

UNIVERSITY OF ALASKA
FY03 FRINGE BENEFIT PROPOSAL



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Certificate of Final Fringe Benefit Costs	

1. Final allocated benefit costs for combined job groups are rounded to hundreds for projection purposes.
2. Wages for FY03 are based on updated estimates of FY02 wages and incremented as follows:
Classified, exempt employees, executive employees, and nonunion faculty (job groups NR, XR, EX, FN, and FR) - 2.6% plus 1.5% salary grid increase for those employees on a salary grid.
Extended temporary (job group NX, XX) – 1.5% salary grid increase
AHECTE union employees (job group CR) - 3.0%
UNAC faculty (job group F9) - 3.2%
ACCFT faculty (job group A9) - 2.6%
Adjunct faculty (job group FT) – 6.3% minimum rate increase based on “number of semesters” seniority
3. Leave usage is projected using average rates calculated by job group. Use of average rates is intended to smooth individual year usage fluctuations. The Executive (job group EX) and nonunion faculty (job group FN and FR) usage was calculated using a blended average rate for that group. Due to significant shifts in faculty from nonunion faculty (job groups FN and FR) to the UNAC faculty (job group F9), a three year average was used for the nonunion faculty and Executive group (job group EX, FN, FR). A five year average was used for all other job groups.
4. PERS, TRS, and ORP are projected at 4.08, 11.00 and 11.33% respectively, using rates established by the State of Alaska, Division of Retirement.
5. Pension costs are estimated at 7.65% applied to the wage base multiplied by the percentage of 2001 calendar year wages below \$42,000 (\$84,900 for adjunct faculty). Pension administration costs are allocated to job groups prorata based on the covered wage base.
6. Medicare is estimated at 1.45% of wages for all employees hired after April 1986 based on 2001 calendar year percent of covered wages. Social security is estimated at 6.2% of non-pension wages below \$84,900 for adjunct faculty and temporary job groups. All new adjuncts will contribute to Social Security, not Pension.
7. Health care costs are estimated at projected usage levels plus estimated retention per employee, less projected recoveries. All benefit eligible job groups pay for spouse/dependent health coverage. As of CY00, UA has two health care plans. A UA 2000 plan covering all nonunion employees and the UA Plan covering all union employees. The amount charged per dependent and the cap for number of dependents charged to both union and non-union employees varies among job groups. Allocation to individual nonunion job groups (NR, XR, EX, FN, FR, NX, and XX) is based on the number of employee participants in each eligible job group. Costs for individual union job groups (CR, F9, AR, and A9) are projected using actual costs by job group.
8. Life insurance costs are estimated based on 12 months at the negotiated rate of \$0.13 per \$1,000 of coverage from July - June. Allocation to individual job groups is based on the number of employee participants in each eligible job group.

9. LTD costs are for self insurance with a limit of 3 months coverage plus premium costs for remaining LTD coverage, estimated based on 12 months at the negotiated rate of \$0.305 per \$100 of salary. The annual administrative fee is calculated at a rate of \$0.25 per employee. The annual self insurance cost is based on the prior three years average of \$15,000. LTD costs are allocated to job groups prorata based on the staff benefit wage base.
10. Unemployment costs are projected based on five years actual experience average, then adjusted consistent with current trends. Allocated to job groups prorata based on the staff benefit wage base.
11. Workers' Compensation costs are estimated at the actuarial consultant's projected self insured FY02 claims level of \$1,194,000 allocated to job group pools based on a combination of claims experiences and exposure. An additional \$178,000 for insurance premiums, professional fees, office operations, and loss prevention is allocated to non-student job groups prorata based on the staff benefit wage base.
12. Tuition waiver costs are projected at the FY01 usage level and adjusted for increases or decreases in tuition rates then reduced or increased consistent with current usage. Employee (excluding adjunct) projected tuition waiver costs are allocated to applicable job groups based on the number of employees. Adjunct projected tuition waiver costs are allocated to that specific job group. Effective CY02, adjuncts may accrue up to three credits per semester, up to twelve credits. These credits may be used for the employee, spouse or dependent. Effective FY00, dependent and spouse tuition waiver costs are unallowable.
13. AHECTE Legal Trust costs, consulting, and other costs are projected at the level forecasted by the program director. AHECTE legal trust costs are allocated entirely to the benefiting job group, CR. Consulting and other costs are allocated to job groups prorata based on the staff benefit wage base.
14. Labor relations costs are projected at the level forecasted by the program director and Statewide Office of Human Resources and are allocated to the union job groups prorata based on their staff benefit wage base.
15. Prior year staff benefit recovery carryforwards are as calculated in the FY01 Fringe Benefit Report. Due to the size of the underrecovery in FY01, 54% of the carryforward will not be liquidated in the FY03 rates, but will be liquidated in the FY04 rate projections.

