



OFFICE OF THE UNDER SECRETARY OF DEFENSE
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WASHINGTON, DC 20301-1100

COMPTROLLER

(Program/Budget)

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (FINANCIAL
MANAGEMENT AND COMPTROLLER)
ASSISTANT SECRETARY OF THE NAVY (FINANCIAL
MANAGEMENT AND COMPTROLLER)
ASSISTANT SECRETARY OF THE AIR FORCE
(FINANCIAL MANAGEMENT AND COMPTROLLER)
ASSISTANT SECRETARY OF DEFENSE (HEALTH
AFFAIRS)
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTORS, DEFENSE AGENCIES

SUBJECT: Fiscal Year (FY) 2014 Department of Defense (DoD) Civilian Personnel
Fringe Benefits Rates

The FY 2014 DoD Civilian Personnel Fringe Benefits Rates are published on the attachment to this memorandum and on the reimbursable rates page of the Office of the Under Secretary of Defense (Comptroller) (OUSD(C)) website: <http://www.comptroller.defense.gov/rates/fy2014.html>. The "Billings to Other DoD Components and Federal Agencies" will be used when obtaining reimbursement for services provided to another DoD activity or Federal agency. The "Billings to All Others" will be used when obtaining reimbursement for services provided to agencies outside of the Federal Government. These rates contain a factor of 9.1 percent to recover unfunded benefits such as civilian retirement, post-retirement health care, and post-retirement life insurance.

Questions regarding these rates should be directed to Keith E. Anderson, OUSD (Comptroller), Program/Budget, Directorate for Operations at Keith.E.Anderson.civ@mail.mil, (703) 697-3252.

John P. Roth
Deputy Comptroller

Attachment:
As stated



CIVILIAN PERSONNEL FRINGE BENEFIT
FISCAL YEAR 2014

Civilian personnel fringe benefit rates should be applied to civilian labor costs incurred in support of reimbursable orders, as appropriate. These rates should be used when billing other DoD Components, Federal agencies, and private parties under the requirements of Chapter 6 of Volume 11A, "Reimbursable Operations, Policy and Procedures," of the DoD Financial Management Regulation (DoD 7000.14-R). Billings to the Foreign Military Sales (FMS) Administrative Charge Account and to FMS cases are to be processed under the provisions of Chapter 7, Volume 15, "Security Assistance Policy and Procedures," of the DoD Financial Management Regulation (DoD 7000.14-R).

The following FY 2014 civilian personnel fringe benefit rates, which are effective October 1, 2013, are as follows:

	<u>BILLINGS TO OTHER DoD COMPONENTS AND FEDERAL AGENCIES</u> ^{1/}	<u>BILLINGS TO ALL OTHERS</u> ^{2/ 3/}
ARMY	31.6%	40.7%
NAVY	31.2%	40.3%
MARINE CORPS	32.6%	41.7%
AIR FORCE	36.4%	45.5%
DEFENSE HEALTH AGENCY	25.3%	34.4%
DEFENSE CONTRACT AUDIT AGENCY	30.5%	39.6%
DEFENSE LOGISTICS AGENCY	23.1%	32.2%
OTHER DEFENSE AGENCIES	31.1%	40.2%

Notes:

^{1/} These rates also shall be used for billings to the FMS Administrative Charge Account.

^{2/} These rates should be used for FMS billings other than billings to the FMS Administrative Charge Account.

^{3/} These rates include 9.1 percent factor for unfunded civilian retirement, post-retirement health benefit, and post-retirement life insurance costs.

CALCULATION FOR FY 2014 FRINGE BENEFIT RATES FOR APPROPRIATED FUNDS

	Total Object Class 11 <u>1/</u>	Total Object Class 12 <u>1/</u>	Funded Benefits Rate <u>2/</u>	Unfunded Retirement Rate <u>3/</u>	Public and Private Party Rate <u>4/</u>
Army	15,996,352	5,055,000	31.6%	9.1%	40.7%
Navy	8,601,645	2,682,315	31.2%	9.1%	40.3%
Marine Corps	1,351,829	440,745	32.6%	9.1%	41.7%
Air Force	10,651,893	3,880,039	36.4%	9.1%	45.5%
Defense Health	527,103	133,444	25.3%	9.1%	34.4%
Defense Contract Audit Agency	454,476	138,839	30.5%	9.1%	39.6%
Defense Logistics Agency	35,437	8,194	23.1%	9.1%	32.2%
Other Defense Agencies	6,443,794	2,002,602	31.1%	9.1%	40.2%
Overall	44,062,529	14,341,178	32.5%	9.1%	41.6%

Notes:

- 1/ Sources: The FY 2014 President's Budget for Civilian Personnel Costs (OP-8) from Appropriated Funds Activities, excludes the OP-8 for Working Capital Funds.
- 2/ Billings to Other DoD and Federal Agencies use the "Funded Benefits Rate."
- 3/ OUSD(C) Memorandum For Record dated October 22, 2013, subject: FY 2014 Unfunded Civilian Retirement (UCR) Factor.
- 4/ Billings to All Others use the "Public and Private Party Rate" which includes the Unfunded Retirement Rate."