

TO: All Research Faculty and Administrative Staff

FROM: Laura Scarantino, Acting Assistant Vice President
Sponsored Projects Accounting and Compliance

DATE: June 13, 2018

RE: **Implementation of New Fringe Benefit Rate Agreement, and
Extension of F&A Rates through 2021**

The University has successfully negotiated a new agreement for F&A and Fringe Benefit costs with the federal government. The official rate agreement has been finalized and posted at:

<http://www.umaryland.edu/cost/fringe-benefit/>

The current F&A rates were extended through FY2021.

The new Fringe Benefit Rates were approved per the summary below. These rates are effective 07/01/2018 through 06/30/2019.

Fringe Benefit Rates

	Apply to Accounts	FY19+	Fringe Account
Faculty	1011 – Faculty 9/10 Month 1012 – Faculty 12 Month	26.1%	2790 - Fringe Rate Faculty
Staff	1013 – Exempt Staff 1014 – Non Exempt Staff	39.6%	2791 - Fringe Rate Staff
Legislated Benefit	2071 – Faculty 2072 – Exempt Staff (C1) 2073 – Non-exempt Staff (C1) 2074 – College Work Study (CWS) (Summer) 2075 – Student (other than CWS) (Summer) 2080 – Summer Salaries 2085 – Supplemental Pay 2110 – Overtime 2120 – Shift Differential 2130 – On Call Pay 2140 – Bonus Payments	8.3%	2793 - Fringe Rate Legislated Benefit
Limited Benefit	1021 – Post Docs/Fellows 2090 – Contractual Employee (C2)	19.2%	2792 – Fringe Rate Limited Benefit

The following salary accounts will not incur fringe benefits due to the student FICA exemption:

- 1020 – Graduate Assistants
- 2074 – Student College Work Study (CWS)
- 2075 – Students other than CWS

If it is determined that these employees are not eligible for the FICA exemption during the summer, then the Legislated Benefit rate above will be applied to these summer wages.

These rates should now be used for all grant and contract proposals and for planning purposes on nonsponsored funding sources. Kualii COEUS has been updated to reflect these new rates.

If you have any questions, please contact Beryl Gwan, Manager, Costing and Compliance at 410-706-2909 or bgwan@umaryland.edu.