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# Memorandum

**To:** University (non-Medical Center) Principal Investigators, Department Chairs, Deans, and Financial Directors

**From:** Louis Katz, Executive Vice President & Treasurer  
Donald Lehman, Executive Vice President for Academic Affairs

**Date:** September 1, 2006

**Re:** New Fringe Benefit Rates for University (non-Medical Center) Sponsored Projects

In accordance with announcements made in late July, 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 University (non-Medical Center) will be implementing these new rates for existing grants/contracts as follows:

- The old fringe rates will continue to be applied to existing University (non-Medical Center) awards until either supplemental funding is received (using the new rates) or the beginning of the next fiscal year is reached (July 1, 2007), whichever comes first.
- If supplemental funding occurs first, then the new rates would be applied to the entire award including the supplemental portion.\*

Accordingly, the University (non-Medical Center) fringe rates are as follows:

Applicable Period	University (non-Medical Center) Regular Employees	University (non-Medical Center) Temporary Employees
9/1/06 - 6/30/07	23.7% (old rate except if new supplemental funding is received*)	6.1% (old rate except if new supplemental funding is received*)
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>.

\*For the Biostatistics Center, the old fringe rate would be applied until the beginning of the next fiscal year (July 1, 2007), for existing awards and supplemental funding.