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>FY 17/18 Budget Non-Federal</th>
<th>Faculty Monthly Staff</th>
<th>House Staff Postdocs</th>
<th>Hourly Staff</th>
<th>Students</th>
<th>PhD Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 17/18 Budget Federal</td>
<td>27.5%</td>
<td>19.4%</td>
<td>24.7%</td>
<td>7.7%</td>
<td>11.3%</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>
<td>9.5%</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>
<td>9.5%</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>
<td>11.4%</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>
<td>11.4%</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.
Distribution List:

Connie Badger
Gail Bullock
Kyle Cavanaugh
Kevin Chipman
John Clements
Julie Cole
Keba Bolden
Paul Cruess
Florin Damian
Beth Eastlick
Denise Evans
Shanna Fitzpatrick
Scott Gibson
Jessica Habecker
Sylvester Hackney
Kim Harris
Chuck Hunter
Keith Hurka-Owen
Mary Johnson
Stacie Kimes Jones
Mike Lazar
Jim Luther
Bill Marchese
Nate Martinez-Wayman
Sheri Matthews
Pam Montgomery
Gary Tencer
Katina Williams
John Michnowicz
Robin Miller
Billy Newton
Amy Oates
Todd Orr
Kelly Riley
Rachel Satterfield
Marcia Slaughter
Tim Walsh
Joyce Williams
Robert Willis