

To: Deans, Chairs, Directors, Senior Campus Administrators, Campus Budget Office, CAOs, DFLs, and all BFS users  
 From: Rosemarie Rae, AVC-CFO  
 Re: Composite Benefit Rate (CBR) Update FY2016-17  
 Date: August 26, 2016

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Dear Campus Community,

The Department of Health and Human Services (DHHS) has approved UC Berkeley’s composite benefit rates (CBR) for FY2016-17. The new values will be effective retroactively with payroll and payroll adjustments processed beginning July 1, 2016. **If you deal with budget, costs, or projections/proposals for future years, please begin to use the new rates below to transact and budget for employer-paid fringe costs.**

**New Rate Values**

The approved UC Berkeley composite benefit rates for FY2016-17 are listed below. Future year rate estimates are for planning purposes only (e.g. multi-year budgeting, financial aid planning, contract and grant proposal submissions, etc.). Rates for years beyond FY2016-17 are subject to change.

CBR Rate Group	Approved	Projections for Planning Purposes ----->			
	FY17	FY18	FY19	FY20	FY21
Academic	39.0%	40%	40%	40%	40%
Staff	46.0%	48%	48%	48%	48%
Limited	17.0%	19%	19%	19%	19%
Students (Grad and Undergrad)	0.0%	0.0%	0.0%	0.0%	0.0%

Payroll processed in July 2016 used the FY2015-16 rates. Now that FY2016-17 rates have been approved, adjustments to correct the benefits assessed on payroll processed in July 2016 will be posted in the August 2016 general ledger. Payroll processed in August 2016 and thereafter will carry the new rate values. Should any change to this schedule arise, we will send an updated schedule via CalMessage.

The CalPlanning and Cal Answers PI Portfolio teams are planning for and will be communicating specific information related to system updates with the new rates over the next month.

**Changes to Rate Structures**

The rate structure is the same as last year with the exception of the 11 month academic year summer salary payments processed with DOS/Earn Code “AFR.” Beginning FY2016-17, these payments will be treated like other summer salary payments. Please be sure to use the appropriate BFS account code to ensure that eligible 11 month summer salary payments are assessed at the limited CBR.

**Questions**

If you have any questions, please visit the [composite benefit rate website](#) or email Office of the CFO Executive Director Paula Milano at [pmilano@berkeley.edu](mailto:pmilano@berkeley.edu). Thank you for your flexibility and engagement as we continue to improve our CBR structure to strengthen financial management and contribute to UC Berkeley’s future financial success.

Thank you, Rosemarie Rae, AVC-CFO