

 <p>Category: Financial</p> <p>Policy applicable for: Faculty/Staff</p>	<p><i>Policy Title:</i> Fringe Benefit Rates for Sponsored Projects</p> <p>Effective Date: 09/28/2017</p> <p>Prior Effective Date: 04/05/2010</p> <p>Enabling Acts: University Rule 10-05-04 Code of Federal Regulations Title 2, part 200</p>	<p><i>Policy Number:</i> 2.1.18</p> <p>Policy Owner: VP of Research</p> <p>Responsible Office(s): Government Cost Compliance</p>
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Background

Code of Federal Regulations Title 2, part 200 allows an institution to charge employee salary and fringe benefits to sponsored programs when the costs can be identified to a particular project. Fringe benefits can be calculated and charged based on the cost of each employee's benefits or by an institution-wide allocation. The University of Cincinnati has elected to use the institution-wide allocation method.

Policy

Fringe benefit rates for the University of Cincinnati will be determined institution-wide using the allocation method for each of the following five selective employee groupings:

- Exempt Faculty
- Exempt Staff
- Non-Exempt Staff
- Part-time
- Students

Rates are based on the average of the actual fringe benefit costs for each of the groupings. Rates must be approved annually by the federal Department of Health and Human Services (DHHS).

2 CFR part 200 states that fringe benefits shall be treated in the same manner as the salaries and wages of the employees receiving the benefits. At the University of Cincinnati, the benefits related to salaries and wages treated as direct costs shall be charged as direct costs; the benefits related to salaries and wages treated as Facilities and Administrative (F&A) costs shall be charged as F&A costs.

Roles and Responsibilities

The Director of Government Cost Compliance (GCC) or designee is responsible for:

- Identifying, reviewing, and determining the allowability of benefit expenditures
- Producing an annual fringe benefit rate proposal
- Securing rate approval from the University of Cincinnati Office of Budget Management and DHHS

Related Links:

[Government Cost Compliance
2 CFR part 200](#)

Phone Contacts:

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