MEMORANDUM

To: Distribution
From: Jim Luther
Date: February 7, 2011
Re: Fringe Benefit Rates

The Department of Health and Human Services (DHHS) has now formally approved Duke University’s federal fringe benefit rates for FY12. The negotiated rates for FY12 and the projections through FY14 are summarized below. These fringe benefit rates should be used for budgeting and long range planning purposes, as well as when preparing grant applications that cross fiscal years.

<table>
<thead>
<tr>
<th></th>
<th>Faculty/ Monthly Staff</th>
<th>House Staff/ Postdocs</th>
<th>Bi-Weekly Staff</th>
<th>Students</th>
<th>PhD Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 11/12 Projected Non-Federal</td>
<td>27.8%</td>
<td>21.4%</td>
<td>24.7%</td>
<td>7.7%</td>
<td>8.3%</td>
</tr>
<tr>
<td>FY 11/12 Projected Federal</td>
<td>25.7%</td>
<td>21.4%</td>
<td>23.8%</td>
<td>7.7%</td>
<td>8.3%</td>
</tr>
<tr>
<td>FY 12/13 Projected Non-Federal</td>
<td>27.2%</td>
<td>21.1%</td>
<td>25.4%</td>
<td>7.7%</td>
<td>9.6%</td>
</tr>
<tr>
<td>FY 12/13 Projected Federal</td>
<td>25.2%</td>
<td>21.1%</td>
<td>24.6%</td>
<td>7.7%</td>
<td>9.6%</td>
</tr>
<tr>
<td>FY 13/14 Projected Non-Federal</td>
<td>26.6%</td>
<td>19.8%</td>
<td>25.7%</td>
<td>7.7%</td>
<td>10.3%</td>
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<td>24.9%</td>
<td>7.7%</td>
<td>10.3%</td>
</tr>
</tbody>
</table>

The FY13 and FY14 projected rates are preliminary estimates and will likely change based on the fringe benefit rate analysis and projection process that occurs in the fall.

This memo and the DHHS approved rate agreement will be posted on the Financial Services web site at http://www.finsvc.duke.edu/resources/docs.php#fringe.

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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