Job Group	NR	CR	XR	EX, FN, FR Executives & Nonunion	F9	A9,AR	FT, FW	CT, GT, NT, ST, XT	NX,XX	GN,SN	TOTAL
	<u>Classified</u>	<u>AHECTE</u>	<u>APT Exempt</u>	<u>Faculty</u>	<u>UNAC Faculty</u>	<u>ACCFT Faculty</u>	<u>Adjunct Faculty</u>	<u>Temporary Student SS</u>	<u>Extended Temporary</u>	<u>Student</u>	
FY03 Wage Base, Staff Benefits	36,580,000	9,400,000	56,810,000	14,630,000	49,060,000	18,190,000	13,250,000	10,900,000	840,000	9,790,000	219,450,000
Staff Benefits:											
PERS	1,484,600	382,600	2,273,100	82,200	-	-	-	-	-	-	4,222,500
TRS	-	-	56,600	549,000	2,666,400	1,266,400	-	-	-	-	4,538,400
ORP	-	-	27,700	850,900	2,812,100	756,600	-	-	-	-	4,447,300
UA Pension	2,752,100	677,500	3,690,100	512,400	2,531,400	1,049,900	239,200	-	-	-	11,452,600
Medicare & Social Security	444,700	108,800	640,000	132,600	509,900	171,400	773,700	760,300	61,200	-	3,602,600
Health	7,754,400	1,794,000	7,702,000	1,060,100	4,772,000	1,716,000	-	-	222,500	-	25,021,000
Life	97,100	20,500	96,500	13,300	65,000	25,600	-	-	-	-	318,000
Long Term Disability	107,000	27,500	166,100	42,800	143,500	53,200	-	-	-	-	540,100
Unemployment	96,000	24,700	149,000	38,400	128,700	47,700	34,800	28,600	2,200	-	550,100
Workers' Compensation	387,500	456,700	168,200	43,300	137,600	51,000	37,200	84,000	6,500	-	1,372,000
Tuition	186,700	39,400	185,400	25,500	124,900	49,100	79,000	-	-	-	690,000
Consulting/Other	52,500	46,500	81,600	21,000	70,400	26,100	19,000	15,600	1,200	-	333,900
Labor Relations	-	50,000	-	-	261,000	96,800	70,500	-	-	-	478,300
Carryforward from FY01	539,333	672,222	254,569	16,818	1,484,033	(45,815)	(102,632)	-	75,331	-	2,893,859
Postponement of Carryforward to FY04	(269,666)	(409,222)	(127,284)	(8,409)	(798,033)	25,815	61,532	-	(50,221)	-	(1,575,488)
											<u>58,885,171</u>
Benefit Rates:											
PERS	4.06%	4.07%	4.00%	0.56%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	4,222,500
TRS	0.00%	0.00%	0.10%	3.75%	5.43%	6.96%	0.00%	0.00%	0.00%	0.00%	4,538,400
ORP	0.00%	0.00%	0.05%	5.82%	5.73%	4.16%	0.00%	0.00%	0.00%	0.00%	4,447,300
