Sample Budget Justification
Language:

Sample Proposal Language:

Fringe Benefit Rates: UMD has proposed Fringe Benefit Rates to the U.S. Department of Health and Human Services (DHHS) for the effective date of 7/1/19. This budget reflects the assumption that the rates will be approved and if not will be adjusted accordingly. Fringe benefits include health insurance, FICA, unemployment, workers’ compensation, retirement, terminal leave payout and employee assistance and are calculated on the requested salary amount. The fringe rates are as follows: Drs. X, Y and Z Faculty rate of 29.3%; Persons A and B Staff rate of 35.4%; Graduate Assistant 24.3% and hourly students 5.4% (modify as needed for specific proposal). Tuition Remission is a UMD fringe benefit but is not included in the fringe calculation and is budgeted separately as applicable.

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Fringe benefits include health insurance, FICA, unemployment, workers’ compensation, retirement, terminal leave payout and employee assistance. Estimated amounts for the sponsor’s contribution to employee fringe benefits are based on proposed Fringe Benefits Rate to the U.S. Department of Health and Human Services (DHHS) with the intent to use beginning July 1, 2019. While the fringe benefits rates are currently being negotiated with DHHS and are subject to modifications prior to implementation, the proposed calculated fringe rates are as follows: PI and Co-I 29.3%, for Persons A and B Staff rate 35.4%; Graduate Assistant 24.3% and hourly students 5.4%. These rates are used for budget purposes for this proposal and will be adjusted as necessary. Tuition Remission is a UMD fringe benefit but is not included in the fringe calculation and is budgeted separately as applicable.

Sample Request for additional award funds once rates are approved:

In accordance with 2 CFR 200 Appendix III UMD has negotiated fringe benefit rates with the U.S. Department of Health and Human Services (DHHS) that are applicable to all awards as of July 1, 2019. This replaces our previous policy of budgeting for fringe benefits at actual cost. This change has resulted in the need for additional funds to cover the increase in the cost of fringes for this project. We would like to request additional funds in the amount of $XXX. Please see detailed revised budget reflecting the additional funds needed.