



Office of the Vice President for Research  
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Memorandum

Date: August 1, 2009

To: Principal Investigators, Chairs, Deans, Directors, and Department Administrators

From: Julia Fulghum, Vice President for Research 

Re: Main Campus Fringe Benefit Rates on Proposals

Effective August 1, 2009, the following fringe benefit rates are to be used on contract and grant proposal budgets. These rates replace the rates as outlined in my memo dated July 1, 2009. Principal investigators may either use prior year actuals or Office of Planning, Budget, and Analysis (OPBA) guidelines for determining fringe rates. While principal investigators are free to choose the method they prefer, the method chosen must be used consistently throughout the entire proposal. As we are responsible for the actual costs incurred, the budgeted amounts should reflect as close as possible what actual expenses will be. In the event that the budgeted amount does not cover the actual costs incurred, it will be necessary to re-budget during the period of the contract/grant to pay for actual fringe benefit costs.

**Method 1 (Preferred):  
Fringe Benefit Rates Based on Prior Actuals:**

Estimate actual cost by person based on past experience. A Hyperion report (Salary Labor Benefits and Encumbrance, FSH0001) showing fringe benefit rates as a percent of salary should be included as supplementary documentation when the proposal is sent to Pre-Award Services, Main. A schedule of all personnel on the grant and their respective fringe rates should also be included. Also, due to the increasing nature of the University's share of retirement and insurance costs, fringe benefit rates should be increased by 2% per year (i.e.  $33\% * 1.02 \approx 34\%$ ).

Note: For all Research Assistants (RA) and Project Assistants (PA) .25 FTE and higher, health insurance should be budgeted as follows:

	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
Fall:	\$638	\$668	\$701	\$736	\$773
Spring/Summer:	\$865	\$904	\$949	\$997	\$1047
Summer Only:	\$300	\$313	\$329	\$345	\$362

**Method 2 (Estimates):  
OPBA Budget Guidelines**

***General Guidelines for Budgeting Fringe Benefits:***

The fringe rates below apply for the following employee categories:

	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
<b>Faculty</b> .50 FTE and above	30%	30%	31%	31%	32%
<b>Staff</b> .50 FTE and above	33%	34%	34%	35%	36%
Part-time faculty and staff, .25 - .49 FTE	21%	21%	22%	22%	23%
Part-time faculty and staff, less than .25 FTE	11%	11%	11%	12%	12%
Summer Salary only (for 9-month faculty):	21%	21%	22%	22%	23%
Postdoctoral Fellows:	25%	26%	26%	27%	27%
Undergraduate Students	1%	1%	1%	1%	1%
Graduate Students:	1% + Insurance				

*Tuition for Research Assistants should be a separate salary line item.*

For increased accuracy, fringe rate estimates for Faculty and Staff .50 FTE and above can also be budgeted by salary range:

<u>Salary Range</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
\$15,000 - \$25,000	64%	65%	67%	68%	69%
\$25,000 - \$35,000	45%	46%	47%	48%	49%
\$35,000 - \$50,000	37%	38%	38%	39%	40%
\$50,000 - \$75,000	32%	33%	33%	34%	35%
\$75,000 +	29%	30%	30%	31%	31%

Note: For all Research Assistants (RA) and Project Assistants (PA) .25 FTE and higher, health insurance should be budgeted as follows:

	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
Fall:	\$638	\$668	\$701	\$736	\$773
Spring/Summer:	\$865	\$904	\$949	\$997	\$1,047
Summer Only:	\$300	\$313	\$329	\$345	\$362