UA Pension	7.52%	7.21%	6.50%	3.50%	5.16%	5.77%	1.81%	0.00%	0.00%	0.00%	11,452,600
Medicare & Social Security	1.22%	1.16%	1.13%	0.91%	1.04%	0.94%	5.84%	6.98%	7.29%	0.00%	3,602,600
Health	21.20%	19.09%	13.56%	7.25%	9.73%	9.43%	0.00%	0.00%	26.49%	0.00%	25,021,000
Life	0.27%	0.22%	0.17%	0.09%	0.13%	0.14%	0.00%	0.00%	0.00%	0.00%	318,000
Long Term Disability	0.29%	0.29%	0.29%	0.29%	0.29%	0.29%	0.00%	0.00%	0.00%	0.00%	540,100
Unemployment	0.26%	0.26%	0.26%	0.26%	0.26%	0.26%	0.26%	0.26%	0.26%	0.00%	550,100
Workers' Compensation	1.06%	4.86%	0.30%	0.30%	0.28%	0.28%	0.28%	0.77%	0.77%	0.00%	1,372,000
Tuition	0.51%	0.42%	0.33%	0.17%	0.25%	0.27%	0.60%	0.00%	0.00%	0.00%	690,000
Consulting/Other	0.14%	0.49%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.00%	333,900
Labor Relations	0.00%	0.53%	0.00%	0.00%	0.53%	0.53%	0.53%	0.00%	0.00%	0.00%	478,300
Carryforward Rate	0.74%	2.80%	0.22%	0.06%	1.40%	(0.11%)	(0.31%)	0.00%	2.99%	0.00%	1,318,371
	<u>37.27%</u>	<u>41.40%</u>	<u>27.05%</u>	<u>23.10%</u>	<u>30.37%</u>	<u>29.06%</u>	<u>9.14%</u>	<u>8.15%</u>	<u>37.94%</u>	<u>0.00%</u>	<u>58,885,171</u>
FY03 Proposed Staff Benefit Rates	<u>37.00%</u>	<u>41.00%</u>	<u>27.00%</u>	<u>23.10%</u>	<u>30.00%</u>	<u>29.10%</u>	<u>9.20%</u>	<u>8.10%</u>	<u>37.90%</u>	<u>0.00%</u>	
FY02 Negotiated Rates	<u>34.90%</u>	<u>39.20%</u>	<u>24.60%</u>	<u>16.20%</u>	<u>27.50%</u>	<u>29.50%</u>	<u>8.50%</u>	<u>7.60%</u>	<u>31.40%</u>	<u>0.00%</u>	
Increase/(Decrease)	<u>2.10%</u>	<u>1.80%</u>	<u>2.40%</u>	<u>6.90%</u>	<u>2.50%</u>	<u>(0.40%)</u>	<u>0.70%</u>	<u>0.50%</u>	<u>6.50%</u>	<u>0.00%</u>	
Federal Participation:											
Wages & leave accrual	3,527,800	212,100	12,841,300	1,567,000	7,196,800	1,034,900	908,000	3,375,500	154,500	2,299,400	33,117,300
Staff benefit costs	1,305,300	87,000	3,467,200	362,000	2,159,000	301,200	83,500	273,400	58,600	-	8,097,200
	<u>4,833,100</u>	<u>299,100</u>	<u>16,308,500</u>	<u>1,929,000</u>	<u>9,355,800</u>	<u>1,336,100</u>	<u>991,500</u>	<u>3,648,900</u>	<u>213,100</u>	<u>2,299,400</u>	<u>41,214,500</u>

