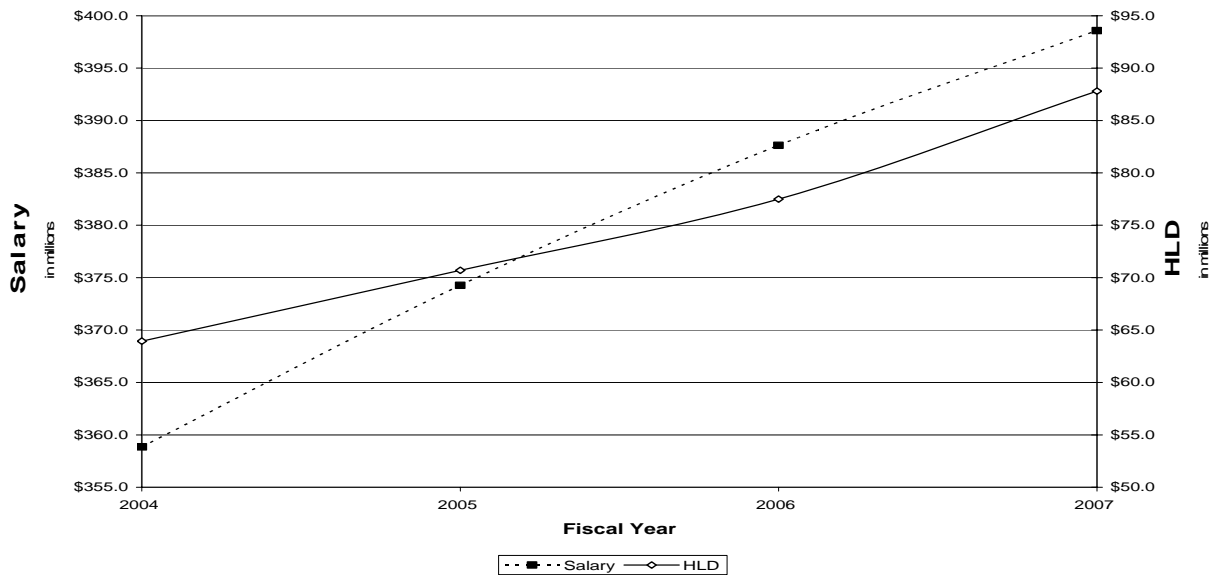


Total fringe benefit expenses in FY06 were \$77,489,875, a 9.6% increase from FY05. Table 1 (found on page 2) identifies the individual changes by employment and benefit categories. The increase was 24.89% when termination pay expenses of almost \$2.07 million, were excluded.

Total salary for FY06 was \$387,627,162, a 3.57% or a \$13,368,131 increase from the previous fiscal year. Chart 1 (below) compares salary with the corresponding Health, Life and Dental employer contribution total.

**Chart 1 – HLD and Salary Comparison**



**Dental Insurance** – Dental insurance costs are elective driven and increased a total of 13.03%. FT Faculty increased 28.66% with other employee categories increasing at a lower rate.

**Disability Insurance** – Costs are salary driven and increased a total of 2.16%, with FT Faculty increasing by 11.27%. The increase is assumed to be a result of an increase in the number of eligible employees and additional eligibility.

**FICA Contribution** – FICA costs are salary driven up to a \$97,500 limit/employee. Total costs increased 4.02% and is a result of an increase in the number of employees.

**Health Insurance** – Health insurance is elective driven and increased a total of 23.74%, with Faculty FT at 40.49%. This increase is primarily due to premium increases.

**Life Insurance** – Life insurance is automatic and driven by the premiums. In FY06, premiums went down for Prof/Ex and increased nearly three times for Classified. The total increase was 8.27%, with Prof/Ex FT decreasing by 7.5% and Classified Permanent increasing by 34.48%.

**Medicare** – Medicare is salary driven with no limit. The total increased 4.74% and is a result of increases in salaries and eligibility.

**Other Retirement Plans** – Costs are salary driven with the total cost increasing 5.08%, and Prof/Ex PT increasing by 25.29%. The increase for Prof/Ex PT occurred because of additional eligibility for this employee classification.

