

2008 Worksheet for calculating Standard Rates for Personnel

Project Title: Office of Doctrine (ODOC)

Date: 4/24/2009

In Government Out of Government Select Cost data FY '08 FY '09 FY '10

OFFICERS					ENLISTED			CIV - GS			CIV-WG			
Rank	NO AVIATOR?		YES		Rank	IN		OUT		Rank	IN		OUT	
	IN CONUS	OUT CONUS	IN CONUS	OUT CONUS		CONUS	CONUS	CONUS	CONUS		CONUS	CONUS	CONUS	CONUS
O-8+	0	0	0	0	E-10	0	0	ES-00	0	0	WG-15	0	0	
O-7	0	0	0	0	E-9	0	0	AL-00	0	0	WG-14	0	0	
O-6	0	0	0	0	E-8	0	0	AD-00	0	0	WG-13	0	0	
O-5	1	0	0	0	E-7	0	0	GS/M-15	1	0	WG-12	0	0	
O-4	4	0	0	0	E-6	0	0	GS/M-14	1	0	WG-11	0	0	
O-3	0	0	0	0	E-5	0	0	GS/M-13	3	0	WG-10	0	0	
O-2	0	0	0	0	E-4	0	0	GS-12	1	0	WG-09	0	0	
O-1	0	0	0	0	E-3	0	0	GS-11	1	0	WG-08	0	0	
CADET	0	0	0	0	E-2	0	0	GS-10	0	0	WG-07	0	0	
CWO4	0	0	0	0	E-1	0	0	GS-09	1	0	WG-06	0	0	
CWO3	0	0	0	0				GS-08	0	0	WG-05	0	0	
CWO2	0	0	0	0				GS-07	0	0	WG-04	0	0	
								GS-06	0	0	WG-03	0	0	
								GS-05	0	0	WG-02	0	0	
								GS-04	0	0				
								GS-03	0	0				
Total Reimbursable positions					Total Officers			Total CWOs			Total Mil.			
0					5			0			5			
					Total Enlisted			Total GS/AD/AL/ES			Total Civ.			
					0			8			8			
					Total WG									
					0									

FULL YEAR AMOUNT			QUARTERLY AMOUNT			MONTHLY AMOUNT			HOURLY AMOUNT		
AFC-01 REC		\$593,745	AFC-01 REC		\$148,438	AFC-01 REC		\$49,479	AFC-01 REC		\$337
AFC REC			AFC REC			AFC REC			AFC REC		
08R RET @ HQ		\$5,602	08R RET @ HQ		\$1,401	08R RET @ HQ		\$467	08R RET @ HQ		\$3
08 DISTRIBUTED		\$919,800	08 DISTRIBUTED		\$229,950	08 DISTRIBUTED		\$76,650	08 DISTRIBUTED		\$518
TOTAL		\$925,402	TOTAL		\$231,351	TOTAL		\$77,117	TOTAL		\$521
AFC REC		\$18,665	AFC REC		\$4,666	AFC REC		\$1,555	AFC REC		\$11
20 NR		\$27,603	20 NR		\$6,901	20 NR		\$2,300	20 NR		\$16
TOTAL		\$46,268	TOTAL		\$11,567	TOTAL		\$3,856	TOTAL		\$26
AFC REC			AFC REC			AFC REC			AFC REC		
30 ANACI/SSBI		\$312	30 ANACI/SSBI		\$78	30 ANACI/SSBI		\$26	30 ANACI/SSBI		\$0
30 Claims		\$204	30 Claims		\$51	30 Claims		\$17	30 Claims		\$0
36 FTS		\$10,972	36 FTS		\$2,743	36 FTS		\$914	36 FTS		\$6
36 IRM		\$5,027	36 IRM		\$1,257	36 IRM		\$419	36 IRM		\$3
30 DISTRIBUTED		\$43,805	30 DISTRIBUTED		\$10,951	30 DISTRIBUTED		\$3,650	30 DISTRIBUTED		\$25
30 NR-ANACI/SSBI		\$8,812	30 NR-ANACI/SS		\$2,203	30 NR-ANACI/SS		\$734	30 NR-ANACI/SS		\$5
TOTAL		\$69,133	TOTAL		\$17,283	TOTAL		\$5,761	TOTAL		\$39
AFC REC		\$16,792	AFC REC		\$4,198	AFC REC		\$1,399	AFC REC		\$10
56 NR		\$11,415	56 NR		\$2,854	56 NR		\$951	56 NR		\$6
TOTAL		\$28,207	TOTAL		\$7,052	TOTAL		\$2,351	TOTAL		\$16
AFC-57 REC		\$63,205	AFC-57 REC		\$15,801	AFC-57 REC		\$5,267	AFC-57 REC		\$36
Civilian REC		\$0	Civilian REC		\$0	Civilian REC		\$0	Civilian REC		\$0
Pension TOTAL		\$0	Pension TOTAL		\$0	Pension TOTAL		\$0	Pension TOTAL		\$0
Military REC		\$0	Military REC		\$0	Military REC		\$0	Military REC		\$0
Pension TOTAL		\$0	Pension TOTAL		\$0	Pension TOTAL		\$0	Pension TOTAL		\$0
TOTAL RECURRING AMOUNT		\$1,678,130	TOT REC		\$419,532	TOT REC		\$139,844	TOT REC		\$949
TOTAL NON RECURRING AMOUNT		\$47,831	TOT NON REC		\$11,958	TOT NON REC		\$3,986	TOT NON REC		\$27
ANNUAL TOTAL		\$1,725,960	QUARTERLY TOTA		\$431,490	MONTHLY TOTAL		\$143,830	HOURLY TOTAL		\$976

