



THE GEORGE
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Memorandum

To: Medical Center Principal Investigators, Department Chairs, and Deans

From: John F. Williams, M.D.
Provost & Vice President for Health Affairs

Date: August 28, 2006

Re: New Fringe Benefit Rates for Sponsored Projects at the Medical Center

In accordance with announcements made in late July, Medical Center proposals submitted since August 1, 2006, have incorporated new fringe rate increases recently approved by the federal government, per the following schedule:

Regular Employees

8/1/06 - 6/30/08	25.5%
7/1/08 - 6/30/09	26.0%
7/1/09 - 6/30/10	26.5%

Temporary Employees

7/1/06 - 6/30/10	6.5%
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Multi-year proposals extending past June 30, 2010 should use the rates in effect on June 30, 2010.

As also announced at that time, GWU elected to delay implementing these higher fringe rates for existing projects to better enable Principal Investigators and others to address any re-budgeting that may be required. Following prior practice, the Medical Center will begin using the new fringe benefit rates as of September 1, 2006 for all existing and new Medical Center awards.

Accordingly, the Medical Center fringe rates are as follows:

Applicable Period	Medical Center Regular Employees	Medical Center Temporary Employees
9/1/06 - 6/30/07	25.5%	6.5%
7/1/07 - 6/30/08	25.5%	6.5%
7/1/08 - 6/30/09	26.0%	6.5%
7/1/09 - onward	26.5%	6.5%

While these new rates will result in increases in fringe benefit costs, in most cases these costs can be absorbed within existing funds. A few awards may require sponsor's approval for necessary re-budgeting.

F &A (Indirect) Rates Reminder

Please also note that there is no change to the Facilities and Administrative ("F&A" or "Indirect") Rates, which are not scheduled to change until July 1, 2007. Further information on new F&A rates will be provided as soon as it becomes known.

Should you have any questions, please contact your Research Service Coordinator in the Office of the Chief Research Officer, <http://www.gwu.edu/~research/orsstaffing.htm>.