance for all grant paid positions to back out the pay-based and per-person benefits initially calculated out of payroll and recalculates the benefit rate based on the federally negotiated rate using the alternate GL Account.

Example:



Note: Both benefit rate components are initially calculated using the rates for a Columbia employee. The per-person component for one pay period (\$833.33) is charged 100% against the chartfields above. The pay-based component is calculated by taking 14.22% x \$5,833.48 (PEN eligible wages) coded to the REX earn code. Allocation journals (ALO source) reverse the original benefit calculation and apply the applicable grant rate by taking 26.00% x \$5,833.48 (PEN eligible wages). The allocations are calculated at the chartfield level and will be a summary of all the employees on a chartfield for a specific pay period.

Calculations:

- \$5,833.48
- C1532057-00061739: \$5,833.48 / \$5,833.48 (100%)
- : C1532057-00049579: \$5,833.48 x 26.00% = \$1,516.71

Example:

Note: Both benefit rate components are initially calculated using the rates for a Kansas City employee. The per-person component for one pay period (\$833.33) is split among the two chartfields based on the percentage of the employee's total pay allocated to each chartfield. The pay-based component is calculated by taking 14.22% x each of the PEN eligible wages coded to the REX earn code and charged against each chartfield. Allocation journals (ALO source) reverse the original benefit calculation on grant funds and apply the applicable grant rate by taking 26.00% x \$2,789

Payroll Correcting Entry (PCE)

Retroactive payroll adjustments are made through the FIN Journal Entry application by clicking on the Create

Additional Resources

For additional information regarding the benefit rates, please visit the [Benefit Rate Charges](#) webpage at www.umssystem.edu/ums/fa/controller/benefit_rate.

Historical grant benefit rates can be found on the [F&A/Fringe Benefit Rate Agreement](#) webpage at