Estimated CIFF Charge: Duration \$0

Drop-Down List
Click on D65 to select

Central Account AFCs RET @ HQ Breakdown		
30	Background Investigations	\$0
30	Personnel Claims	\$0
36	FTS	\$0
36	IRM Maintenance/DBA (RA)	\$0

This spreadsheet uses data from the February FY08 update to the SPC tables.

Additional Notes:
In-Government Rate:
 This selection is for reimbursable costs to be charged for goods or services requested by US federal government agencies.

Out of -Government Rate:
 This selection is for reimbursable costs to be charged for goods or services requested by all other non US federal government agencies. This includes foreign governments that process reimbursable agreements through the Department of State or any other US federal government entity. This rate includes the recurring pension calculation.

Using the Standard Rate Total for Reimbursement:
 The "Reimbursement Request total" is for Mil/Civ billet costs that are charged to the request agency for the inter/intra-agency agreement. If the request is for a specified period of performance, the appropriate hourly, monthly, quarterly or annual calculation window should be used.

Please contact CG-831 or the individual AFC manager for additional cost information not included in the Standard Rates for Personnel worksheet.

2008 Worksheet for calculating Standard Rates for Personnel

Project Title: **CG-61 - additional personnel**

Date: 4/24/2009

In Government Out of Government Select Cost data FY '08 FY '09 FY '10

OFFICERS					ENLISTED			CIV - GS			CIV-WG		
Rank	NO AVIATOR?		YES		Rank	IN	OUT	Rank	IN	OUT	Rank	IN	OUT
	CONUS	CONUS	CONUS	CONUS		CONUS	CONUS		CONUS	CONUS		CONUS	CONUS
O-8+	0	0	0	0	E-10	0	0	ES-00	0	0	WG-15	0	0
O-7	0	0	0	0	E-9	0	0	AL-00	0	0	WG-14	0	0
O-6	0	0	0	0	E-8	0	0	AD-00	0	0	WG-13	0	0
O-5	0	0	0	0	E-7	0	0	GS/M-15	0	0	WG-12	0	0
O-4	0	0	0	0	E-6	0	0	GS/M-14	0	0	WG-11	0	0
O-3	0	0	0	0	E-5	0	0	GS/M-13	2	0	WG-10	0	0
O-2	0	0	0	0	E-4	0	0	GS-12	0	0	WG-09	0	0
O-1	0	0	0	0	E-3	0	0	GS-11	1	0	WG-08	0	0
CADET	0	0	0	0	E-2	0	0	GS-10	0	0	WG-07	0	0
CWO4	0	0	0	0	E-1	0	0	GS-09	0	0	WG-06	0	0
CWO3	1	0	0	0				GS-08	0	0	WG-05	0	0
CWO2	0	0	0	0				GS-07	0	0	WG-04	0	0
								GS-06	0	0	WG-03	0	0
								GS-05	0	0	WG-02	0	0
								GS-04	0	0			
								GS-03	0	0			
Total Reimbursable positions					Total Officers			Total GS			Total Mil.		
					Total CWOs			Total GS			Total Civ.		
					Total Enlisted			Total GS					
					Total GS/AD/AL/ES			Total GS					
					Total WG			Total GS					

