

American Widget Association

	<u>2000</u>	<u>Indirect</u>	<u>Direct</u>
Expenses			
Show expenses	800,000		800,000
Salaries	700,000		700,000
Fringe benefits	80,000		80,000
Seminars, meetings, etc.	120,000		120,000
Travel	90,000		90,000
Contracted services	80,000		80,000
Postage, etc.	20,000		20,000
Rent, utilities, etc.	50,000	50,000	
Insurance	15,000	15,000	
Depreciation	30,000	30,000	
Total	1,985,000	95,000	1,890,000

Fringe Benefits Rate Calculation

Domestic

Fringe benefits	80,000		
Salaries	700,000	=	11.43%

International

Average EU fringe benefits as a percentage of average US company fringe benefits 156.00%

("Employment Practices Comparison 2000", Organization for Economic Cooperation and Development, Paris (30 June 2001) at 37.)

a	b	c=a*b
156.00%	11.43%	17.83%

Indirect Cost Rate Calculation

Indirect Costs	95,000		
Direct Costs	1,890,000	=	5.03%