

LOYOLA MARYMOUNT UNIVERSITY  
POLICIES & PROCEDURES

DEPARTMENT: CONTROLLER'S OFFICE	
SUBJECT: Fringe Benefits Rate Policy – Sponsored Projects	Page 1 of 3
POLICY NUMBER: FB 001	Supersedes: N/A
Effective Date: June 1, 2017	Previous Issued: 6/1/12

## 1 Statement of Policy

It is the policy of Loyola Marymount University to include the costs of fringe benefits on all externally funded projects up to the maximum rate allowable under the sponsor's policies.

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## 2 Definitions

<b>Fringe Benefits</b>	Include costs such as employee health, life, dental and vision insurance, FICA match, worker's compensation, disability insurance, unemployment insurance, employer assistance program, flex benefit expense, retirement and tuition remission.
<b>Salaries and Wages</b>	Include all full time and part time salaries for faculty and staff; exclude all graduate and undergraduate student wages, temporary help, consultant costs and any other expense not associated with the payment of wages for services.
<b>Sponsored Project</b>	A project funded by an award from a grant, contract or cooperative agreement under which the University agrees to perform a certain scope of work, according to specified terms and conditions. Sponsored projects are established in the University accounting system as a separate group of accounts to accumulate funds provided from the outside source, either federal or non-federal, and to account for the expenditure of those funds toward the accomplishment of the project.

## 3 Federally Negotiated Fringe Benefits Rate

The University's cognizant agency, the Department of Health and Human Services, determines the rate the University is allowed to charge federally sponsored projects for fringe benefit costs.

### 3.1 Description

Loyola Marymount University's federally negotiated Fringe Benefits Rate is 27.9% of Salaries and Wages in accordance with an agreement with the Department of Health and Human Services effective June 1, 2017 to May 31, 2021.

### 3.2 Application

The Fringe Benefits Rate is applicable to all federally sponsored projects. This includes federal grants, contracts and cooperative agreements as well as all subagreements involving federal flow through funds.

## 4 Internal Fringe Benefits Rate

The University's internal fringe benefits rate of 34.75% will be applied to all non-federally sponsored projects.

## 5 Exceptions

Fringe benefits shall be recovered on all sponsored projects which include the charging of salaries and wages. Any exception to this policy must be approved by the Dean/Senior Vice President, Provost and the Controller.

The Loyola Law School required approvals for waivers of fringe benefits are the Dean and Associate Dean for Finance and Administration.