

Accounting Prior to FY 13

- ▶ The cost of fringe benefits is specifically identified to the individual
- ▶ All non-state chartstrings are charged based on the benefits elected by the individuals paid from these chartstrings
- ▶ A central account pays for all benefits specifically identified to state chartstrings
- ▶ Some benefits that cannot be identified to an individual are paid centrally.
 - ▶ Worker's Compensation
 - ▶ Tuition Remission

Leave Payout–Accounting Prior to FY13

- ▶ When an individual terminates, payout of leave is charged to the chartstrings that last paid the individual
- ▶ Often grant budgets cannot absorb this and the payout is charged to nonsponsored chartstrings and the costs are not recovered.

Accounting Prior to FY 13 Example

John Tech is paid \$75,000 and is funded 50% from an NIH grant

	NIH Grant	State	Central Benefits	Total
Salary (1013)	\$ 37,500	\$ 37,500		\$ 75,000
Retirement (2720)	4,000		4,000	8,000
Health Insurance (2710)	6,200		6,200	12,400
FICA (2725)	2,750		2,750	5,500
Unemployment (2770)	35		35	70
Post-Employment Benefits (2712)	2,000		2,000	4,000
Total Benefits	\$ 14,985	\$ -	\$ 14,985	\$ 29,970

Accounting for FY 13 and Forward Using Fringe Benefit Rate

- ▶ For each major employee class an average fringe benefit rate is calculated
 - ▶ For allowability on grants, must be negotiated with the federal government
 - ▶ We have faculty, staff, contractual, and post-doc rates
- ▶ This rate is applied to salary charges across all funding sources
 - ▶ Central fringe benefit budget has been allocated out to state budgets
- ▶ Rate includes the cost of leave payouts
- ▶ All benefits are paid centrally and funded from the application of this rate.

Fringe Benefit Rates

	Apply to Accounts	FY13	FY14+	Costs recorded in account
Faculty	1011 – Faculty 9/10 mo. 1012 – Faculty 12 mo.	25.0%	25.7%	2790 – Fringe rate Faculty
Staff	1013 – Exempt staff 1014 – Non-exempt staff	40.0%	41.0%	2791 – Fringe rate Staff
Contractual	2072 – Exempt staff (C1) 2073 – Non-exempt staff (C1) 2090 – Contractual employee (C2) 2071 – Faculty 2080 – Summer salaries 2110 – Overtime 2120 – Shift differential 2130 – On call pay 1020 – Graduate Assistants (summer wages only)	8.4%	8.4%	2793 – Fringe rate Contractual
Post Docs	1021 – Post Docs/Fellows	23.0%	23.2%	2792 – Fringe rate Post Doc
Students	1020 – Graduate Assistants (non summer wages) 2074 – College Work study 2075 – Students (other than CWS)	0%	0%	N/A
Other	2196 – Accrued Leave Payout	0%	0%	N/A

Accounting for FY 13 and Forward Example

John Tech is paid \$75,000 and is funded 50% from an NIH grant

	NIH Grant	State	Fringe Clearing Account	Total
Salary (1013)	\$ 37,500	\$ 37,500		\$ 75,000
Retirement (2720)			8,000	8,000
Health Insurance (2710)			12,400	12,400
FICA (2725)			5,500	5,500
Unemployment (2770)			70	70
Post-Employment Benefits (2712)			4,000	4,000
Fringe Benefit Allocation (2791)(40%)	15,000	15,000	(30,000)	-
Total Benefits	\$ 15,000	\$ 15,000	\$ (30)	\$ 29,970

Accounting for Leave Payout–FY13 and Forward–Regular Faculty and Staff

- ▶ **Terminations after 6/30/2012**
 - ▶ 100% of termination pay and the related benefits will be paid from the central Fringe Clearing Account (FCA)
 - ▶ Enter the FCA HRMS account code 0000015682 on PA Form to avoid charging to department
 - ▶ Leave Payout will not appear on Payroll Charges Detail Report (PCD)

Accounting for Leave Payout–FY13 and Forward–Regular Faculty and Staff

- ▶ **Terminations before 7/1/2012 paid in FY 13**
 - ▶ Leave Payout (Earnings) will be charged based on FY13 Fix EFP or redirect HRMS account code requested by department
 - ▶ Departments can reallocate using direct retro (FY13 and forward)
 - ▶ Fringe benefit rate is not applied to these accounts
 - ▶ Taxes and fringe will be charged to the Fringe Clearing Account

Termination Date – Employment Data Page

Browser address bar: <https://frigate.umaryl...>

Navigation: Home > Administer Workforce > Administer Workforce (GBL) > Use > Job Data

Help

Employment Information

Employee: [Redacted] EmplID: [Redacted] Empl Rcd#: 0

Home/Host: Home Time Reporter Data

Business Title:

