June 27, 2017

Memorandum

To: Distribution List

From: Beth S. Whitfield, CPA
       Director, Fringe Benefits Accounting & Reporting

Subject: FY18 Fringe Rates Approved

The Department of Health and Human Services (DHHS) has formally approved Duke University’s federal fringe benefit rates for fiscal year 2017/2018. The approved rates for FY18, and the projected rates for FY19 and FY20 are summarized below. These rates should be used for budgeting, long range planning, and preparing grant applications that cross fiscal years. Please note, the FY19 and FY20 rates are preliminary estimates and will likely change based on the fringe analysis and budgeting process that occurs this fall.

<table>
<thead>
<tr>
<th></th>
<th>Faculty/</th>
<th>House Staff/</th>
<th>Hourly</th>
<th>PhD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Monthly Staff</td>
<td>Postdocs</td>
<td>Staff</td>
<td>Students</td>
</tr>
<tr>
<td>FY 17/18 Budget Non-Federal</td>
<td>27.5%</td>
<td>19.4%</td>
<td>24.7%</td>
<td>7.7%</td>
</tr>
<tr>
<td>FY 17/18 Budget Federal</td>
<td>25.4%</td>
<td>19.4%</td>
<td>24.1%</td>
<td>7.7%</td>
</tr>
<tr>
<td>FY 18/19 Projected Non-Federal</td>
<td>26.7%</td>
<td>19.8%</td>
<td>25.1%</td>
<td>7.7%</td>
</tr>
<tr>
<td>FY 18/19 Projected Federal</td>
<td>24.5%</td>
<td>19.8%</td>
<td>24.4%</td>
<td>7.7%</td>
</tr>
<tr>
<td>FY 19/20 Projected Non-Federal</td>
<td>26.4%</td>
<td>20.3%</td>
<td>25.2%</td>
<td>7.7%</td>
</tr>
<tr>
<td>FY 19/20 Projected Federal</td>
<td>24.3%</td>
<td>20.3%</td>
<td>24.5%</td>
<td>7.7%</td>
</tr>
</tbody>
</table>

Note:
1) The “Federal” rates will be used for federal grants and contracts, Duke Regional Hospital (Co 0050), Duke Raleigh Hospital (Co 0060), and Associated Health Systems (Co 0051). The differentiation between Federal and Non-Federal reflects elimination of participation and reimbursement for the child tuition grant benefit program for the afore-mentioned entities and funding sources.
2) The “Non-Federal” rates will be used for all other entities including non-federal grants, contracts, departments, etc.

This announcement will be placed on the Duke Finance website at https://finance.duke.edu/resources/docs.php#fringe. Please distribute this information as appropriate.
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