College of Biological Science Employee Benefits FAQs

At the University of Guelph, employer (the University) benefit costs for employees are charged to departments or research programs using standard Benefit Allocation Rates (Rates) that are fixed for each fiscal year.

How are the rates determined?

The benefits charges include for the average cost of providing both statutory regulated employer charges and negotiated benefits packages. The benefit rates vary based on which benefits are available to each employee group. The statutory benefits include employer CPP and EI premiums, the Employer Health Tax, and WSIB premiums. Employees who are not eligible for health benefits still have these included as part of their benefits calculations, which is why benefit rates are charged on employees who do not receive health, life insurance, and pension benefits.

Benefits are calculated based on average costs - they are not allocated per person based on usage. Note that the average cost of benefits in each employee group does not distinguish between differences in coverage (e.g., family vs. single health coverage, etc.).

Separate rates have been established for each type of major classification of employee group (faculty, post-docs, support staff, student employees, etc.) and type of appointment (regular or temporary, full or part time). Common benefit rates in faculty labs are GRA (0.5%), postdocs (17.2%), grant and trust admin/technical (15.7%), professional grant and trust staff (17%), and student labour (9.15%). For more information, see current benefit rates for all employee groups on campus or visit https://www.uoguelph.ca/bfpo/budget-operations/budget-benefit-rates.

Do the rates vary from year to year?

The rates are reviewed and adjusted, if necessary, each year as part of the annual budget process. Annual variances between allocated costs and actual costs in the Benefit Cost Pool are absorbed centrally to avoid relatively minor changes being made in the Rates each year.

What about externally funded post-docs?

Post-doctoral fellows who are funded by an external fellowship (e.g., NSERC, Banting, Liber Ero) are appointed as nil-salaried employees and are not eligible to receive benefits.

In some instances, a post-doctoral fellow may be on University payroll and receiving benefits prior to securing an external fellowship. In order for the post-doctoral fellow to avoid “losing” their University benefits[1], their supervisor has the option of topping up the external funding to keep them on payroll; at minimum, this top up must be a 51% work appointment at minimum wage. This will ensure the post-

[1] All regular and temporary full-time staff with appointments of 6 months or more are eligible for extended healthcare (e.g., prescription drug coverage, etc.). Note that there is a two-year waiting period for any contract staff member to become eligible for dental coverage and pension benefits.

doc retains a full-time appointment as an employee of the University and is thus eligible to continue to receive benefits. Note that this salary top-up would be subject to a benefit charge of 17.2%[2].

What about graduate students?

Graduate students receive different types of funding. TA appointments have a benefit rate determined centrally, like other work appointments. GRAs are classified as stipends and are therefore ineligible for most benefits and most statutory charges. The rate on these is quite low to cover the remaining incidental statutory charges. As there are no negotiated benefits offered to these students, there is no difference to the students, benefit-wise, between externally-funded and internally-funded appointments.

[2] In 2020, at $14/hour, this would represent a cost of ~$13,000/year plus benefits ($15,236 total)