

TO: Deans, Directors, and Department Heads

FROM: Lisa Deckard, Director Government Cost Compliance

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The U.S. Department of Health & Human Services has approved the FY 2026 Federal fringe benefit rates. These rates will be updated in UC Flex in October and applied retroactively to all applicable grant expense activity beginning July 1, 2025. There is no action required by colleges/departments at this time.

Please note, FY 2026 budgets were prepared using the same Federal rates that have now been approved by Health & Human Services.

Updates regarding the implementation of these retroactive changes will be provided as necessary.

Fringe Benefit Rates are summarized below:

Employee Group	FY 2025 Federal Rates	FY2025 Non-Federal Rates	FY2026 Federal Rates	FY2026 Non-Federal Rates
Full Time Staff	NA	NA	30.8%	34.5%
<i>Faculty</i>	28.4%	30.2%	NA	NA
<i>Exempt Staff</i>	32.2%	36.1%	NA	NA
<i>Non-Exempt Staff</i>	47.5%	42.3%	NA	NA
Part Time Staff	18.8%	19.9%	20.7%	19.8%
Dual Comp Exempt Staff	38.1%	41.4%	38.7%	40.7%
Student Workers	9.2%	8.7%	8.2%	9.6%

If you have any questions, please contact Lisa Deckard @ Lisa.Deckard@uc.edu

Additional resources are available on the GCC website: <http://researchhow2.uc.edu/home/browse-by-offices/government-cost-compliance>