



THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL
Office of the Vice Chancellor for Research and Economic Development

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MEMORANDUM

TO: Deans, Directors, and Department Chairs

FROM: Kevin Maynor
Director of Cost Analysis, Office of Sponsored Research

DATE: July 25, 2008

SUBJECT: **Fiscal Year 2009 - Fringe Benefit and Other Related Rates for Use in Research and Training Proposals**

In preparing research and training proposals to sponsoring agencies, there are always uncertainties with specific project staffing, fringe benefits, and other related costs in future years. Accordingly, it is generally more appropriate to **apply a combined rate for fringe benefits** and other costs related to compensation. The rate, which varies slightly from the sum of the individual components, should be applied to the total estimated salary and wages subject to such contributions. The combined **rate does not include fixed cost for employer-paid hospitalization and health insurance contributions.**

Schedule I (<http://research.unc.edu/osr/documents/AttachmentI.pdf>) lists the basic fringe benefits rates and fixed amounts for hospitalization applicable to all employees. To budget for basic fringe benefits, apply **the NEW COMBINED RATE of 19.1%** (formerly, 19.0%) **plus** the fixed hospitalization component for the appropriate employee category (major medical, post doctoral, or graduate student).

Schedule II (<http://research.unc.edu/osr/documents/AttachmentII.pdf>) lists the supplemental benefits rates and fixed health insurance amounts applicable to Physicians & Associates (P & A) Practice Plan members only. To budget for supplemental benefits, apply the combined rate of 5.5% **plus** the fixed supplemental hospitalization and dental components (\$1,690.44).

Note that proposal budgets for P & A Practice Plan members should include the sum of the combined rates and fixed health insurance amounts from both attachments (24.6% [19.1% + 5.5%] plus \$5,847.44 for basic hospitalization and supplemental health insurance [\$4,157.00 + \$1,690.44]).

Rates are available on the Office of Sponsored Research website at http://research.unc.edu/osr/information/fringe_benefit_rates.php.

If you have any questions, please contact, Hamilton Brown, Director of Proposal Management Services at 843-0874, the applicable grants and contracts specialists (http://research.unc.edu/osr/contacts/prop_responsibility.php), Chun Ae Lee at 962-4662, or myself at 962-4453.