**How to calculate fringe costs:**

**For faculty and staff:**

**1.** Begin with your 9-or 12-month appointment base salary.

**2.** Decide on how much time (effort) you will be incurring for your part of the proposed project. For example, how many days, weeks, or months will you need to complete the proposed work?

**3.** Divide your base salary by the appropriate denominator to calculate the budgeted salary amount. For example, if you need one month to complete project work, you would divide your base salary by 9 for a 9-month appointment. Or, you can also calculate the effort as a percentage of your 100% appointment. In that case, you would multiply your proposed effort (say, 10%) by your base salary.

**4.** When you have calculated your budgeted project salary, multiply that amount by the current fringe rate associated with your classification. For example, for a faculty member with a project salary of $5,000, multiply $5,000 x 43%.

**5.** For multi-year projects, you may want to increase the fringe rate by 1% or 2% in order to properly estimate future fringe rate increases.

**For students:**

**1.** Begin by choosing an hourly wage and the number of hours to be worked.

**2**. Multiply the hourly wage by the number of hours worked.

**3.** Multiply the total wages earned by the current student fringe rate. For example, if the total wages earned is $1,000, multiple $1,000 x .03%.

**4.** For multi-year projects, you may want to increase the fringe rate by .5% in order to properly estimate future fringe rate increases.