



COMPTROLLER

OFFICE OF THE UNDER SECRETARY OF DEFENSE
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WASHINGTON, DC 20301-1.100

OCT 3 2017

(Program/Budget)

MEMORANDUM FOR DEPUTY CHIEF MANAGEMENT OFFICER
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)
COMPTROLLERS, DEFENSE AGENCIES

SUBJECT: Fiscal Year (FY) 2018 Department of Defense (DoD) Civilian Personnel
Fringe Benefits Rates

The FY 2018 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://comptroller.defense.gov/FinancialManagement/Reports/rates2018.aspx>

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 6.8 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 Anna McNally, who can be reached
at anna.a.mcnally.civ@mail.mil or (703) 697-3253.

John P. Roth
Deputy Comptroller

Attachment:
As stated



CIVILIAN PERSONNEL FRINGE BENEFIT
FISCAL YEAR 2018

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 2018 civilian personnel fringe benefit rates, which are effective October 1, 2017, are as follows:

	BILLINGS TO OTHER DoD COMPONENTS AND <u>FEDERAL AGENCIES</u> ^{1/}	BILLINGS TO <u>ALL OTHERS</u> ^{2/ 3/}
ARMY	35.8%	42.6%
NAVY	35.2%	42.0%
MARINE CORPS	33.5%	40.3%
AIR FORCE	28.9%	35.7%
DEFENSE HEALTH AGENCY	32.3%	39.1%
DEFENSE CONTRACT AUDIT AGENCY	34.0%	40.8%
DEFENSE LOGISTICS AGENCY	29.3%	36.1%
OTHER DEFENSE AGENCIES	33.8%	40.6%

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 6.8 percent factor for unfunded civilian retirement, postretirement health benefit, and postretirement life insurance costs.

CALCULATION FOR FY 2018 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	13,098,820	4,694,676	35.8%	6.8%	42.6%
Navy	8,626,735	3,034,866	35.2%	6.8%	42.0%
Marine Corps	1,356,097	454,303	33.5%	6.8%	40.3%
Air Force	11,481,841	3,319,306	28.9%	6.8%	35.7%
Defense Health	4,421,327	1,427,875	32.3%	6.8%	39.1%
Defense Contract Audit Agency	413,158	140,533	34.0%	6.8%	40.8%
Defense Logistics Agency	27,125	7,952	29.3%	6.8%	36.1%
Other Defense Agencies	6,430,298	2,176,026	33.8%	6.8%	40.6%
Overall	45,855,401	15,255,537	33.3%	6.8%	40.1%

Notes:

1/ Sources: The FY 2018 President's Budget for Civilian Personnel Costs (OP-8) from Appropriated Funds Activities, excludes the OP-8 for the Working Capital Funds.

2/ Billings to Other DoD and Federal Agencies use the "Funded Benefits Rate."

3/ OUSD(C) Memorandum for Record dated September 8, 2017 subject: FY 2018 Unfunded Civilian Retirement (UCR) Factor.

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