



Barbara K. Nielsen
Director

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:

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