Job Group	NR	CR	XR	EX, FN, FR Executives & Nonunion Faculty	F9 UNAC Faculty	AR, A9 ACCFT Faculty	FT, FW Adjunct Faculty	CT, GT, NT, ST, XT Temporary Student SS	NX,XX Extended Temporary	GN,SN Student	TOTAL
FY03 Leave benefits wage base projection	29,680,000	7,450,000	47,260,000	12,510,000	47,600,000	17,560,000	13,240,000	10,710,000	730,000	9,760,000	196,500,000
FY01 Actual leave usage rates:											
Annual leave	8.85%	8.71%	9.20%	8.19%	-0.14%	0.04%	0.00%	0.00%	5.80%	0.00%	
Sick leave	5.26%	5.86%	4.46%	2.39%	1.20%	1.52%	0.00%	0.00%	3.40%	0.00%	
Holiday/other leave	6.33%	6.39%	5.49%	4.92%	0.00%	0.00%	0.00%	0.00%	4.96%	0.00%	
	20.44%	20.96%	19.15%	15.50%	1.06%	1.56%	0.00%	0.00%	14.16%	0.00%	
Average leave usage rates:											
Annual Leave	9.21%	9.06%	9.60%	7.80%	n/a	n/a	0.00%	0.00%	6.49%	0.00%	
Sick Leave	5.58%	6.38%	4.48%	3.12%	1.08%	1.48%	0.00%	0.00%	3.58%	0.00%	
Holiday/Other Leave	5.98%	5.47%	5.15%	4.69%	n/a	n/a	0.00%	0.00%	4.83%	0.00%	
Total Average Leave Rate	20.77%	20.91%	19.23%	15.61%	1.08%	1.48%	0.00%	0.00%	14.90%	0.00%	
FY03 Leave benefit projection											
Annual leave usage	2,734,692	674,869	4,536,895	975,801	-	-	-	-	47,356	-	8,969,613
FY01 carryforward under (over)	(195,391)	(40,455)	182,870	10,748	-	-	-	-	(6,052)	-	(48,280)
Annual leave projection	2,539,301	634,414	4,719,765	986,549	-	-	-	-	41,304	-	8,921,333
Sick leave usage	1,657,538	475,061	2,117,579	390,186	512,980	259,311	-	-	26,122	-	5,438,777
FY01 carryforward under (over)	(141,665)	(49,869)	(19,462)	52,903	4,559	(17,985)	-	-	(3,053)	-	(174,572)
Sick leave projection	1,515,873	425,192	2,098,117	443,089	517,539	241,326	-	-	23,069	-	5,264,205
Holiday/other leave usage	1,775,364	407,286	2,432,398	586,224	-	-	-	-	35,261	-	5,236,533
FY01 carryforward under (over)	111,986	71,957	157,643	(52,083)	-	-	-	-	1,006	-	290,509
Holiday/other leave projection	1,887,350	479,243	2,590,041	534,141	-	-	-	-	36,267	-	5,527,042
Calculated Leave Benefit Rates											
Annual	8.56%	8.52%	9.99%	7.89%	0.00%	0.00%	0.00%	0.00%	5.66%	0.00%	8,921,333
Sick	5.11%	5.71%	4.44%	3.54%	1.09%	1.37%	0.00%	0.00%	3.16%	0.00%	5,264,205
Holiday/Other	6.36%	6.43%	5.48%	4.27%	0.00%	0.00%	0.00%	0.00%	4.97%	0.00%	5,527,042
	20.03%	20.66%	19.91%	15.70%	1.09%	1.37%	0.00%	0.00%	13.79%	0.00%	19,712,580
FY03 Proposed Leave Benefit Rates	20.00%	20.70%	19.90%	15.70%	1.10%	1.40%	0.00%	0.00%	13.80%	0.00%	
FY02 Negotiated Rates	20.40%	20.40%	20.00%	17.30%	0.60%	1.40%	0.00%	0.00%	17.20%	0.00%	
Increase/(Decrease)	(0.40%)	0.30%	(0.10%)	(1.60%)	0.50%	0.00%	0.00%	0.00%	(3.40%)	0.00%	
Federal participation											
FY01 actual federal participation	9.91%	2.36%	22.66%	10.83%	14.95%	5.81%	6.86%	31.52%	18.61%	23.56%	
Projected FY03 federal wages	2,939,800	175,700	10,710,000	1,354,400	7,118,500	1,020,600	908,000	3,375,500	135,800	2,299,400	30,037,700
Projected FY03 leave benefit costs	588,000	36,400	2,131,300	212,600	78,300	14,300	-	-	18,700	-	3,079,600
	3,527,800	212,100	12,841,300	1,567,000	7,196,800	1,034,900	908,000	3,375,500	154,500	2,299,400	33,117,300

