



DEPARTMENT OF THE AIR FORCE
AIR FORCE LIFE CYCLE MANAGEMENT CENTER
HANSCOM AIR FORCE BASE MASSACHUSETTS

19 September 2024

MEMORANDUM FOR NON-DEPARTMENT OF DEFENSE CUSTOMERS

FROM: AFLCMC/AZS STRATEGIC SERVICES PROGRAM MANAGEMENT OFFICE

SUBJECT: Assisted Acquisition Cost Recovery Charge for Non-Department of Defense (DoD) Customers

REFERENCE: Air Force Contracts for the Massachusetts Institute of Technology Lincoln Laboratory (MIT-LL) and Carnegie Mellon University - Software Engineering Institute (CMU-SEI) Federally Funded Research and Development Centers (FFRDCs):

FA8721-05-C-0002, FA8702-15-D-0001 and FA8702-24-D-B001 (MIT-LL)

FA8721-05-C-0003, FA8702-15-D-0002 and FA8702-24-D-B002 (CMU-SEI)

The FY25 recovery charges have been reviewed and the updated amounts are shown below. They will go into effect on 1 October 2024 for any acquisition support provided to all non-DoD customers. The tiered cost recovery fee will be assessed for all non-DoD customers utilizing the referenced Air Force contracts. The fees will be collected directly from the non-DoD customer to be deposited into the Air Force Miscellaneous Receipt account held at the Defense Finance and Accounting Service in Columbus, OH (DFAS- CO) and later transferred to the U.S. Treasury Miscellaneous Receipt account for the purpose of costs associated with MIT-LL and CMU-SEI projects placed under the Economy Act (Attachment 1).

The Economy Act (31 U.S.C. §§ 1535 and 1536) is the general transfer authority which permits an agency to place orders with another agency that cannot be provided more conveniently or economically through direct commercial acquisition. This action is derivative of a Comptroller General Decision, B-136318. AUG. 14, 1978, 57 COMP.GEN. 674 and an official legal opinion issued by the 66th ABG/JA dated 15 May 15. This process was approved by the Joint Advisory Committee on 3 Jun 15, chaired by ASD (R&E) and is reflected in the 12 Jun 15 meeting minutes. This recovery charge and the procedures attached have been established to meet the intent of the Economy Act (31 U.S.C. §§ 1535 and 1536).

Based on the above and the 30 November 15 AFMC/JAQ legal opinion issued in reference to all non-DoD customers who provide funds to be obligated on the MIT-LL or the CMU-SEI FFRDC contracts are required to pay the cost recovery charge in support of this assisted acquisition service. The amount of this cost recovery charge is tiered based on the type of action; however, it will continue a per transaction basis. This fee will be assessed for the categories listed below - this is per customer, per line of accounting, affecting this contract vehicle.

Types of Contract Action	Cost
"Severable" New Start	\$1,121.00
"Non-Severable" New Starts	\$1,057.00
"Severable" Special/Classified New Starts	\$1,259.00
"Non-Severable" Special/Classified New Starts	\$1,251.00
Incremental Funding	\$542.00
Changes in requirements (additions or deletion) to existing PWP	\$482.00
De-Obligations	\$337.00
Administrative Requests	\$386.00
No Cost Period of Performance (POP) extensions	\$770.00
Cost Period of Performance (POP) extensions with Incremental funding/Tech increase	\$1,031.00

Required statement on funding documents: "I understand the purpose of the cost recovery charge and agree to make funds available to pay this cost per transaction."

AFLCMC/AZS will often modify projects at or near completion to reduce the estimated cost, period of performance, and funds obligated from their original estimates to better match actual cost and schedule performance. AFLCMC/AZS may also initiate modifications to implement administrative corrections. Customers will not be charged Cost Recovery Fees for changes initiated by AFLCMC/AZS.

Fees must be collected into the Air Force Miscellaneous Receipt account held at the Defense Finance and Accounting Service (DFAS-CO) using the Intra-Governmental Payment and Collection (IPAC) System. We have coordinated this process with DFAS-CO and this process is already in place.

- As processes evolve and labor rates change, AFLCMC/AZS will update these rates at a minimum of once a year prior to the new Fiscal Year. We recommend that all Non-DoD customers check the FFRDC customer website prior to sending any funding documents to ensure that your office is utilizing the most current rates.
- AFLCMC/AZS recommends that if there is any question/confusion about what type of action your action will be classified as, please feel free to reach out to us.

Contact Mr. Zachary Taylor as my MIT-LL & CMU-SEI FM POC, (781)225-1248, email: zachary.taylor.4l@us.af.mil for this effort or myself at (781) 225-2896 (DSN 845-2896), heather.morin@us.af.mil, if you have any questions or require additional information.

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