

STAFF BENEFITS

3556

(No. 1 June 1991)

Staff benefits are employee costs paid over and above the salary and wages earned by the employee. Salary-driven benefits, such as retirement contribution, increase as salary increases. Other benefits, such as medical plans, are independent of salary and depend on the plan chosen, number of dependents enlisted, etc.

For budget planning, benefit costs are usually expressed as a percentage of salary. For instance, if a person earned \$32,000 a year and the state paid \$5,760 in retirement contribution, we say retirement is 18 percent because \$5,760 is 18 percent of \$32,000.

The staff benefit rates are calculated on actual expenditure information from the prior year. Therefore, current year staff benefit rates are not available until the beginning of October. Staff benefits are applied to the net salary and wages for encoded positions and temporary help blankets.

While organizational units have the ability to convert excess salary savings on coded positions to overtime, staff benefits management is the responsibility of the budget office as it must have the flexibility to react to benefit funding needs.

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