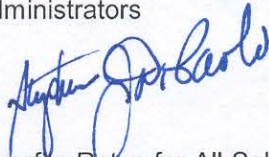


THE STATE UNIVERSITY OF NEW JERSEY  
**RUTGERS**

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January 19, 2005

**TO:** Vice Presidents, Provosts, Deans, Directors, Departmental Chairpersons, Faculty Members, and Departmental Administrators

**FROM:** Stephen J. DiPaolo  
University Controller 

**SUBJECT:** 2004/2005 Fringe Benefits Rates for All Self-Supporting Activities Including Auxiliary Enterprise Operations and Sponsored Research and Training Programs

The University and the U.S. Department of Health and Human Services recently signed an agreement which established the University's fringe benefit rate for the 2004/2005 fiscal year. Effective July 1, 2004, the rate for full-time employees will increase from 29 percent to 32.5 percent of salaries, as a result primarily of an increase in the health insurance component.

The University will apply reduced rates to certain other categories of salaries and wages in order to more closely match fringe benefit eligibility with employment type. The following table summarizes the rates that will be effective July 1, 2004 for the various categories of salaries and wages paid from sponsored programs.

<u>Sub-Code</u>	<u>Description</u>	<u>Rate</u>
1200	Salaries - Regular Employees	32.50%
1210	Coadjutant Salaries – Instruction	9.00%
1230	Wages of Labor (Primarily Type 4 Employees)	9.00%
1250	Student Wages (Type 5 Rutgers Student Employees)	0.00%
1260	Salaries – Other (Line Position No. 800's)	32.50%
1290	Other Compensation (Includes Type 6 Summer Employment)	7.50%
1330	Summer Employment/10 Month Employees	7.50%
1370	Post Doctoral Associate Salaries	27.50%
1500	Graduate/Teaching Assistant Salaries	23.00%

Tuition Remission for Graduate/Teaching Assistants employed on a grant-funded project will continue to be charged as a direct cost, as required by Federal regulations. It will not be included in the MTDC base for application of the facilities and administrative cost rate. Proposal developers should budget the cost of tuition remission per the Office of Research and Sponsored Programs announcement dated 1/3/05 on their website [ORSP.rutgers.edu](http://ORSP.rutgers.edu).

Questions concerning the application of these rates to sponsored programs should be directed to the Division of Grant and Contract Accounting at (732) 932-0165 ext. 2218 or the Office of Research and Sponsored Programs at (732) 932-0150 ext. 2110. Questions concerning the application of these rates to the other self-supporting activities should be directed to the Division of University Accounting at (732) 445-2133.

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