FULL YEAR AMOUNT			QUARTERLY AMOUNT			MONTHLY AMOUNT			HOURLY AMOUNT		
AFC-01	REC		AFC-01	REC		AFC-01	REC		AFC-01	REC	
08R	RET @ HQ	\$1,724	08R	RET @ HQ	\$431	08R	RET @ HQ	\$144	08R	RET @ HQ	\$1
08	DISTRIBUTED	\$343,300	08	DISTRIBUTED	\$85,825	08	DISTRIBUTED	\$28,608	08	DISTRIBUTED	\$193
	TOTAL	\$345,024		TOTAL	\$86,256		TOTAL	\$28,752		TOTAL	\$194
AFC	REC	\$3,485	AFC	REC	\$871	AFC	REC	\$290	AFC	REC	\$2
20	NR	\$5,153	20	NR	\$1,288	20	NR	\$429	20	NR	\$3
	TOTAL	\$8,638		TOTAL	\$2,160		TOTAL	\$720		TOTAL	\$5
AFC	REC	\$100	AFC	REC	\$25	AFC	REC	\$8	AFC	REC	\$0
30	ANACI/SSBI	\$65	30	ANACI/SSBI	\$16	30	ANACI/SSBI	\$5	30	ANACI/SSBI	\$0
36	Claims	\$3,509	36	Claims	\$877	36	Claims	\$292	36	Claims	\$2
36	FTS	\$1,608	36	FTS	\$402	36	FTS	\$134	36	FTS	\$1
30	IRMS	\$13,425	30	IRMS	\$3,356	30	IRMS	\$1,119	30	IRMS	\$8
30	DISTRIBUTED	\$2,818	30	DISTRIBUTED	\$705	30	DISTRIBUTED	\$235	30	DISTRIBUTED	\$2
	TOTAL	\$21,525		TOTAL	\$5,381		TOTAL	\$1,794		TOTAL	\$12
AFC	REC	\$3,220	AFC	REC	\$805	AFC	REC	\$268	AFC	REC	\$2
56	NR	\$810	56	NR	\$203	56	NR	\$68	56	NR	\$0
	TOTAL	\$4,030		TOTAL	\$1,008		TOTAL	\$336		TOTAL	\$2
AFC-57	REC	\$13,670	AFC-57	REC	\$3,418	AFC-57	REC	\$1,139	AFC-57	REC	\$8
Civilian	REC	\$0	Civilian	REC	\$0	Civilian	REC	\$0	Civilian	REC	\$0
Pension	TOTAL	\$0	Pension	TOTAL	\$0	Pension	TOTAL	\$0	Pension	TOTAL	\$0
Military	REC	\$0	Military	REC	\$0	Military	REC	\$0	Military	REC	\$0
Pension	TOTAL	\$0	Pension	TOTAL	\$0	Pension	TOTAL	\$0	Pension	TOTAL	\$0
TOTAL RECURRING AMOUNT		\$491,424	TOT REC		\$122,856	TOT REC		\$40,952	TOT REC		\$277
TOTAL NON RECURRING AMOUNT		\$8,782	TOT NON REC		\$2,195	TOT NON REC		\$732	TOT NON REC		\$5
ANNUAL TOTAL		\$500,206	QUARTERLY TOTAL		\$125,051	MONTHLY TOTAL		\$41,684	HOURLY TOTAL		\$282

Estimated CIPF Charge: Duration \$0

Drop-Down List
Click on D65 to select

Central Account AFCs RET @ HQ Breakdown		
30	Background Investigations	\$0
30	Personnel Claims	\$0
36	FTS	\$0
36	IRM Maintenance/DBA (RA)	\$0

This spreadsheet uses data from the February FY08 update to the SPC tables.

Additional Notes:

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Please contact CG-831 or the individual AFC manager for additional cost information not included in the Standard Rates for Personnel worksheet.



7100

JUN 28 2007

MEMORANDUM

From:  C. C. BENNETT, CAPT
COMDT (CG-83)

Reply to: CG-832
Attn of: S. PHIFER
2-3573

To: Distribution

Subj: COAST GUARD STANDARD PERSONNEL COSTS (SPC) METHODOLOGY

1. Standard Personnel Costs provide estimates of the total costs associated with the employment of a civilian or military member for an entire year. It includes composite rates for Officers, Warrant Officers, Enlisted, and Civilian personnel and is delineated by paygrade. It includes pay and allowances, travel expenses, computer supplies, training costs, medical expenses, and background investigations. For military members, the costs associated with retirement are not included as this is a separate mandatory appropriation.
2. These costs should be used when preparing budget documents for the relevant budget year and for other internal purposes such as Resource Proposals, Planning Proposals, etc. SPCs are maintained by the Assistant Commandant for Resources and are updated annually in January and include rates for the current year along with two future years to which OMB's Inflation Factors have been applied.
3. Enclosures (1) through (8) contain the methodologies used by the Program Managers of AFC 01, 08, 20, 30, 56, 57, and background investigations to develop the input used to build the data tables behind the SPC worksheet.
4. My POC for this project is Mr. Steve Phifer at (202) 372-3573.

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Enclosures: (1) AFC-01 Standard Personnel Cost (SPC) Methodology
(2) AFC-08 Standard Personnel Cost (SPC) Methodology
(3) AFC-20 Standard Personnel Cost (SPC) Methodology
(4) AFC-30 Standard Personnel Cost (SPC) Methodology
(5) AFC-56 Standard Personnel Cost (SPC) Methodology
(6) AFC-57 Standard Personnel Cost (SPC) Methodology
(7) CG-86 Standard Personnel Cost (SPC) Methodology

Dist: COMDT (CG-00H, CG-092, CG-094, CG-10, CG-2, CG-3P, CG-3R, CG-48, CG-6R,
CG-81, CG-82, CG-84, CG-86, G-A-1, G-DRM, HSC, CG-833)
CG LANTAREA (Am)
CG PACAREA (Pm)
CG NPFC

AFC-01 STANDARD PERSONNEL COST (SPC) METHODOLOGY

A. COSTS INCLUDED IN MILITARY PAY AND ALLOWANCES (AFC-01) SPC Calculation:

- a. Basic Pay
- b. FICA
- c. BAH
- d. Subsistence
- e. Overseas Station Allowance
- f. Bonuses
- g. Special Pay (Sea Pay, Hostile duty Pay, Hardship pay, etc...)
- h. CONUS COLA
- i. Separation Pay
- j. Incentive Pay (ACIP, Flight pay)
- k. Clothing Allowance
- l. Family Separation Allowance
- m. Special Duty Assignment Pay
- n. Death Gratuity
- o. Rations in Kind
- p. SGLI
- q. Unemployment Compensation
- r. DOD Housing Costs (members residing in DOD Housing)
- s. Leased Housing Costs
- t. Initial Uniform issue (Seabag)

B. The following steps are used by the AFC-01 manager to calculate the actual cost by military pay grade:

Step 1: Obtain the September military pay report, which is produced monthly by PSC, which is entitled "PMIS/JUMPS FUNDS MANAGEMENT REPORT". This 150 page document contains expenditure data for the majority of line items listed in paragraph A. Additionally, the September report will contain year to date expenditure data for each pay grade through the end of the fiscal year.

