



COMPTROLLER

(Program/Budget)

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

SEP 14 2010

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) 2011 Department of Defense (DoD) Civilian Personnel
Fringe Benefits Rates

The FY 2011 DoD Civilian Personnel Fringe Benefits Rates (Tab D) are now available on the attachment and on the reimbursable rates page of the Office of the Under Secretary of Defense (Comptroller) (OUSD(C)) website: <http://www.dod.mil/comptroller/rates/>. 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 the federal government. This rate contains a factor of 9.7 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 Jennifer Lasichak, OUSD(Comptroller), Program/Budget, Directorate for Operations at Jennifer.Lasichak@osd.mil or by telephone at (703) 697-2557.

John P. Roth
Deputy Comptroller

Attachment:
As stated



CIVILIAN PERSONNEL FRINGE BENEFIT
FISCAL YEAR 2011

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 2011 civilian personnel fringe benefit rates, which are effective October 1, 2010, are as follows:

	<u>BILLINGS TO OTHER DoD COMPONENTS AND FEDERAL AGENCIES</u> ^{1/}	<u>BILLINGS TO ALL OTHERS</u> ^{2/ 3/}
ARMY	30.6%	40.3%
NAVY	30.0%	39.7%
MARINE CORPS	30.9%	40.6%
AIR FORCE	29.3%	39.0%
DEFENSE HEALTH	23.4%	33.1%
DEFENSE CONTRACT AUDIT AGENCY	28.3%	38.0%
DEFENSE LOGISTICS AGENCY	23.9%	33.6%
OTHER DEFENSE AGENCIES	29.4%	39.1%

Notes:

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

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

^{3/} These rates include 9.7 percent factor for unfunded civilian retirement, post-retirement health benefit and post-retirement life insurance costs.

CALCULATION FOR FY 2011 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	15,174,561	4,643,899	30.6%	9.7%	40.3%
Navy	8,321,687	2,498,822	30.0%	9.7%	39.7%
Marine Corps	1,304,973	403,402	30.9%	9.7%	40.6%
Air Force	11,065,152	3,246,208	29.3%	9.7%	39.0%
Defense Health	144,644	33,829	23.4%	9.7%	33.1%
Defense Contract Audit Agency	360,388	101,826	28.3%	9.7%	38.0%
Defense Logistics Agency	20,017	4,786	23.9%	9.7%	33.6%
Other Defense Agencies	6,585,864	1,935,978	29.4%	9.7%	39.1%
Overall	42,977,286	12,868,750	29.9%	9.7%	39.6%

Notes:

1/ Sources: The FY 2011 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 August 23, 2010 subject: FY 2010 Unfunded Civilian Retirement (UCR) Factor.

4/ Billings to All Others use the "Public and Private Party Rate" which includes the Unfunded Retirement Rate."