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Subject: Composite Fringe Benefit Rate Implementation

The University of Central Florida is implementing a new cost allocation process for charging employee fringe benefit costs university-wide starting with fiscal year 2018. This cost allocation process, known as the composite fringe benefit rate (CFBR) or “pooled fringe rate” cost allocation method, will charge fringe benefits to departments and projects based on a set of fixed rates that will be applied to the gross salary expenses of defined employee groups. This charge will be posted in concurrence with each biweekly payroll journal.

The use of a fringe benefits pool simplifies and improves the preparation and administration of budgets, including those associated with the grant proposal budget process.

The composite fringe benefit charge will go into effect in early August, for the pay period ending July 27, 2017. The rates will be updated annually.

This new process has accounting and budgeting implications for the university but does not impact employees benefit elections or costs.

To learn more, please visit <https://fa.ucf.edu/cfbr/>.