**PERA** – This category is primarily salary driven. The current PERA employer contribution rate is set by statute at 10.15%, with an additional statutory amount of 0.5% called the Amortization Equalization Distribution amount, for a total of 10.65%. The total PERA dollar increase was 6.22% above the FY05 amount. All of the categories increased because of additional contributions for temporary retiree employees and salary increases, including Faculty FT, Prof/Ex PT, and Classified Temporary.

**Annuitants Insurance** – This item includes health, life, and dental insurance for retired faculty and staff. It is elective driven and premium increases coupled with an increase in the number of retirees increased the total by 27.39%.

**Student Insurance** – This cost is elective driven and premium based (with 70% of the cost covered by the campus). The expense item accounts for nearly all Student Faculty fringe benefit costs. An increase in the premium resulted in an increase of 14.51%.

**Unemployment Compensation Claims** – This cost is employment driven. The total decreased by 2.5%, offset by Faculty FT that increased by 141.11%.

**Workers' Compensation Insurance** – This cost is the annual total for the premium paid by Risk Management. The total cost decreased by 6.05%.

**Table 1** -- % Change in FB Rates

	Totals	Faculty FT	Prof/Ex FT	Prof/Ex PT	Student Fac	Classified Perm	Classified Temp	Hourly
Dental	13.03%	28.66%	8.32%	--	--	8.33%	--	--
Disability	2.16%	11.27%	-5.40%	--	--	7.25%	--	--
FICA	4.02%	4.68%	3.53%	3.87%	--	--	--	-87.04%
Health Insurance	23.74%	40.49%	19.27%	--	--	17.01%	--	--
Life Insurance	8.27%	11.10%	-7.50%	--	--	34.48%	--	--
Medicare	4.74%	5.04%	4.94%	6.63%	-7.65%	4.81%	16.47%	-3.66%
ORP	5.08%	5.66%	4.23%	25.29%	--	--	--	--
PERA	6.22%	28.45%	0.73%	212.02%	--	4.46%	55.35%	--
Annuitants Insurance	27.39%	31.39%	10.19%	--	--	35.35%	--	--
Student Insurance	14.51%	--	--	--	14.51%	--	--	--
Unemployment Compensation Claims	-2.50%	141.11%	-6.13%	-46.73%	--	-46.14%	--	--
Workers' Compensation	-6.05%	-2.92%	-2.81%	-6.05%	-6.05%	-9.81%	-6.05%	-29.54%

In a comparison of changes in employer Health, Life and Dental contributions for Faculty and Prof, classified – CU Plans and classified – State plans, the percentage change remained relatively consistent between employee categories (Faculty, Prof/Ex, Student Faculty, Classified and Hourly) and HLD tiers (employee only, spouse, children, and family) within each calendar year and between calendar year comparisons. Table 2 specifically identifies these calendar year comparison amounts.

**Table 2 -- % Changes from FY2007**

% FY07 Chg from:	CY03	CY04	CY05	FY06
<b>faculty &amp; prof exempt</b>	4 yr chg	3 yr chg	2 yr chg	1yr chg
Employee Only	62.81%	59.76%	38.62%	24.00%
Employee + Spouse/SGDP	84.01%	80.10%	39.45%	24.00%
Employee + Child(ren)	84.01%	80.10%	39.45%	24.00%
Family	79.72%	75.61%	37.57%	24.00%
<b>classified staff - CU plans</b>				
Employee Only	62.36%	55.08%	35.53%	28.57%
Employee + Spouse/SGDP	87.01%	78.63%	37.85%	25.27%
Employee + Child(ren)	75.58%	67.71%	29.43%	21.09%
Family	87.16%	78.77%	39.59%	26.12%
<b>classified staff - State plans</b>				
Employee Only	60.79%	54.07%	34.65%	26.87%
Employee + Spouse/SGDP	85.87%	77.93%	37.31%	23.80%
Employee + Child(ren)	74.46%	67.01%	28.89%	20.57%
Family	86.33%	78.26%	39.19%	25.39%