

CONTRACT ADMINISTRATION
FISCAL YEAR 1998

Contract administration services (CAS) hourly reimbursable billing rates should be applied to direct labor hours incurred in support of CAS efforts. These CAS rates are to be used in billing other Federal Agencies (except for the National Aeronautics and Space Administration), the public, and Foreign Military Sales (FMS) customers. FMS customers are to be billed in accordance with subsections 70406 and 80601 of Volume 15, "Security Assistance Policy and Procedures," of the DoD Financial Management Regulation (DoD 7000.14-R). The 1998 rates, which are effective October 1, 1997, are as follows:

<u>Performing DoD Component</u>	<u>Other Federal Agencies Rates</u>	<u>FMS Rates</u> <u>1/</u>	<u>Public Rates</u> <u>2/</u>
Army	\$62.76	\$69.58	\$72.36
Navy	\$71.81	\$78.82	\$81.97
Defense Logistics Agency	\$47.46	\$56.02	\$58.26
Defense Contract Audit Agency	\$69.19	\$76.95	\$80.03

Notes:

1/ The FMS hourly rates include 16.7% for unfunded civilian retirement cost. This equates to \$6.82, \$7.01, \$5.70 and \$7.76, respectively, for the Army, Navy, Defense Logistics Agency (DLA) and Defense Contract Audit Agency (DCAA).

2/ The public rates include 16.7% for unfunded civilian retirement cost (see Note 1/ above for the amount by DoD Component) and 4% for asset use charge. The asset use amounts are \$2.78, \$3.15, \$2.24 and \$3.08, respectively, for the Army, Navy, DLA and DCAA.