MEMORANDUM

TO: To Whom It May Concern
FROM: Barbara Nielsen
DATE: April 13, 2006
RE: University of Utah Treatment of Fringe Benefits Applicable to Grants and Contracts Effective May 1, 2006

Fringe benefits are applicable to direct salaries and wages and are treated as direct costs.

The University of Utah uses a fringe benefit rate for estimating direct fringe benefit costs on grant applications and contract proposals. For reimbursement, the cost of each benefit is specifically identified to each employee and charged individually. The following rates will become effective May 1, 2006. The rate for estimating purposes only is 36.0 percent of direct salaries and wages. Graduate, undergraduate and part time salaries for estimating purposes is 10.0 percent. The rate includes all fringe benefits treated as direct costs. The University may, on an individual contract or grant basis, negotiate a higher estimating rate if the rate can be substantiated.

Questions related to University of Utah fringe benefit procedures may be addressed to:

Barbara Nielsen
Directory of Governmental Accounting & Support Services
University of Utah
201 South Presidents Circle Room 408
Salt Lake City, Utah 84112-9023

Telephone Number: (801) 581-5989
FAX Number: (801)585-5257