



July 1, 2025

Re: Budgeting Fringe Benefits for Sponsored Projects

South Dakota State University's practice for ease of budgeting fringe benefits on sponsored projects is to round Social Security, State Retirement, Unemployment Insurance and Workers' Compensation rate from 14.228% to 15% for full time employees, plus planned health and life insurance. For graduate and undergraduate employees 1% fringe is calculated. When budgeting fringe benefits for Senior and Other personnel it is calculated based on percentage of time on the project.

Actual fringe benefits are charged to the sponsored project at the time the salary cost is incurred and are based on the salary.

Sincerely

A handwritten signature in black ink that reads "Jill O'Neil".

Jill O'Neil
Director, Grants and Contracts Administration