

You can calculate the fringe benefit rate for your organization by dividing the total cost of fringe benefits by the total payroll.

Fringe Benefits	
Medical insurance	\$ 25,000
Dental insurance	5,000
Long-term disability	5,000
FICA and other taxes	<u>15,000</u>
Total Fringe Benefits	\$ 50,000
Total Payroll	\$200,000
Total Fringe Benefits / Total Payroll = Fringe Benefit Rate	
\$50,000 / \$200,000 = 25%	

This percentage should be applied to all employee personnel costs.

You may also include costs for consultants in the personnel section. While you do not typically pay fringe benefits for consultants, your organization may have a formula for “loading” an overhead rate onto consultant payments.