Step 2: Using the JUMPS report listed above, pull out the year to date expenditure total for each pay grade.

Step 3: Using the JUMPS report listed above, pull out the year to date BAH offset amount for each pay grade and subtract from the total in Step 2.

Step 4: Using the JUMPS report listed above, pull out the year to date career status bonus total for each pay grade and subtract from the total in Step 2. This cost is subtracted from AFC-01 expended against the retired pay account (AFC-72) by the FINCEN.

Step 5: Using the JUMPS report listed above, pull out the year to date discount meal rate for each pay grade and subtract from the total in Step 2.

Step 6: Using Non-Jumps data, which is obtained via a object class access query against AFC-11 and AFC-12. Spread the cost of leased housing across the various pay grades using the historical spread.

Step 7: Using Non-Jumps data, which is obtained via a object class access query against AFC-11 and AFC-12. Spread the cost of rations in kind, across the various pay grades using the historical spread.

Step 8: Using Non-Jumps data, which is obtained via a object class access query against AFC-11 and AFC-12. Spread the cost of initial uniform issue or Seabag cost, across the various pay grades using the historical spread.

Step 9: Using Non-Jumps data, which is obtained via a object class access query against AFC-11 and AFC-12. Spread the remaining AFC-11 and AFC-12 costs across the various pay grades using the historical spread. This is referred to as miscellaneous Non-Jumps costs and includes Workman's Compensation, SGLI costs, etc...

Step 10: The sum of steps 1 through 9 will show the total AFC-01 cost for each pay grade.

Step 11: Send an e-mail to CG-12a (workforce forecasting office) and request the average on-board count of active duty military members over the 12 months of the fiscal year. The count should include all reserves on long term (180 days or more) ADSW-AC and all Title 10 and Title 14 reserves as they are funded by the AFC01 account. Reserves on short term ADSW-AC (less than 180 days) should be excluded from this count as they are funded by AFC-30, AFC-34 or AFC-4X.

Step 12: Divide the military on-board count from step 10 above for each pay grade to calculate the average cost of each pay grade. This is the average AFC-01 cost for each pay grade for the previous fiscal year.

Step 13: The actual cost for the previous fiscal year should then be inflated by the expected basic pay raise and the expected BAH increase. As BAH is typically 23% of the AFC-01 account and the remaining categories make up 77% of the account, the expected increases need to be averaged based on the split. For example, if the expected basic pay raise for the next fiscal year is 3% and the expected BAH increase is 5%, the amount to inflate the previous year actual is 3.46%. This is based on the following calculation:

$((\text{BAH expected increase}) * (\text{BAH share of AFC-01})) + ((\text{Basic pay increase}) * (\text{Basic Pay share of AFC-01})) = \text{AFC-01 Inflation Factor}$

Or

$$((5\%) * (23\%)) + ((3\%) * (77\%)) = 3.46\%$$

AFC-08 STANDARD PERSONNEL COST (SPC) METHODOLOGY

A. COSTS INCLUDED IN CIVILIAN PAY SPC:

Cost data was gathered from the USDA (NFC) payroll system. The USDA is the payroll system that pays all civilians in the CG. This system provides exact personnel costs and Full-Time Equivalency (FTE) to the level of the individual employee. The following is a breakdown of the cost categories used:

FULL TIME EQUIVALENT EMPLOYMENT

The Full Time Equivalent (FTE) is based on the actual number of work years for full-time permanent employees. This reflects the sum of the straight time hours worked.

Cost Data	Includes
Adjusted Salaries	Basic pay, locality-based comparability payment, and availability pay for criminal investigators.
Lump sum payments	
Pay for Training in excess of 40 hours	
Awards	Special Achievement and Suggestions award, Performance award, and SES bonus
Other Compensation	Holiday pay, Sunday pay, Night Differential, Hazardous Duty pay, Post Differential, Staffing Differential, Other Differential, Payroll Default, Physician's compensation allowance, Fixed Premium Compensation, Reimbursement Re-employed Annuitant, Severance pay, Back pay interest, Non-foreign cola, Uniform Allowances
Other Support/Working Capital	This includes relocation costs for civilians, FECA charges and other personnel related support costs.
Benefits	Health insurance, Life insurance, and Retirement costs

B. ACTUAL CALCULATION:

- To calculate the budget year SPC, we divided the personnel cost by the associated FTE utilized by each pay-plan and grade. This excludes all costs associated with the RIF, buyout/VSIP payments, legal settlements/back pay, unemployment, professional liability insurance and other like costs. The result is then annualized and augmented by cost increases expected during the year (e.g., for within grades, awards, QSI's, career ladder promotions, and the pay-raise, general and locality based).
- To develop the Recurring SPC for each pay plan and grade, we first annualized the budget year carry over base to reflect 25% of the pay-raise in that fiscal year. This is then augmented by cost increases expected in the year plus 75% of COLA (provided in the Administration's Policy on pay raises). The result is then divided by the associated FTE utilized by each pay-plan and grade level. This methodology is repeated for the out-years.
- The average personnel cost was calculated by dividing the total personnel cost by actual FTE utilized.

