Policy *808* Version 1 *1/21/15*

**Policy Change Cover Sheet**

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| **This form must be attached to each policy presented. All areas in red, including the header, must be completed; if not, it will be sent back to you for completion.** | | |
|  | *I****f the changes you are requesting include housekeeping, please submit those changes to*** [***ndsu.policy.manual@ndsu.edu***](mailto:ndsu.policy.manual@ndsu.edu) ***first so that a clean policy can be presented to the committees.*** | |
| **SECTION**: | Policy Number and Name **808 ALLOWABLE COST POLICIES – FRINGE BENEFITS** | |
| 1. **Effect of policy addition or change (explain the important changes in the policy or effect of this policy). Briefly describe the changes that are being made to the policy and the reasoning behind the requested change(s).** | | |
| * Is this a federal or state mandate?  Yes  No * Describe change: The Affordable Care Act (ACA) is a federal requirement – the change in office to contact is just housekeeping | | |
| 1. **This policy change was originated by (individual, office or committee/organization):** | | |
| * Office/Department/Name and the date submitted: Grant & Contract Accounting/Ann Young and Sponsored Programs Administration/Val Kettner and Amy Scott * Email address of the person who should be contacted with revisions [val.kettner@ndsu.edu](mailto:val.kettner@ndsu.edu), [amy.scott@ndsu.edu](mailto:amy.scott@ndsu.edu) and [ann.young@ndsu.edu](mailto:ann.young@ndsu.edu) | | |
| ***This portion will be completed by Kelly Hoyt.***  Note: Items routed as information by SCC will have date that policy was routed listed below. | | |
| 1. **This policy has been reviewed/passed by the following (include dates of official action):** | | |
| **Senate Coordinating Committee:** | |  |
| **Faculty Senate:** | |  |
| **Staff Senate:** | |  |
| **Student Government:** | |  |
| **President’s Council:** | |  |

The formatting of this policy will be updated on the website once the **content** has final approval. Please do not make formatting changes on this copy. If you have suggestions on formatting, please route them to [ndsu.policy.manual@ndsu.edu](mailto:ndsu.policy.manual@ndsu.edu). All suggestions will be considered, however due to policy format guidelines, they may not be possible. Thank you for your understanding!

North Dakota State University Policy Manual \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

SECTION 808 ALLOWABLE COST POLICIES – FRINGE BENEFITS

SOURCE: NDSU President

1. The term "fringe benefits" covers several costs which are incurred by the University in connection with employment of various classes of personnel. Fringe benefit costs relating to employees working on a sponsored agreement are charged to the sponsored agreement in direct proportion to the salary paid. The items included in the fringe benefit category are:

a) F.I.C.A. - "Social security" applies to all classes of employees except full-time graduate and undergraduate students.

b) TIAA-CREF - Applies to all benefitted employees in the 0000 through 3000 bands. The rate of university contribution varies with the length of participation in the plan.

c) State retirement - Applies to all benefitted employees eligible under Section 101 not covered by TIAA-CREF.

d) Unemployment compensation - Applies to all classes of employees except students.

e) Workmen's compensation - Applies to all classes of employees.

f) Disability insurance - Applies to all professional employees covered by TIAA.

g) Life insurance - Applies to all employees eligible under Section 101.

h) Health insurance - Applies to all employees eligible under Section 101 and Affordable Care Act (ACA) Eligible employees.

Contact the Office of Sponsored Programs Administration for the current fringe benefit rates when preparing proposal budgets. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

HISTORY:

New July 1990 Amended April 1992 Amended August 2007 Housekeeping September 6, 2013