



UNIVERSITY OF RICHMOND

Policy Manual

Policy #:	FIN-3102	Policy Title:	Fringe Rate Policy
Effective:	07/01/2021	Responsible Office:	Office of the University Controller
Date Approved:	06/14/2021	Approval:	EVP and Chief Operating Officer
Replaces Policy Dated:	N/A	Responsible University Official:	University Controller

SCOPE:

This policy applies to the University of Richmond and all of its Affiliates. As used in this policy, the term “Affiliates” means organizations or entities in which the University owns a controlling interest or has the right to elect the majority of the entity’s governing board.

INDEX:

- FIN-3102.1.....Policy Statement
- FIN-3102.2.....Primary Positions
- FIN-3102.3.....Secondary Positions and Additional Compensation

POLICY STATEMENT:

FIN-3102.1 – Policy

All paid positions at the University must be funded to cover both the salary and associated fringe benefits. The University utilizes blended fringe benefit rates for use in budgeting, external grant proposals, and similar activities in order to allocate benefit costs to salaries as the salaries are paid. The University currently maintains two primary fringe rate categories: a Full-Time Rate and a Part-Time Rate. Benefit costs are recouped by applying the applicable rate to each position, excluding student positions. The current fringe benefit rates can be found at https://grants.richmond.edu/_common/pdfs/FY21_Fringe_IDC_Rates.pdf.

FIN-3102 – Fringe Rate Policy

Fringe benefit rates associated with an employee’s effort charged to a federally sponsored project are separately developed to incorporate the requirements of Federal Uniform Guidance and specific sponsor policies. These rates are periodically reviewed and approved by the federal government. Actual fringe benefit rates charged to a sponsored project will reflect the current approved rates for that fiscal year. See the Policy on Fringe Benefit Rates for Sponsored Projects for information on fringe rates for these funding sources.

FIN-3102.1 – Primary positions

The full cost of full-time primary positions must include the full-time fringe rate.

The full cost of part-time primary positions must include part-time fringe rate.

Student employment positions do not include a fringe rate and must follow rules associated with student employment, including limits on hours.

Summer research positions for students (even though they may work full-time) do not include a required fringe rate.

FIN-3102.1 – Secondary positions and additional compensation

Employees who have a secondary position that includes additions to base pay, including full-time administrative appointments with an appointment letter (such as associate dean, associate provost) and staff with interim pay must include fringe allocation on the secondary position at the full-time fringe benefit rate.

All other additional compensation for employees, including bonus, overload and summer teaching, mentoring stipends, award payments, etc. should include fringe allocation at the part-time rate.

RELATED POLICIES:

Fringe Benefit Rates for Sponsored Projects

POLICY BACKGROUND:

Policy reviewed by President’s Cabinet and Academic Deans prior to approval on 06/14/2021

2021 Policy codified existing practice

POLICY CONTACTS:

University Controller

Director of Tax Compliance and Payroll