AFC-20 STANDARD PERSONNEL COST (SPC) METHODOLOGY

1. Assumptions:

- a. An average travel claim for a CG member's accession, training, reassignment or separation involves several entitlements, the majority of which are non-pay related, and are broken down as follows:
 - 1) Mileage (cost to move member from point a-b via plane, car, etc) = 20-75% of total claim cost.
 - 2) Lodging (cost to house member in hotel/government quarters during transit) = 0-25% of total claim cost.
 - 3) Household Goods (cost to move member's items from point a-b) = 20-75% of total claim cost.
 - 4) Storage (cost to store member's items short/long term during transition) = 0-15% of total claim cost.
 - 5) Other (cost of reimbursables for overseas transfers such as passports) = 0-5% of total claim cost
- b. Approximately 87% of a PCS entitlement is always non-pay related, therefore, for future cost projections, a non-pay cola inflation rate should be applied to only 87% of the operating costs for one average PCS move. The remaining 13% of a PCS-move is always pay-related, and therefore, for future cost projections, military pay raise inflation rates shall be applied to only 13% of the total cost of one PCS move.
- c. The majority of costs paid out under the AFC-20 account are for average CG member travel claims. However, a small percentage of AFC-20 total funds is used to pay for PCS travel damage claims (estimated 15% of total AFC-20 cost) and for early return of dependents (estimated 2% of total AFC-20 costs).
- d. The majority of CG member travel claims are within CONUS; only a small portion of CG PCS-related travel is for OCONUS (estimated 10-15%).
- e. Calculations for future ATC (Average Transfer Costs) and SPC (Standard Personnel Costs) should be adjusted as needed for unusual inflationary factors (ex: extreme gas prices, new initiatives such as Families First, etc.)
- f. Non-pay COLA adjustment rates and military pay rates are provided by CG-8 each year. Use these adjustment rates against the percentages provided in statement 2 above. Use the methodology given below.

2. Calculation Methodology for projection future year PCS costs for a given rank.

- a. Extract rank-specific PCS-cost for a given year. (Ex: total cost to move one E-7 in FY05). Rank-specific cost formerly known as ATC, will be labeled as (RC). (Ex: RC = \$5000 for an E-7 in 2005).
- b. Non-pay cola shall be labeled as (NPC) and pay cola or military pay raise adjustment shall be (PC)
- c. The non-pay-related cost of a PCS move shall be labeled as (NPRC) and the pay-related portion of one PCS move shall be labeled as (PRC).

AFC-30 STANDARD PERSONNEL COST (SPC) METHODOLOGY

a. **Overview:** AFC-30 is the account that is used to pay for many normal operating expenses such as recreation, some training, some travel, transportation, etc. There are 61 object codes that are used and they are divided into 12 categories.

b. **Review of Methodology:** AFC-30 SPC costs all recurring costs due to the single-year money that is used for the entire account. Costs are entirely compiled from CGOF or CAS is reviewing previous year's costs.

(1) Use 61 object codes that were determined in the past to cover the AFC-30 money that was spent directly on personnel

(a) Object codes are broken into 12 categories

- Recreation
 - Divided by total number of military personnel only.
- Training
 - Must deduct 100% of training costs that were incurred at a Training Center such as the Academy or Yorktown. The complete list is CGA, TRACEN Petaluma, TRACEN Yorktown, ATC Mobile, TRACEN Cape May, and ATTC Elizabeth City.
 - Use the ATU's from these TRACEN's to get a "net" cost that is used for the rest of the field.
 - Example: In FY06, there was \$210,338 attributed to the object class 2561 (Training Related Costs – Officers), but \$56,476 was spent at the designated Training Centers. This means that the net Training Related Costs – Officers equals \$153,863.
 - Divided by each class of personnel (Commissioned Officers, Warrant Officers, Enlisted, and Civilian). Some categories are not divided by each class because of the specificity of the object class (Example: Enlisted Clothing – 2613).
- Housekeeping
 - Divided by total number of CG personnel (military and civilian)
- Travel
 - Divided by each class of personnel (Commissioned Officers, Warrant Officers, Enlisted, and Civilian). Some categories are not divided by each class because of the specificity of the object class (Example: Travel – Training – Officers - 2150).
- Transportation
 - Divided by total number of military personnel only.
- Equipment
 - Divided by total number of CG personnel (military and civilian)

- Claims against USCG
 - Divided by total number of CG personnel (military and civilian)
- Miscellaneous
 - Divided by total number of military personnel only.
- Local Telephone
 - Divided by total number of CG personnel (military and civilian)
- FTS
 - Divided by total number of CG personnel (military and civilian)
- Information Resource Management
 - Divided by total number of CG personnel (military and civilian)