Job Group	NR	CR	XR	EX, FN, FR Executives & Nonunion Faculty	F9 UNAC Faculty	A9,AR ACCF Faculty	FT, FW Adjunct Faculty	CT, GT, NT, ST, XT Temporary Student SS	NX,XX Extended Temporary	GN,SN Student	TOTAL
	Classified	AHECTE	APT Exempt								
FY03 Projected wage base, staff benefits											
Leave benefit wage base (Sch 5)	29,680,000	7,450,000	47,260,000	12,510,000	47,600,000	17,560,000	13,240,000	10,710,000	730,000	9,760,000	196,500,000
FY01 leave benefit wage base	27,495,432	6,906,115	39,023,960	11,553,179	42,877,178	14,936,876	11,708,470	10,590,012	836,134	10,166,256	176,093,612
Projected dollar change	2,184,568	543,885	8,236,040	956,821	4,722,822	2,623,124	1,531,530	119,988	(106,134)	(406,256)	20,406,388
Projected percentage change	7.95%	7.88%	21.11%	8.28%	11.01%	17.56%	13.08%	1.13%	(12.69%)	(4.00%)	
Proposed leave rates	20.00%	20.70%	19.90%	15.70%	1.10%	1.40%	0.00%	0.00%	13.80%	0.00%	
Leave accrual	5,936,000	1,542,150	9,404,740	1,964,070	523,600	245,840	-	-	100,740	-	19,717,140
Overtime pay (FY01 actual)	849,173	358,969	-	-	-	-	-	160,474	6,406	26,557	1,401,579
Miscellaneous pay (FY01 actual)	43,562	19,344	122,950	144,095	845,932	325,353	8,493	25,591	3,244	8,474	1,547,038
FY03 overtime pay (1)	916,642	387,239	-	-	-	-	-	162,292	5,593	25,496	1,497,262
FY03 miscellaneous pay (1)	47,023	20,868	148,898	156,029	939,109	382,489	9,604	25,880	2,832	8,135	1,740,867
	36,579,665	9,400,257	56,813,638	14,630,099	49,062,709	18,188,329	13,249,604	10,898,172	839,165	9,793,631	219,455,269
FY03 Staff benefits wage base	36,580,000	9,400,000	56,810,000	14,630,000	49,060,000	18,190,000	13,250,000	10,900,000	840,000	9,790,000	219,450,000
Number of eligible employees	1,185	250	1,177	162	793	312	1,093		34		5,006
PERS:											
FY03 Contribution rate	4.08%	4.08%	4.08%	4.08%							
Wage base	36,580,000	9,400,000	56,810,000	14,630,000							117,420,000
Annual leave pay-off (2)	(192,806)	(23,582)	(337,256)	(112,803)							(666,447)
TRS wages (2)			(514,545)	(4,991,144)							(5,505,689)
ORP wages (2)			(244,439)	(7,510,255)							(7,754,694)
FY02 projected covered wages	36,387,194	9,376,418	55,713,760	2,015,798							103,493,170
PERS Cost	1,484,598	382,558	2,273,121	82,245							4,222,522
Use	1,484,600	382,600	2,273,100	82,200							4,222,500
PERS Rate	4.06%	4.07%	4.00%	0.56%							
TRS:											
FY03 Contribution rate			11.00%	11.00%	11.00%	11.00%					
TRS wages (2)			514,545	4,991,144	24,239,867	11,512,386					41,257,942
TRS Cost			56,600	549,026	2,666,385	1,266,363					4,538,374
Use			56,600	549,000	2,666,400	1,266,400					4,538,400
TRS Rate			0.10%	3.75%	5.43%	6.96%					
ORP:											
FY03 Contribution rate			11.33%	11.33%	11.33%	11.33%					
ORP wages (2)			244,439	7,510,255	24,820,133	6,677,614					39,252,441
ORP Cost			27,695	850,912	2,812,121	756,574					4,447,302
Use			27,700	850,900	2,812,100	756,600					4,447,300
ORP Rate			0.05%	5.82%	5.73%	4.16%					
UA Pension Plan:											
2002 Contribution rate	7.65%	7.65%	7.65%	7.65%	7.65%	7.65%	7.65%	7.65%	7.65%	7.65%	
Wage Base	36,580,000	9,400,000	56,810,000	14,630,000	49,060,000	18,190,000	13,250,000	10,900,000	840,000		209,660,000
2001 Calendar year wages	35,302,455	9,177,676	50,537,075	14,297,155	45,668,519	16,217,216	12,085,974	10,842,353	1,004,902		195,133,325
2001 Covered wages	34,658,282	8,631,554	42,835,907	6,534,094	30,748,619	12,213,897	2,847,144	-	-		138,469,497
Percentage of Wages Covered	98.18%	94.05%	84.76%	45.70%	67.33%	75.31%	23.56%	0.00%	0.00%		
Estimated FY02 Covered Wages	35,912,515	8,840,649	48,152,923	6,686,211	33,032,104	13,699,687	3,121,359	-	-		149,445,448
Pension plan admin costs	4,806	1,183	6,444	895	4,421	1,833	418	-	-		20,000
Pension contribution	2,747,310	676,310	3,683,700	511,500	2,526,960	1,048,030	238,780	-	-		11,432,590
Pension cost	2,752,116	677,493	3,690,144	512,395	2,531,381	1,049,863	239,198	-	-		11,452,590
Use	2,752,100	677,500	3,690,100	512,400	2,531,400	1,049,900	239,200	-	-		11,452,600
Pension rate	7.52%	7.21%	6.50%	3.50%	5.16%	5.77%	1.81%	0.00%	0.00%		

