

19 AUG 2013

MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF THE ARMY FOR DEFENSE EXPORTS AND COOPERATION DEPUTY ASSISTANT SECRETARY OF THE NAVY FOR INTERNATIONAL PROGRAMS DEPUTY UNDER SECRETATY OF THE AIR FORCE FOR INTERNATIONAL AFFAIRS DIRECTOR, DEFESNE CONTRACT MANAGEMENT AGENCY DIRECTOR, SECURITY ASSISTANCE, DEFENSE FINANCE AND ACCOUNTING SERVICE DIRECTOR, DEFENSE INFORAMTION SYSTEMS AGENCY DIRECTOR, DEFENSE THREAT REDUCTION AGENCY DIRECTOR, NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY DIRECTOR, MISSILE DEFENSE AGENCY DIRECTOR, DEFENSE LOGISTICS AGENCY DIRECTOR, DEFENSE LOGISTICS INFORMATION SERVICE DIRECTOR, DEFENSE LOGISTICS AGENCY DISPOSITION DEPUTY DIRECTOR FOR INFORMATION ASSURANCE, NATIONAL SECURITY AGENCY

SUBJECT: Supplement to DSCA Policy Memo 13-29

Reference: Clarification of Pricing Civilian Personnel Costs for Foreign Military Sales (FMS) Cases and Building Partner Capacity (BPC) Cases in the Defense Security Assistance Management System (DSAMS) – DSCA Policy Memo 13-29

This memorandum provides additional information to referenced DSCA Policy Memo. While all attempts should be made to implement the procedures identified in that memo as stated, we do recognize that there may be instances that require an exception. These may be granted by DSCA DBO/FPA on a case-by-case basis as determined by the urgency of the case. Further, for clarification, we do not expect existing lines to be changed to show the cost breakout unless there is an increase to that line; although it would behoove the Implementing Agency to state what costs are included in the pricing of those lines when a change to the document is made (Amendment or Modification).

For new lines, if an exception is granted, the Implementing Agency will need to enter a case remark stating what costs are included in the lump sum civilian pay computation and that a

correction to the pricing will be made with the next document to properly reflect the pay and components thereof.

To further clarify full and part time employees and the application of the leave and holiday factor, the following is provided:

- Full-time permanent employees are those who are full-time civilian employees with permanent appointments as defined by the Office of Personnel Management (OPM). Consider these individuals as those who work a 40-hour work-week. [Reference: Page 4 of Section 83 OMB Circular No. A-11 (2013) http://www.whitehouse.gov/sites/default/files/omb/assets/a11\_current\_year/a11\_2013 .pdf]
  - $\checkmark$  Use an annual salary to compute the rate.
  - ✓ This same logic applies to partial workyears of a full-time employee.
  - ✓ Do not apply the leave and holiday factor.
- Part-time permanent employees, that is, employees with appointments that require work on a prearranged schedule of fewer hours or days of work than prescribed for full-time employees in the same group or class; in other words, less than 40 hours per work-week. [Reference: Page 5 of Section 83 OMB Circular No. A-11 (2013) http://www.whitehouse.gov/sites/default/files/omb/assets/a11\_current\_year/a11\_2013 .pdf]
  - ✓ This group of employees should not be categorized as full-time permanent employees funded on a partial reimbursable basis.
  - $\checkmark$  Use an hourly rate to compute the salary.
  - ✓ Apply the leave and holiday factor.

Should you have any questions, please contact Michele Kennedy, DSCA DBO/FPA, 703-604-6578, michele.kennedy@dsca.mil or Jean Wilson, DSCA DBO/FPA, 703-604-6570, genevieve.wilson@dsca.mil.

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