MEMORANDUM

To: Distribution

From: Jim Luther

Date: April 27, 2010

Re: Fringe Benefit Rates

The Department of Health and Human Services (DHHS) has now formally approved Duke University’s federal fringe benefit rates for FY11. The negotiated rates for FY11 are summarized below.

<table>
<thead>
<tr>
<th></th>
<th>Faculty/ Monthly Staff</th>
<th>House Staff/ Postdocs</th>
<th>Hourly Staff</th>
<th>Students</th>
<th>PhD Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 10/11 Budget Non-Federal</td>
<td>25.9%</td>
<td>17.3%</td>
<td>23.7%</td>
<td>7.7%</td>
<td>8.4%</td>
</tr>
<tr>
<td>FY 10/11 Budget Federal</td>
<td>24.0%</td>
<td>17.3%</td>
<td>22.9%</td>
<td>7.7%</td>
<td>8.4%</td>
</tr>
</tbody>
</table>

Preliminary estimates for future year rates (e.g. FY12 and FY13) are usually provided in this annual communication to be used for budgeting and long range planning purposes, as well as preparing grant applications that cross fiscal years. However, the FY12 and FY13 estimated rates are omitted from this announcement as we are obtaining information from Human Resources and senior leadership regarding new economic assumptions that could effect the fringe rate calculations. The FY12 and FY13 projected rates will likely change from the estimates provided in the December 1, 2009 Fringe Benefits Rates announcement. Updated rate projections will be communicated in the coming weeks.

Note:

1) The “Federal” rates will be used for federal grants and contracts, Durham Regional Hospital, Duke Raleigh Hospital, Associated Health System (AHS), and Davis Ambulatory Surgical Center (DASC). The differentiation between Federal and Non-Federal reflects elimination of participation and reimbursement of the Children’s Tuition Grant benefit program for the aforementioned entities.

2) The “Non-Federal” rates will be used for all other entities including non-federal grants, contracts, departments, etc.

Please distribute this information as appropriate.
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