Work Phone:

Hire Date: 09/01/1990 Probation Date:

Termination Date: 06/30/2012 Last Date Worked: 06/30/2012

Rehire Date: Expected Return Date:

			Years	Months	Days
Company Seniority Date:	09/01/1990		21	9	29
Service Date:	09/01/1990		21	9	29

Date Last Increase: 07/01/2012

Last Verification Date: Professional Experience Date:

USA

[Job Data](#) **[Employment Data](#)** [Earnings Distribution](#) [Benefits Program Participation](#)


Save Return to Search Refresh

Leave Payout – PA Form Sample

Payroll Adjustment form.pdf - Adobe Reader

File Edit View Document Tools Window Help

1 / 1 102% Find



Payroll Adjustment Form

University of Maryland Baltimore

Employee Name (Last, First):		Pay Period Processed (FY-PP):	
Empl ID/Rcd# / Paygroup:		0	Dates of Service: Enter Termination Date
Employee Title:		Empl Class:	
Department Name:		Payroll Contact:	
Department ID:		Contact phone:	

Check one:	Type of Pay Adjustment:	Description/Notes:	Attachment:		Earnings Codes:
<input type="checkbox"/>	Supplemental Compensation	Regular Faculty & Post Docs only (Empl Class 01, 02, 03, 15)	Approved Supplemental Compensation Request for Regular Faculty		FAW, TOV, CPP, SUM, CED, CON, GLS, HON, SEC, SEA
<input type="checkbox"/>	Increased Responsibilities and Supplemental Compensation	Regular Exempt & Contingent II Staff Only (Empl Class 33 & 35)	Increased Responsibilities and Supplemental Compensation Request for Exempt Regular & Contingent II Staff		SEC SEJ
<input type="checkbox"/>	Defined Payment Agreement Option	C1-Exempt or C1-Faculty only (Empl Class 34, 36, 19)	Approved Defined Payment Agreement Option Form		DPA, DPR, DPI, DPC
<input type="checkbox"/>	Leave Payout	Regular Empl- with other pay and deductions	Faculty Leave accrual report	Staff eUMB Leave accrual report or query	LPA / LPH
		Regular Empl- no other pay and no deductions			FPA / FPH
		Contractual employee			CPA / CPH
<input type="checkbox"/>	Leave Adjustment	To transfer leave balances	Letter from the other campus/ agency		<u>Salaried</u> XVS XHS XSS YPC
		Leave balance corrections >24 hours	Authorizing Memo/Reason		<u>Hourly</u> XVH XHH XSH YPH



Contractual Employees

- ▶ Fringe benefit rate only covers FICA and unemployment
- ▶ Supplements for retirement and health benefits will continue to be handled on a contract-by-contract basis and be included as part of the contractual salary
- ▶ Leave payout accounting will not change for contractual employees
 - ▶ If included in the contract, this will continue to be paid from departmental budgets

Retro Pays Paid in FY 13 for Prior FYs

- ▶ Accounting is the same as regular wages paid in FY 13
 - ▶ i.e. the fringe rate will be applied to these wages

Reallocation of Pre FY13 Salary and Benefits FY 13 and Forward

- ▶ As always, can only be accomplished by Direct Retro (DR)
- ▶ There will be two different DR Forms
 - ▶ FY13 and forward
 - ▶ New form
 - ▶ Only need to enter the salaries that need to be moved
 - Fringes will automatically follow based on fringe rate
 - Form calculates this amount for you
 - ▶ Pre FY13
 - ▶ The same form you have been using (slightly enhanced)

Payroll Charges Detail Report and Summary of Payroll Charges

- ▶ New column added for calculated fringe
- ▶ FY 12 and prior will have the old columns populated and nothing in the calculated fringe
- ▶ FY 13 and forward will only have the calculated column populated

eUM-USER: 010428
Report ID: UMRPR183

University of Maryland
UMB PAYROLL CHARGES DETAIL REPORT FOR EMPLID -
For Pay Periods: 12-19 TO 13-02 [Date Range: 26-FEB-2012 TO 28-JUL-2012]

HRUPN
Page
Run 1
Run 1

ProjID	ACCT	PayEndDT	RunID	FY	GROSS SALARY	CALCED. Fringe AMT	FICA [2725]	HEALTH [2710]	H.SCHG / [2711]	OPEB [2712]	RETIRMT [ACCT]	UNEMPMT [ACCT]	SRA [ACCT]
DeptId:		EMPLOYEE:			[ID/Red]								
PCBU: 00135		ACCT CD: 0000C			ACTIVITY:00		OWNER DEPT.: FUND CODE: 119 PROGRAM:						
1013	03-10-12	12-19	2012		2,103.93	0.00	143.94	628.55	331.56/	0.00	248.11 [2760]	5.27 [2770]	0.00 []
	03-24-12	12-20	2012		2,103.93	0.00	143.94	628.55	331.56/	0.00	248.11 [2760]	5.27 [2770]	0.00 []
	07-14-12	13-01	2013		2,103.93	941.53	0.00	0.00	0.00/	0.00	0.00 []	0.00 []	0.00 []
	07-28-12	13-02	2013		2,103.93	941.53	0.00	0.00	0.00/	0.00	0.00 []	0.00 []	0.00 []