(b) Cost Of Living Adjustment (COLA)

1. Following your summation of cost data for each class of personnel for the past fiscal year, it is crucial to extrapolate the data for the following three fiscal years. To account for the rise in the general costs of all goods and services, we use the Non-Pay COLA as stated on the CG-822 CG Central page; keyword Inflation factors"
2. This COLA adjustment will project costs for each class of personnel for the next three fiscal years.
3. Example: FY06 Cost for Commissioned Officers was \$4,399; the non-pay COLA adjustment for FY 07 was 1.7%, therefore the projected cost for Commissioned Officers in FY07 is \$4,474 ($\$4,399 \times 1.017$).

(c) Distributed versus HQ Retained Costs

1. Three of the Object Code categories have been determined to have the SPC remain at Headquarters.
 - a. Personnel HHG Claims – 4202
 - b. FTS Costs –2337, 233K, 233L, 233M, and 233X
 - c. IRM Maintenance – 2210, 2331, 2332, 233B, 233D, 2534, 2608, and 3105
2. Only 69.4% is retained at HQ.

(d) The other nine object code categories and the remainder of IRM maintenance is distributed to the field.

1. Example: FY07 Total AFC-30 SPC for a Commissioned Officer equals \$4,474. The HQ retained portion is \$1,118; and the rest is distributed to the field; \$3,356.

AFC-56 STANDARD PERSONNEL COSTS (SPC) METHODOLOGY

I. AFC-56 TRAINING COSTS

Administered by Commandant (G-WRP-2). This AFC funds the training costs for officer, warrant officer, enlisted, civilian and aviation personnel. The training costs considered are travel, per diem, and tuition.

- a. Items included in recurring SPC: Commissioned Officer (does not include duty standing aviation billets) – Class “C” school costs, DANTEs, Advanced Education Program, Field training, off duty tuition and OCS; Warrant Officer-Class “C” school costs, DANTEs, Advanced Education Program costs, Field training, off duty tuition; Enlisted – Class “A” school costs, Class “C” school costs, Advanced Education Program, Field Training, DANTEs; Civilians Class “C” school costs, Field training; Aviators-Fixed/Rotary Wing basic and advanced flight training, Class “C” School costs.
- b. Items included in nonrecurring SPC: Commissioned Officer – OCS/DCO travel and per diem costs; Warrant Officer-recruit training costs; Enlisted-recruit training costs; Aviators-fixed wing costs associated with Fixed/Rotary Wing basic and advanced flight training.

II. HISTORIC METHODOLOGY

- a. Recurring SPC: For the Commissioned Officer, Enlisted, and Civilian categories, each group’s training costs were calculated using different categories, including Class “C” school costs and recruit training costs. The costs were calculated by adding the categories associated with each group and dividing by the population of that group. The Aviator recurring costs consisted of adding the fixed/rotary/E2C basic flight costs with the aviation Class “C” costs and dividing by the appropriate populations. The basis for these calculations can be validated and, with the financial data currently available, continue to be the most appropriate way to calculate these costs. The recurring SPC for the Warrant Officer group was the Commissioned Officer’s recurring costs less the OCS costs.
- b. Nonrecurring SPC: The nonrecurring costs were also calculated by using the allowed COLA adjustments to the nonrecurring base. The methodology indicates that to determine the base number for the Commissioned Officer category, the cost associated with OCS/DCO were added to the estimated cost of training and travel. This figure was divided by the number of officers sent to OCS/DCO. The Warrant Officer category was determined by cost of the training divided by the number of attendees. Enlisted nonrecurring costs consisted of Class “A” school costs, recruit travel and DANTEs divided by the recruit throughout less the recurring cost. The Civilian cost was based on an estimate of \$700 and reduced by the amount of recurring cost. The aviators nonrecurring cost was the cost of Basic Flight and Initial Flight Screening.

REVISED SPC JUSTIFICATION/CALCULATION FOR AFC-56

- I. Financial data used for the various cost categories is from FY05. The AFC-56 SPC values are actual costs from Core Accounting System (CAS). The following Personnel Allowance List (PAL) data, dated October 2005, was used for personnel calculations:

Component	Commissioned Officer	Warrant Officer	Enlisted	Civilian
All Coast Guard	5,867	1,442	27,829	7,710
CGHQ Only	999	111	321	1804
Field	4,868	1,031	27,508	5,906

II. COMMISSIONED OFFICER

- a. **Nonrecurring:** It was determined that the cost of obtaining a newly commissioned officer would be the-per-person AFC-56 costs for Officer Candidate School (OCS) plus costs for Direct Commissioned Officers. The formula used to calculate the Commissioned Officer nonrecurring costs is:

NR = (OCS Costs) + (#OCS attendees) + (Direct Commission Officer Costs) + (# of Direct Commission Officers attendees)
NR = \$102,341 + 123 + \$63,372/45
NR = \$832 + \$1,408
NR = \$2,240

- b. **Recurring:** The recurring cost for commissioned officer was calculated using the following formula:

