


December 5, 2016  
DP120501.NS1

## MEMORANDUM

**TO:** All Principal Investigators, Fiscal Administrators and Project Managers

**FROM:** Nelson Sakamoto   
Director of Human Resources

**SUBJECT: Revised RCUH Fringe Benefits Schedule – Effective January 1, 2017**

Effective January 1, 2017 the RCUH will be utilizing a revised RCUH Fringe Benefits Schedule for Fiscal Year beginning July 1, 2016 through June 30, 2017 (Attachment). This revision updates only the 7.65% FICA fringe rate's Social Security portion - 6.20%, (e.g., Old Age, Survivor & Disability Insurance otherwise known as OASDI) maximum taxable earnings from \$118,500 to \$127,200 for tax year 2017. This updated RCUH Fringe Benefits Schedule has been posted on the RCUH website's Human Resources section (Policy No. 3.510 – RCUH Fringe Benefits Schedule). All other fringe benefits rates remain unchanged through June 30, 2017.

Attachment

**RCUH Fringe Benefits Schedule – Fiscal Year July 1, 2016 – June 30, 2017**  
**(Revised effective January 1, 2017)**

TYPE	ELIGIBILITY	WHEN ELIGIBLE	FEATURES/INFORMATION
Vacation	Regular Status employees at 50% or more FTE	First day of following pay period in which hours are earned.	Paid Vacation Leave (Regular status employee on active payroll): Charge to current project account used for pay and fringe benefits. Vacation Payout Reserve (for termination payouts only): 1.64% of all salaries & wages. Employee earns 1-3/4 working days (14 hours) per month of full-time service (e.g., 100% FTE). See <a href="#">3.620 RCUH Vacation Leave Policy</a> for more information.
Sick	Regular Status employees at 50% or more FTE	First day of following pay period in which hours are earned.	Regular Status Employee earns 1-3/4 working days per month of full-time service. See <a href="#">3.640 RCUH Sick Leave Policy</a> for more information.
Medical	Regular Status employees at 50% or more FTE (unless mandated as eligible by Affordable Care Act)	Voluntary upon hire.	See the HIMS/AKaiser Plan Summary Attachments in the <a href="#">3.520 RCUH Health Insurance Policy</a> .
Dental	Regular employees at 50% or more FTE	Voluntary upon hire.	See the DENTAL Plan Summary Attachment in the <a href="#">3.520 RCUH Health Insurance Policy</a> .
Flexible Spending Account (FSA)	Regular employees at 50% or more FTE	First day of the month following employee's date of hire: <b>Medical Expense Dependent Care Pre-Tax Transportation (Parking Only)</b>	\$4.50 monthly administrative charge. No Charge for FSA Medical Expense Debit Card \$1.00 monthly administrative charge for employees enrolled in Pre-Tax Transportation only. See <a href="#">3.530 RCUH Flexible Spending Plan Policy</a> for more information.
Retirement (also includes unused sick leave payoff reserve)	Regular employees at 50% or more FTE	Upon completion of 12 continuous months of service during which the eligible employee must have completed 1,000 or more hours of service.	10.23% of the employee's base salary (see below for breakdown) Group Retirement Annuity: 10.0% Unused Accrued Sick Leave Payoff Reserve: 0.23% Eligibility requirements for partial unused sick leave payoffs are based on Board approved policy eligibility criteria. See <a href="#">3.560 RCUH Retirement Plans</a> , and <a href="#">3.640 RCUH Sick Leave</a> policies for more information.
Group Life Insurance	Regular employees at 75% or more FTE	First day of month following employee's date of hire.	\$0.12 per \$1,000 of coverage rounded upwards to the next higher \$1,000, if not a multiple thereof, to a maximum amount of \$600,000. (Previously \$0.08/\$1,000) Group Life Insurance benefit equals 2X annual salary rounded upwards to the next higher \$1,000, if not a multiple thereof, to a maximum amount of \$600,000. Employees may elect a lower benefit of \$50,000, \$100,000, or \$200,000, not to exceed 2X annual salary (rounded upwards to the next higher \$1,000). See <a href="#">3.540 RCUH Life Insurance Policy</a> for more information.
Long Term Disability	Regular employees at 75% or more FTE (Note: Not available to non-U.S. Citizens working outside of the U.S. or Canada)	First day of month following employee's date of hire.	0.30% of salaries and wages. (up from 0.275% in FY2016) See <a href="#">3.570 RCUH Long-Term Disability Insurance Policy</a> for more information.
Long Term Care	Regular employees at 75% or more FTE (Note: Not available to non-U.S. Citizens working outside of the U.S. or Canada)	First day of month following employee's date of hire.	0.259% of salaries and wages. See Attachment 1 in the <a href="#">3.545 RCUH Long-Term Care Insurance Policy</a> .
FICA	All employees other than F-1 and J-1 visa holders	Upon hire.	7.65%: 6.2% for Social Security OASDI \$127,200 for 2017 up from 2016 which was \$118,500 and 1.45% for Medicare (note: no max. for Medicare) Since January 2013 individuals with earned income of more than \$200,000 (\$250,000 for married couples filing jointly) pay an additional 0.9% in Medicare taxes not included in 7.65%.)
Unemployment Insurance	All employees	Upon hire.	0.63% of all salaries & wages (up from 0.50% in FY2016). See <a href="#">3.590 RCUH Unemployment Insurance Policy</a> for more information.
Workers' Compensation	All employees (excluding Ship/Sea Ops employees)	Upon hire.	1.83% of all salaries and wages (up from 1.50% in FY2016). See <a href="#">3.580 RCUH Worker's Compensation Policy</a> for more information.

Note: Fringe Charges for Dual RCUH Regular Appointments will be distributed to the multiple projects according to the % of charge of the total salary. Refer to 3.250 Dual Employment Policy for details.