



COMPTROLLER  
(Program/Budget)

OFFICE OF THE UNDER SECRETARY OF DEFENSE

1 100 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1 100

OCT 1 6 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	
	<u>FEDERAL AGENCIES</u> <sup>1</sup>	<u>OTHERS</u> <sup>2/3</sup>
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:

<sup>1/</sup> Apply these rates for billings to the FMS Administrative Charge Account.

<sup>2/</sup> Apply these rates for FMS billings other than billings to the FMS Administrative Charge Account.

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

Notes:

<sup>1/</sup> 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.

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

<sup>3/</sup> OUSD(C) Memorandum for Record dated July 29, 2020 subject: FY 2021 Unfunded Civilian Retirement (UCR) Factor.

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