LOUISIANA STATE UNIVERSITY
AND AGRICULTURAL AND MECHANICAL COLLEGE

Office of the Vice Chancellor for Finance and Administrative Services and Comptroller

March 15, 2005

To: Chancellor O'Keefe
Chancellor Richardson
Executive Director Bouchard
Deans, Directors, and Department Heads

Re: Fringe Benefit Rates Applied to Sponsored Projects During FY 2005-06

Fringe benefits rates have been established for next fiscal year pursuant to the requirements of the Office of Management and Budget Circular A-21, "Cost Principles for Educational Institutions." The rates effective for the period July 1, 2005 through June 30, 2006 are as follows:

Louisiana State University, including the Pennington Biomedical Research Center	
Regular employees	28.00%
Contingent labor/transients (object 1220/1250)	7.65%
Non-student employees with "F" or "J" visa* (object 1100)	0.00%
Employee subject fees (object 1020)	0.00%
LSU Agricultural Center	
Regular employees	29.00%
Federal employees	24.00%
Contingent labor/transients (object 1220/1250)	7.65%
Non-student employees with "F" or "J" visa (object 1100)	0.00%
Employee subject fees (object 1020)	0.00%

These rates are effective for all proposals dated July 1 and thereafter. The rates have increased from last year for LSU regular employees, LSUAC regular employees, and LSUAC federal employees. The University has maintained a policy of not applying new fringe benefit rates to existing projects, and this policy will continue in Fiscal 2005-06. However, this has resulted in substantial under recoveries of fringe benefits from our sponsored programs. Thus, to eliminate or significantly reduce these under recoveries, certain of the new rates are substantially increased from prior year rates. These new rates should be included in all requests for new funding.

If clarification or additional information is necessary, please contact Jim Bates, LSU (578-3386); Mark Legendre, LSUAC (578-4164); or Ralph Underwood, PBRC (763-2515).

Jerry J. Baudin
Vice Chancellor for Finance and Administrative Services
and Comptroller

*excluding PBRC (rate is 28.00%)

xc: Vice Chancellor Silverman
Ms. Donna Torres
Mr. Ralph Underwood
Ms. Patricia Territo
Mr. Mark Legendre
ASP Members

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