R + [(Military Class "C" less aviation course costs X % of expenditures using commissioned officer object class) + (Total Advanced Education Costs X % of TABS assigned to commissioned officers) + (Field allocations X % population) + (HQ Tuition Assistance X % commissioned officer usage) + (DANTES costs X % commissioned officer usage) + Senior Service School costs] + 5,867			
Advanced Education =	(3,319,528) (.79)	=	2,622,427
Field =	(5,000,000) (.17)	=	850,000
Tuition Assistance=	(11,056,760) (.23)	=	2,543,055
DANTES =	(250,000) (.23)	=	5,000
E-Learning =	(326,187) (.02)	=	6,524
SOCOAST =	(161,000) (.02)	=	3,220
Senior Service =	89,930		
R = \$14,234,802 + 5,867			
R = \$2,426			

Advanced Education – There are 284 Training Allowance Billets (TAB), 223 of which are assigned to commissioned officers.

Field – This calculation represents the percentage of the field population comprised of commissioned officers.

DANTES – This calculation is based on the percentage of DANTES services used by commissioned officers.

SOCOAST – This calculation is based on the percentage of SOCCOAST usage by commissioned officers.

Senior Service Schools - This represents the entire cost of (G-WP) sponsored schools for senior officers.

III. WARRANT OFFICER

- a. **Nonrecurring:** The nonrecurring costs for a warrant officer are associated with the cost of CWO Indoctrination divided by attendees.

NR = (CWO Indoc Course/Warrant attendees)
NR = \$138,366 + 181
NR = \$764

- b. Recurring: The recurring costs for warrant officers were calculated using the following formula:

$R = [(Military\ Class\ "C" \text{ less aviation course costs } X \% \text{ of expenditures using warrant officer object class}) + (Total\ Advanced\ Education\ costs\ X \% \text{ of TABS assigned to warrant officers}) + (Field\ allocations\ X \% \text{ population}) + (HQ\ Tuition\ Assistance\ X \% \text{ warrant officer usage}) + (DANTES\ costs\ X \% \text{ warrant officer usage})] + 1,442$			
Class "C" =	(27,078,823) (.03)	=	\$812,365
Advanced Education =	(3,312,528) (.04)	=	132,501
Field =	(5,000,000) (.08)	=	400,000
Tuition Assistance =	(11,056,760) (.06)	=	663,406
DANTES =	(250,000) (.05)	=	12,500
SOCOAST =	(161,000) (.05)	=	8,050
E-Learning =	(326,187) (.01)	=	3,262
$R = \$2,032,084 \div 1,442$			
$R = \$1,409$			

IV. ENLISTED

- a. Nonrecurring: The nonrecurring costs are those associated with recruit training and Class "A" school. The formula used is:

$NR = (Recruit\ costs) + (Recruit\ throughput) + ("A" \text{ School Costs}) + ("A" \text{ School throughput})$	
$NR = \$2,516,669 + 3,746 + \$13,254,556 + 3,536$	
$NR = \$672 + \$3,748$	
$NR = \$4,420$	

- b. Recurring: The formula used is:

$R = [(Military\ Class\ "C" \text{ less aviation course cost } X \% \text{ of expenditures using enlisted object class}) + (Total\ Advanced\ Education\ costs\ X \% \text{ of TABs assigned to enlisted component}) + (Field\ allocations\ X \% \text{ population}) + (HQ\ Tuition\ Assistance\ X \% \text{ enlisted usage}) + (DANTES\ costs\ X \% \text{ enlisted usage}) + A\ school\ costs] + 27,829$			
Class "C" =	(27,078,823) (.60)	=	\$16,247,294
Advanced Education =	(3,319,528) (.16)	=	531,124
Field =	(5,000,000) (.70)	=	3,500,000
Tuition Assistance =	(11,056,760) (.62)	=	6,885,191
DANTES =	(250,000) (.92)	=	230,000
SOCOAST =	(161,000) (.93)	=	149,730
ACE =	50,000		
USMAPS =	45,000		
E-Learning =	(326,187) (.94)	=	306,616
A School =	13,254,556		

$R = \$41,199,511 \div 27,829$			
$R = \$1,480$			

V. CIVILIAN

- a. Nonrecurring: A nonrecurring SPC figure cannot be calculated. There is no form of "initial" or "indoctrination" training for all, or even a measurable percentage of civilians. Previous revision

based the civilian nonrecurring SPC on the Key Civilian Orientation Course, sponsored by (G-WP). The premise was that although this particular course was designed for and attended by civilians in pay-grades GS-11 and above, 50% of all civilians would attend some type of training during their first year of employment with the Coast Guard.