Job Group	NR	CR	XR	EX, FN, FR Executives & Nonunion Faculty	F9 UNAC Faculty	A9,AR ACCFY Faculty	FT, FW Adjunct Faculty	CT, GT, NT, ST, XT Temporary Student SS	NX,XX Extended Temporary	GN,SN Student	TOTAL
	<u>Classified</u>	<u>AHECTE</u>	<u>APT Exempt</u>								
FY03 Projected wage base, staff benefits	36,580,000	9,400,000	56,810,000	14,630,000	49,060,000	18,190,000	13,250,000	10,900,000	840,000	9,790,000	219,450,000
Medicare/Social Security:											
2002 Contribution rate - medicare	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%		
2002 Contribution rate - social security							6.20%	6.20%	6.20%		
Total contribution rate	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	7.65%	7.65%	7.65%		
Wage Base	36,580,000	9,400,000	56,810,000	14,630,000	49,060,000	18,190,000	13,250,000	10,900,000	840,000		209,660,000
2001 Calendar year wages	35,302,455	9,177,676	50,537,075	14,297,155	45,668,519	16,217,216	12,085,974	10,842,353	1,004,902		195,133,325
2001 CY medicare wages	29,600,118 #	7,329,048 #	39,264,435	8,936,669	32,733,727	10,538,209 #	11,385,254 #	10,160,890 #	989,237		150,937,587
2001 CY social security wages							8,719,539 #	9,822,217 #	950,214		19,491,970
Percentage of CY Wages Covered by Medicare	83.85% #	79.86% #	77.69%	62.51%	71.68%	64.98% #	94.20% #	93.71% #	98.44%		
Percentage of CY Wages Covered by SS							72.15% #	90.59% #	94.56%		
Estimated FY03 Medicare Covered Wages	30,671,304	7,506,590	44,138,141	9,144,719	35,164,632	11,820,156	12,481,792	10,214,914	826,906		161,969,154
Estimated FY03 SS Covered Wages							9,559,336 #	9,874,440 #	794,286		20,228,062
Medicare/social security cost	444,734	108,846	640,003	132,598	509,887	171,392	773,665	760,332	61,236		3,602,693
Use	444,734	108,800	640,000	132,600	509,900	171,400	773,700	760,300	61,200		3,602,600
Medicare/social security rate	1.22%	1.16%	1.13%	0.91%	1.04%	0.94%	5.84%	6.98%	7.29%		
Health Care:											
Number of eligible employees	1,185	250	1,177	162	793	312			34		3,913
Health cost net of recovery (3)	7,754,384	1,794,000	7,702,034	1,060,093	4,772,000	1,716,000			222,489		25,021,000
Use	7,754,400	1,794,000	7,702,000	1,060,100	4,772,000	1,716,000			222,500		25,021,000
Percent distribution	30.99%	7.17%	30.78%	4.24%	19.07%	6.86%			0.89%		100.00%
Health rate	21.20%	19.09%	13.56%	7.25%	9.73%	9.43%			26.49%		
Life insurance:											
Number of eligible employees	1,185	250	1,177	162	793	312					3,879
Life insurance cost	97,146	20,495	96,490	13,281	65,010	25,578					318,000
Use	97,100	20,500	96,500	13,300	65,000	25,600					318,000
Life insurance rate	0.27%	0.22%	0.17%	0.09%	0.13%	0.14%					
LTD insurance											
LTD eligible wages	36,580,000	9,400,000	56,810,000	14,630,000	49,060,000	18,190,000					184,670,000
LTD cost	106,960	27,490	166,120	42,780	143,460	53,190					540,000
Use	107,000	27,500	166,100	42,800	143,500	53,200					540,100
LTD rate	0.29%	0.29%	0.29%	0.29%	0.29%	0.29%					
Unemployment:											
Unemployment eligible wages	36,580,000	9,400,000	56,810,000	14,630,000	49,060,000	18,190,000	13,250,000	10,900,000	840,000		209,660,000
Unemployment cost	95,959	24,659	149,029	38,379	128,699	47,718	34,759	28,594	2,204		550,000
Use	96,000	24,700	149,000	38,400	128,700	47,700	34,800	28,600	2,200		550,100
Unemployment rate	0.26%	0.26%	0.26%	0.26%	0.26%	0.26%	0.26%	0.26%	0.26%		
Workers Compensation:											
Average claims percentage	29.85%	37.58%	10.05%	2.59%	8.04%	2.98%	2.17%	6.26%	0.48%		100.00%
Claims forecast allocated per claims percentage	356,409	448,704	120,015	30,907	95,980	35,587	25,922	74,718	5,758		1,194,000
Other costs (4)	31,056	7,981	48,231	12,421	41,652	15,443	11,249	9,254	713		178,000
Net workers' comp costs	387,465	456,685	168,246	43,328	137,632	51,030	37,171	83,972	6,471		1,372,000
Use	387,500	456,700	168,200	43,300	137,600	51,000	37,200	84,000	6,500		1,372,000
Workers' compensation rate	1.06%	4.86%	0.30%	0.30%	0.28%	0.28%	0.28%	0.77%	0.77%		