UMB Paycheck/Distributions Screen

- ▶ Fringe Tabs have been removed
- ▶ Replaced by fringe rate table at the bottom of the screen

Employee Earnings and Fringes

EmplID: [REDACTED] Regular
Company: UMB **Earnings:** 480.00 **Empl Rcd#:** 0 **Off Cycle ?**
Pay Group: HRL **Taxes:** 36.72 **Form Id:** UMB01A **Corrected**
Pay End Date: 08/11/2012 **Deductions:** 0.00 **Check #:** [REDACTED]
Page: 185 **Net Pay:** 480.00 **Check Dt:** 08/17/2012
Line: 6

Pay Earnings First ◀ 1-4 of 4 ▶ Last

Addl #	Earnings Begin Date	Earnings End Date	Erncd	Hours	Earnings	Hourly Rate	FLSA Rate	Deptid	Acct Code	FICA	Tax Periods
2	06/17/12	06/23/12				12.000000	12.000000	[REDACTED]		Subject	1
2	06/17/12	06/23/12	RGH Regular Hourly	20.00	240.00	12.000000		[REDACTED]			
3	07/01/12	07/07/12				12.000000	12.000000	[REDACTED]		Subject	1
3	07/01/12	07/07/12	RGH Regular Hourly	20.00	240.00	12.000000		[REDACTED]			

Earnings Distribution First ◀ 1 of 1 ▶ Last

ErnCd	Earns End Date	Fiscal Year	Acctg Period	Acct Code	Acct	Amount	DeptID	Empl Rcd#	BR / DR Pay End Date
RGH	07/07/12	2013	1	[REDACTED]	2073	480.00	[REDACTED]	0	

Calculated Fringes First ◀ 1 of 1 ▶ Last

Acct Code	Fringe Acct	Amount	% Used
[REDACTED]	2793	40.80	8.50

Earnings Sent to CPB (Note: Erncd RE is sent as Spaces) First ◀ 1 of 1 ▶ Last

CPB Erncd	Description	Hours	Total Earnings	Overtime Earnings

Employee Deductions Find First ◀ 1 of 1 ▶ Last

Dedcd	Description	Ded Class	Amount

Employee Taxes First ◀ 1-2 of 2 ▶ Last

Tax Entity	Tax Class	Tax Amount
US Federal	OASDI/EE	29.76
US Federal	MED/EE	6.96

Post Docs on Training Grants

- ▶ The only truly compliant way to pay these currently is through Accounts Payable
- ▶ Fringe exclusion checkbox on EFP will no longer be available
- ▶ All post doc wages will have the fringe rate applied
- ▶ The instances where we are paying through payroll will be identified and we will work with you directly to resolve issues

Funding Begin Date: 07/01/2012

FTE
FTE: 1.00
Geographic Full Time?

Compensation
Hourly Rate:
Compensation Rate:

Get Funding Profile

Go to EFP Inquire Page

Funding Profiles		View All	First	1 of 1	Last
*Account Status:	Changed				
Project ID:	00155046				
*Account Code:	0000000299	FINANCIAL SERVICES EXPENSES			
PI:					
Owner Dept:	06203000	Financial Services			
Administrator:	McKechnie,Susan E.				
Funding Begin Date:	07/01/2012				
Funding End Date:					
% Distribution:	100.000				
Bi-weekly Rate:					
Exclusion Fringe Group:					
		% FTE:	1.000		



PCBU: 00115

Activity: 00

Program: 351

Fund: 116

Cost Sharing Funds (14x)

- ▶ Benefits will be charged according to the rates like all other funding sources
- ▶ Cost sharing funding journal will now charge the default departmental funding project
 - ▶ Based on the home department of the employee, not the department of the grant
 - ▶ Previously funded from central benefits budget

What Has Not Changed Because of the Fringe Rate

- ▶ **Benefit offerings**
- ▶ **How employees enroll in benefits**
- ▶ **Tuition remission process for grad students, employees, and dependents**
 - ▶ Rate only funds employee tuition remission benefits and this was paid centrally before
- ▶ **EFP/Budget Retro Process**

Useful links

- ▶ www.cost.umaryland.edu
 - ▶ Rate Agreement with the federal government
 - ▶ FAQs
 - ▶ Direct Retro Forms