



DIVISION OF RESEARCH


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OFFICE OF THE VICE PRESIDENT AND CHIEF RESEARCH OFFICER

April 24, 2026

MEMORANDUM

TO: Vice Presidents, Deans, Directors & Department Chairs
College Budget Officers

FROM: Patrick G. O'Shea 
Vice President and Chief Research Officer

SUBJECT: Implementation of New Fringe Benefit Rates

The University is in the process of negotiating a new Fringe Benefit cost rate agreement with the U.S. Department of Health and Human Services (HHS). Pending the completion of HHS's review and negotiation, the following rates should be utilized for all grant and contract proposals and planning purposes for non-sponsored funding sources.

Fringe Benefits

Group	FY26 Rate	FY27+ Rate	Object Codes
Faculty	30.70%	30.30%	SC00002 (1011), SC00003 (1012), SC00006 (1015), SC00007 (1016), SC00008 (1018) -- Includes 12-month and academic year faculty
Staff	36.60%	36.50%	SC00004 (1013), SC00005 (1014) -- Includes exempt and non-exempt staff
Limited Benefits	22.70%	21.70%	SC00009 (1020), SC00014 (2069), SC00012 (2072), SC00017 (2073), SC00025 (2090) -- Includes contractual faculty and staff and graduate assistants
Legislated Benefits	5.80%	5.70%	SC00012 (2067), SC00013 (2068), SC00015 (2071), SC00018 (2074), SC00019 (2075), SC00023 (2080), SC00024 (2081), SC00027 (2100), SC00029 (2120), SC00010 (1099), SC00026 (2099) -- Includes students with hourly wages, and faculty/staff additional pays

Kuali Research and Workday Financial System will be updated to reflect the new rates for fiscal year 2027 and beyond. If a proposal is in development that has not been fully routed, you will need to synchronize rates to update the budget to account for the new fringe benefit rates. Awards currently in place or received in the upcoming months, with fringe rates based on proposals already submitted at the previous rates, will be charged the FY27 rates starting 7/1/26.

If you have any questions, you may submit a ServiceNow ticket or please contact:

Debra Murray, Assistant Vice President, Sponsored Programs Accounting and Compliance, at dymurray@umd.edu.

Steven Zuraf, Director, Cost Accounting and Analysis, at szuraf@umd.edu.

Additional information on the application of F&A rates to sponsored projects can be found here <http://ora.umd.edu/sites/default/files/documents/um-resources/fa/application-of-fa.pdf>.