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EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

February 8, 2016

FINANCE MEMORANDUM

MEMO NO. 16-02

TO: All Department Heads

FROM: Wesley K. Machida
Director of Finance

SUBJECT: Approved Fringe Benefit Rate for FY 15 and Revised Interim Fringe
Benefit Rate for FY 16

A composite fringe benefit rate (RATE) of 41.27% has been approved by the U.S. Department of Health and Human Services (DHHS) for FY 15 (attached). Based on the approved FY 15 RATE, the interim FY 16 RATE has been revised. Because we are already in the third quarter of FY 16, the revised interim rate is being transmitted to you for your information and records. Until new fringe benefit rates are approved by DHHS, the following revised interim fringe benefit rates for FY 16 will be in effect:

	<u>Approved FY 15 Rate</u>	<u>Interim FY 16 Rate</u>	<u>Revised Interim FY 16 Rate</u>
Pension Accumulation	16.50%	17.00%	17.00%
Pension Administration	0.00%	0.00%	0.00%
Retiree Health Insurance	8.27%	10.12%	8.27%
Employees' Health Fund	7.19%	6.81%	7.19%
Workers' Compensation	1.54%	1.16%	1.54%
Unemployment Compensation	0.12%	0.25%	0.12%
Social Security	6.20%	6.20%	6.20%
Medicare	<u>1.45%</u>	<u>1.45%</u>	<u>1.45%</u>
Composite Rate	41.27%	42.99%	41.77%

Should you have any questions or require further information, please contact me, or your staff may contact Mr. Neal Miyahira, Administrator of this department's Budget, Program Planning and Management Division, at 586-1530.

Attachment