



COMPTROLLER
(Program/Budget)

OFFICE OF THE UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

OCT 16 2020

MEMORANDUM FOR DEPUTY CHIEF MANAGEMENT OFFICER OF THE
DEPARTMENT OF DEFENSE
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) 2021 Department of Defense (DoD) Civilian Personnel
Fringe Benefits Rates

The FY 2021 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:
<https://comptroller.defense.gov/Financial-Management/Reports/rates2021/>.

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 applicable rates for rates when obtaining reimbursement for services provided to agencies outside of the Federal Government is "Billings to All Others." These rates contain a factor of 7.2 percent to recover unfunded benefits such as civilian retirement, post-retirement health care, and post-retirement life insurance.

Direct questions regarding these rates to my Point of Contact Ms. Tara Cook at tara.l.cook21.civ@mail.mil or (703) 692-0668.

Anne J. McAndrew
DoD Deputy Comptroller

Attachment:
As stated

CIVILIAN PERSONNEL FRINGE BENEFIT
FISCAL YEAR 2021

Apply civilian personnel fringe benefit rates 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 2021 civilian personnel fringe benefit rates, which are effective October 1, 2020, are as follows:

COMPONENT	BILLINGS TO OTHER DoD	
	COMPONENTS AND <u>FEDERAL AGENCIES</u> ¹	BILLINGS TO ALL <u>OTHERS</u> ^{2/3}
ARMY	39.6%	46.8%
NAVY	36.6%	43.8%
MARINE CORPS	37.0%	44.2%
AIR FORCE	32.8%	40.0%
DEFENSE HEALTH AGENCY	30.3%	37.5%
DEFENSE CONTRACT AGENCY	38.0%	45.2%
DEFENSE LOGISTICS AGENCY	28.2%	35.4%
OTHER DEFENSE AGENCIES	35.8%	43.0%

Notes:

^{1/} Apply these rates for billings to the FMS Administrative Charge Account.

^{2/} Apply these rates for FMS billings other than billings to the FMS Administrative Charge Account.

^{3/} These rates include 7.2 percent factor for unfunded civilian retirement, postretirement health benefit, and postretirement life insurance costs.

CALCULATION FOR FY 2021 FRINGE BENEFIT RATES FOR APPROPRIATED FUNDS

COMPONENT	Total Object Class 11 ^{1/}	Total Object Class 12 ^{1/}	Funded Benefits Rate ^{2/}	Unfunded Retirement Rate ^{3/}	Public and Private Party Rate ^{4/}
Army	14,111,359	5,593,804	39.6%	7.2%	46.8%
Navy	10,442,947	3,821,292	36.6%	7.2%	43.8%
Marine Corps	1,506,836	558,169	37.0%	7.2%	44.2%
Air Force	11,929,804	3,918,874	32.8%	7.2%	40.0%
Defense Health	4,632,515	1,404,024	30.3%	7.2%	37.5%
Defense Contract Audit Agency	401,539	152,689	38.0%	7.2%	45.2%
Defense Logistics Agency	33,922	9,566	28.2%	7.2%	35.4%
Other Defense Agencies	6,723,795	2,406,362	35.8%	7.2%	43.0%
Overall	49,782,717	17,864,780	35.9%	7.2%	43.1%

Notes:

^{1/} Sources: The FY 2021 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 July 29, 2020 subject: FY 2021 Unfunded Civilian Retirement (UCR) Factor.

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