Job Group	NR	CR	XR	EX, FN, FR Executives & Nonunion Faculty	F9 UNAC Faculty	A9,AR ACCFT Faculty	FT, FW Adjunct Faculty	CT, GT, NT, ST, XT Temporary Student SS	NX,XX Extended Temporary	GN,SN Student	TOTAL
	<u>Classified</u>	<u>AHECTE</u>	<u>APT Exempt</u>								
FY03 Projected wage base, staff benefits	36,580,000	9,400,000	56,810,000	14,630,000	49,060,000	18,190,000	13,250,000	10,900,000	840,000	9,790,000	219,450,000
Tuition waivers:											
Number of eligible employees	1,185	250	1,177	162	793	312	1,093				4,972
Employee tuition waiver cost	186,655	39,379	185,395	25,517	124,909	49,145	79,000				690,000
Use	186,700	39,400	185,400	25,500	124,900	49,100	79,000				690,000
Tuition waiver rate	0.51%	0.42%	0.33%	0.17%	0.25%	0.27%	0.60%				
Consulting/printing/other:											
Consulting/printing/other base	36,580,000	9,400,000	56,810,000	14,630,000	49,060,000	18,190,000	13,250,000	10,900,000	840,000		209,660,000
AHECTE legal trust		33,000									33,000
Consulting cost	52,516	13,495	81,560	21,004	70,433	26,115	19,022	15,649	1,206		301,000
Total consulting cost	52,516	46,495	81,560	21,004	70,433	26,115	19,022	15,649	1,206		334,000
Use	52,500	46,500	81,600	21,000	70,400	26,100	19,000	15,600	1,200		333,900
Consulting rate	0.14%	0.49%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%		
Labor relations:											
Labor relations base		9,400,000			49,060,000	18,190,000	13,250,000				89,900,000
Labor relations cost		50,010			261,020	96,780	70,490				478,300
Use		50,000			261,000	96,800	70,500				478,300
Labor relations rate		0.53%			0.53%	0.53%	0.53%				
Staff benefit carryforward:											
Carryforward from FY01	539,333	672,222	254,569	16,818	1,484,033	(45,815)	(102,632)	-	75,331		2,893,859
Postponement of Carryforward to FY04	(269,666)	(409,222)	(127,284)	(8,409)	(798,033)	25,815	61,532	-	(50,221)		(1,575,488)
Net under (over) recovery	269,667	263,000	127,285	8,409	686,000	(20,000)	(41,100)	-	25,110		1,318,371
Carryforward rate	0.74%	2.80%	0.22%	0.06%	1.40%	(0.11%)	(0.31%)	0.00%	2.99%		

