

TO: All Research Faculty and Administrative Staff

FROM: Beryl Gwan, Assistant Director, Costing and Compliance
Sponsored Projects Accounting and Compliance

DATE: May 14, 2026

RE: **Fringe Benefit Planning Rates FY2027-REVISED**

The Maryland Department of Budget Management (DBM) updated the FY27 projected expense for post-retirement health benefits, increasing the estimate by over \$15 million. In response, the University recalculated the FY27 fringe benefit rate proposal. This resulted in an increase to the Faculty and Staff fringe benefit rates. Accordingly, a revised proposal reflecting the updated fringe rates has been submitted to the federal government.

Until these negotiations are finalized, these new rates for FY2027, shown below, should be used for all grant and contract proposals and for planning purposes on non-sponsored funding sources.

These rates are consistent with the planning rates that have been recently loaded to Quali Research. If you are developing a proposal that has not been routed yet, you simply need to sync rates to update the budget to account for the new fringe benefit rates. If the proposal is being routed, it will need to be rejected for the rates to be synced and then rerouted.

These rates will be loaded into Quantum effective July 1, 2026, and will apply to actual expenses charged to grants and contracts.

In summary, the rates are as follows:

Fringe Benefit Rates

	Apply to Accounts	FY26 Finalized	FY27+ Proposed	Fringe Account
Faculty	1011 – Faculty 9/10 Month 1012 – Faculty 12 Month	29.3%	28.7%	2790 - Fringe Rate Faculty
Staff	1013 – Exempt Staff 1014 - Non-exempt Staff 2194 – Non-Exempt GED Program	38.4%	38.2%	2791 - Fringe Rate Staff
Legislated Benefit	2071 – Faculty 2072 - Exempt Staff (C1) 2073 – Non-exempt Staff (C1) 2074 - College Work Study (CWS) (Summer) 2075 - Student (other than CWS) (Summer) 2080 – Summer Salaries 2110 – Overtime 2120 – Shift Differential 2130 – On Call Pay 2140 – Bonus Payments 2085 – Supplemental Pay	8.2%	8.2%	2793 - Fringe Rate Legislated Benefit
Limited Benefit	1021 - Post Docs/Fellows 2090 - Contractual Employee (C2)	20.5%	21.4%	2792 – Fringe Rate Limited Benefit

If you have any questions, please contact Beryl Gwan, Assistant Director, Costing and Compliance at bgwan@umaryland.edu or Rama, Camara Spasic, Director at rcamaraspasic@umaryland.edu