



## ACCOUNTING POLICY AND PROCEDURES (APP) MANUAL

TOPIC: Section 7 – Payroll 2.0	EFFECTIVE DATE: 06/07/1983
TITLE: Composite Rate for Fringe Benefits	REVISION DATE: 08/27/2019
AUTHORIZED BY: Deputy Director, Bureau of Fiscal Services	

### BACKGROUND

Throughout the course of a year, it is necessary for various reasons to transfer salaries between appropriations, organizations and, in the institutions, between general-purpose revenues (GPR), program revenues – other (PRO), program revenues – federal (PRF), program revenues – service (PRS) and canteen. Each time a salary transfer is made, an appropriate transfer is required covering fringe benefits. Composite rates, based on data for the year ended the previous June 30, will be used for computations.

### PROCEDURES

1. The attached composite fringe benefit rates are to be used to compute fringe benefit adjustments for Fiscal Year 2020:
2. This procedure is **not** to be used when clearing or closing accounts, appropriations or projects or for preparing financial statements based on generally accepted accounting principles. In these cases, the actual amounts must be used.
3. When transferring between two organizations, use the rate of the organization making the transfer. Do **not** use the rate of the organization the costs are being transferred to.

### ATTACHMENT

DHS actual Fringe Rates in FY 2019

### CONTACTS

[Deputy Director, Bureau of Fiscal Services](#)

[Cost Allocation and Financial Reporting Accountant](#)

**DHS fringe rates in FY 2019**  
(Perm/proj fringe costs as a percent of perm/proj salary costs)

<b>SPPE (Org)</b>	<b>Perm / Proj Salaries (A)</b>	<b>LTE (B)</b>	<b>Total Fringe (C)</b>	<b>Fringe For LTEs Only (D = .075 * B)</b>	<b>Fringe For Perm Only (E = C - D)</b>	<b>Division</b>	<b>Perm Fringe As % of Perm Sal (E / A)</b>
0000	(16)	1,740	149	131	18	None	-112.50%
1000	25,417,942	1,097,681	9,292,145	82,326	9,209,819	DPH	36.23%
4000/7000	54,226,513	308,581	22,157,992	23,144	22,134,848	DMS	40.82%
5000	3,983,276	153,446	1,498,169	11,508	1,486,661	DCTS	37.32%
6000	14,746,755	201,620	6,208,308	15,122	6,193,186	DQA	42.00%
2510	49,693,044	1,120,599	18,751,668	84,045	18,667,623		37.57%
2520	35,794,296	1,853,090	16,046,057	138,982	15,907,075		44.44%
2530	27,950,491	295,836	12,657,668	22,188	12,635,480		45.21%
2550	33,478,216	300,173	14,941,668	22,513	14,919,155	MH	44.56%
Subtotal	146,916,047	3,569,698	62,397,061	267,728	62,129,333	Institutions	42.29%
2760	38,141,121	853,643	15,339,455	64,023	15,275,432		40.05%
2770	5,483,579	129,525	2,699,537	9,714	2,689,823		49.05%
2790	22,557,819	748,347	10,519,574	56,126	10,463,448	DD	46.39%
Subtotal	66,182,519	1,731,515	28,558,566	129,863	28,428,703	Institutions	42.96%
8100	2,482,173	39,926	921,785	2,994	918,791	OS	37.02%
8200	6,567,820	173,735	2,331,071	13,030	2,318,041	DES	35.29%
BITS	4,644,515	69,988	1,482,924	5,249	1,477,675	DES/BITS	31.82%
8300	1,721,140	16,788	625,596	1,259	624,337	DWS	36.27%
8400	1,118,243	0	396,425	0	396,425	OPIB	35.45%
8500	5,767,465	31,779	2,311,114	2,383	2,308,731	OIG	40.03%
8600	339,394	0	119,967	0	119,967	OCMH	35.35%
<b>Total</b>	<b>334,113,786</b>	<b>7,396,497</b>	<b>138,301,272</b>	<b>554,737</b>	<b>137,746,535</b>	<b>Total</b>	<b>41.23%</b>