

November 30, 2020
DP113002.NS1

MEMORANDUM

TO: All Principal Investigators and Fiscal Administrators

FROM: Nelson Sakamoto 
Director of Human Resources

SUBJECT: **UPDATED** - RCUH Fringe Benefits Schedule for Fiscal Year July 1, 2020 to June 30, 2021 - regarding **2021 FICA/Social Security Annual Wage Base Effective January 1, 2021**

The Research Corporation of the University of Hawai'i (RCUH) is announcing updates to the RCUH Fringe Benefits Schedule for Fiscal Year July 1, 2020 through June 30, 2021. This update is on the FICA/Social Security Annual Wage Base, which is effective on January 1, 2021.

Fringe Benefit	Effective January 1, 2021	2020 Annual Wage Base
FICA/SSA Annual Wage Base	\$142,800.00	\$137,700.00

The attached updated RCUH Fringe Benefits Schedule is posted on the RCUH Home Page Policies & Procedures under Policy 3.510 – Fringe Benefits.

Attachment

Policy 3.510 RCUH Fringe Benefits Schedule – Fiscal Year July 1, 2020 – June 30, 2021
 (New Maximum Social Security Rate effective January 1, 2021)

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): 1.21% of all salaries & wages (up from 0.99% in FY2020). Employee earns 1-3/4 working days (14 hours) per month of full-time service (e.g., 100% FTE). See 3.620 RCUH Vacation Leave Policy 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 3.640 RCUH Sick Leave Policy 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 HMSA/Kaiser Plan Summary Attachments in the 3.520 RCUH Health Insurance Policy.
Dental	Regular employees at 50% or more FTE	Voluntary upon hire.	See the DENTAL Plan Summary Attachment in the 3.520 RCUH Health Insurance Policy.
Flexible Spending Account (FSA)	Regular employees at 50% or more FTE	First day of the month following employee's date of hire: Medical Expense Dependent Care Pre-Tax Transportation (Transit and/or Parking)	No administrative charge. No Charge for FSA Medical Expense Debit Card No administrative charge for employees enrolled in Pre-Tax Transportation only. See 3.530 RCUH Flexible Spending Plan Policy 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.	10.79% of the employee's base salary (see below for breakdown) Group Retirement Annuity: 10.0% Unused Accrued Sick Leave Payoff Reserve: 0.79% (up from 0.29% in FY2020) Eligibility requirements for partial unused sick leave payoffs are based on Board approved policy eligibility criteria. See 3.560 RCUH Retirement Plans , and 3.640 RCUH Sick Leave , policies for more information.
Group Life Insurance	Regular employees at 75% or more FTE	First day of month following employee's date of hire.	\$0.14 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 (no change from FY2020). 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 3.540 RCUH Life Insurance Policy 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.	0.24% of salaries and wages (no change from FY2020). See 3.570 RCUH Long-Term Disability Insurance Policy 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 (no change from FY2020). See Attachment 1 in the 3.545 RCUH Long-Term Care Insurance Policy.
FICA	All employees other than F-1 and J-1 visa holders	Upon hire.	7.65%: 6.2% for Social Security OASDI \$142,800 for 2021 up from 2020 which was \$137,700 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.	0.65% of all salaries & wages (up from 0.24% in FY2020). See 3.590 RCUH Unemployment Insurance Policy for more information.
Workers' Compensation	All employees (excluding Ship/Sea Ops employees)	Upon hire.	1.50% of all salaries and wages (no change from FY2020. See 3.580 RCUH Worker's Compensation Policy 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.