- (1) Applied FY02:FY01 leave wage increase to FY01 actuals
- (2) Used FY01 actual amounts plus projected benefits
- (3) Job groups AR, A9, F9, CR are based on health care cost; NR, XR, EX, FN, FR, NX, XX are allocated based on headcount
- (4) Allocated prorata based on staff benefit wage base

University of Alaska
 FY03 Wage Base Projection

SB Schedule 5

Job Group	NR	CR	XR	EX, FN, FR Executives & Nonunion	F9	AR, A9	FT, FW	CT, GT, NT, ST, XT	NX,XX	GN,SN	TOTAL
	<u>Classified</u>	<u>AHECTE</u>	<u>APT Exempt</u>	<u>Faculty</u>	<u>UNAC Faculty</u>	<u>ACCFT Faculty</u>	<u>Adjunct Faculty</u>	<u>Temporary Student SS</u>	<u>Extended Temporary</u>	<u>Student</u>	
10/1/01 headcount	1,181	249	1,133	160	762	303	1,093		34		4,915
Additional projected for initiatives (2)	4	1	44	2	31	9	-		-		91
Total Headcount	1,185	250	1,177	162	793	312	1,093		34		5,006
FY03 Leave benefits wage base projection:											
FY01 Actual leave wage base	27,495,432	6,906,115	39,023,960	11,553,179	42,877,178	14,936,876	11,708,470	10,590,012	836,134	10,166,256	176,093,612
Estimated FY02 base	28,360,271	7,219,002	43,241,654	12,042,190	44,132,592	16,650,499	12,455,095	10,714,281	723,027	9,761,027	185,299,638
Estimate FY03 increase (1)	737,367	216,570	1,124,283	313,097	1,412,243	432,913	784,671	-	-	-	5,021,144
	29,097,638	7,435,572	44,365,937	12,355,287	45,544,835	17,083,412	13,239,766	10,714,281	723,027	9,761,027	190,320,782
Nonrepresented employee increment (3)	436,465	-	665,489	42,832	-	-	-	-	10,845	-	1,155,631
Additional projected for initiatives (2)	150,416	13,384	2,231,675	115,000	2,057,045	471,707	-	-	-	-	5,039,227
Projected FY03 base	29,684,519	7,448,956	47,263,101	12,513,119	47,601,880	17,555,119	13,239,766	10,714,281	733,872	9,761,027	196,515,640
Use	29,680,000	7,450,000	47,260,000	12,510,000	47,600,000	17,560,000	13,240,000	10,710,000	730,000	9,760,000	196,500,000

(1) 2.6% for job groups FN, FR, NR, XR and EX; 3.0% for CR; 3.2% for F9; 2.6% for AR/A9; 6.3% for FT from SWOHR

(2) Based on 50% of the authorized budget for FY03 Initiative funded positions from Budget & Instit. Research

(3) Based on the possibility of a 1.5% grid movement for nonrepresented employees, excluding executives

CERTIFICATE OF FRINGE BENEFIT COSTS

UNIVERSITY OF ALASKA

This is to certify that to the best of my knowledge and belief:

1. I have reviewed the fringe benefit cost proposal submitted March 29, 2002; and
2. All costs included in the proposal dated March 29, 2002, to establish fixed rates for the period July 1, 2002 – June 30, 2003, are allowable in accordance with the requirements of the federal agreements to which they apply and with the cost principles applicable to those agreements; and
3. This proposal does not include any costs which are unallowable under applicable cost principles such as (without limitation): advertising and public relations costs, contributions and donations, entertainment costs, fines and penalties, lobbying costs, and defense of fraud proceedings; and
4. All costs included in this proposal are properly allocable to federal agreements on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements.
5. The fringe benefit rate proposal is prepared using the same cost accounting practices that are disclosed in the DS-2, including its amendments and revisions, filed with and approved by the cognizant agency.

I declare under penalty of perjury that the foregoing is true and correct.

Institution: University of Alaska

Signature: _____

Name of Official: Joseph Beedle

Title: Vice President for Finance

Date of Execution: 29-Mar-2002

CERTIFICATE OF FRINGE BENEFIT COSTS

UNIVERSITY OF ALASKA

This is to certify that I have reviewed this proposal to establish fringe benefit forward pricing rates and to the best of my knowledge and belief:

1. All costs included in this proposal dated March 29, 2002, to establish forward pricing fringe benefit cost rates for July 1, 2002 to June 30, 2003, are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) and its supplements applicable to the grants and contracts to which the fringe benefit rates will apply; and
2. This proposal does not include any costs which are expressly unallowable under applicable cost principles of the FAR or its supplements.

Institution: University of Alaska

Signature: _____

Name of Official: Joseph Beedle

Title: Vice President for Finance

Date of Execution: 29-Mar-2002