- b. **Recurring:** The recurring cost for a civilian position is calculated using the following formula:

$R = [\text{Military Class "C" less aviation course costs X \% usage}] + (\text{Civilian Class "C" allocation} - \text{Senior Service Schools}) + (\text{Field allocation X \% population}) + \text{civilian Tuition Assistance} + (\text{DANTES costs X \% enlisted usage} + 7,710)$			
Class "C" =	(27,078,823) (.08)	=	\$2,166,306
Civilian Class "C" =	(536,431) - (80,929)	=	455,502
Advanced Education =	(3,319,528) (.01)	=	33,195
Field =	(5,000,000) (.15)	=	750,000
Tuition Assistance =	(11,056,760) (.07)	=	773,973
DANTES =	(250,000) (.01)	=	2,500
E-Learning =	(326,187) (.03)	=	9,786

R = \$4,191,262 + 7,710			
R = \$544			

V. AVIATORS

- a. **Nonrecurring:** The nonrecurring costs for aviators are the costs the Coast Guard pays the Navy for the basic flight training necessary to qualify a new aviator for assignment to an air station. A new flight officer can follow either a rotary wing or fixed wing track. Both tracks require basic flight training at NAS Pensacola. The pilot in the rotary track will remain at Pensacola for advanced rotary training. Once completed, the officer can be assigned to duty at an air station. In the fixed wing track, pilots leave basic flight for advanced training at NAS Corpus Christi, followed by assignment to an air station. There are advanced course requirements above the minimum in either track, but for the purposes of these computations, they are considered to be the same C schools which are incorporated into the recurring SPC calculation.

Nonrecurring costs were determined by dividing the total cost of basic flight training by the total number of flight student attendees. Previous SPC revisions were based solely upon the number of graduates, but that method fails to capture the costs of students who attend basic flight for several months, but fail to graduate. Those costs must be captured; thus this proposal includes all attendees, regardless of graduation.

The nonrecurring costs for sending a Coast Guard flight student through initial flight screening and basic flight training, followed by either rotary or fixed wing advanced training, are virtually the same. Thus, no segregation between fixed and rotary wing SPCs is necessary. The formula used is:

$\text{NR} = \text{Basic x flight costs} + \# \text{ of basic flight attendees} + \text{initial flight screening costs} + \# \text{ of attendees}$
$\text{NR} = \$5,272,497 + 52 + \$225,000 + 41$
$\text{NR} = \$101,394 + \$5,488$
$\text{NR} = \$106,882$

- b. **Recurring:** Expenditure data makes it impossible to distinguish between aviators and commissioned officers, with the exception of Class "C" schools. Consequently, it was assumed the recurring costs, except for Class "C" Schools, for aviation is the same as that for

commissioned officers. To incorporate the nonrecurring costs into the recurring SPC costs, the actual FY05 basic flight costs were included in the calculations.

$R = [(Commissioned\ officer\ recurring\ cost\ per\ billet - non-aviation\ Class\ "C"\ School\ cost\ per\ billet) + (Aviation\ Class\ "C"\ School\ costs + ATC\ Mobile\ training\ budget) + basic\ flight\ costs + initial\ flight\ screening] \div \# \text{ of aviators.}$

Commissioned Officer recurring cost per billet = \$2,384

Non-aviation Class "C" School cost per billet = (Military Class "C" X % usage by CO and WO \div by CO and WO population) = (27,078,823) (.33) \div 7,309 = 1,223

$R = (\$2,384 - 1,223) + (2,148,854 + 48,509 + 5,272,497 + 225,000) \div 1,050$

$R = (\$1,161 + 7,694,860) \div 1,050$

$R = \$7,696,021 \div 1,050$

$R = \$7,330$

AFC-57 STANDARD PERSONNEL COST (SPC) METHODOLOGY

1. Overview: AFC-57 is the account that is used to pay for Coast Guard Active Duty and Reserve Medical expenses.
2. Two equations are used to calculate Coast Guard active duty medical Standard Personnel Cost (SPC).
3. The first is used for internal costs within the Coast Guard.
 - a. Total Projected AFC-57 Costs for a given fiscal year (divided by) authorized active duty and reserve end for a given fiscal year.
 - (1) Total projected AFC-57 Costs is derived from the Coast Guard's contract actuary. At the time this document was written, Hay Group, LLP was the Coast Guard's contract Actuary.
 - (2) Authorized active duty and reserve end strength is provided by CG-12A.
4. The second is used for external customers or the full SPC rate.
 - a. Sum of (Total projected AFC-57 Costs for a given fiscal year (plus) total projected payment to the Uniformed Service Health Accrual Trust Fund) (divided by) authorized active duty and reserve end for a given fiscal year.
 - (1) Total projected AFC-57 Costs is derived from the Coast Guard's contract actuary. At the time this document was written, Hay Group, LLP was the Coast Guard's contract Actuary.
 - (2) Annual payments made to the Uniformed Service Health Accrual Trust Fund also known as the DoD Medicare Eligible Retiree Health Care Fund (MERHCF). These payments are made annual in accordance with Section 1116 of Title 10 U. S. Code.
 - (3) Authorized active duty and reserve end strength is provided by CG-12A.

CG-86 Method for Devising Security Clearance Costs for new Billets

In summer 2006, the Office of Security Policy (CG-86) calculated new SPC costs under the following assumptions, some of which will need to be adjusted for future calculations:

- Military personnel **all require** a NACLC (Military MBI);
- Civilian personnel require **either** an ANACI (Civilian MBI) or SSBI; and
- SPC tables are for new *personnel*, not new *positions* (billets).

Military Personnel

The calculations assume that all military personnel require a NACLC (Minimum Background Investigation, MBI) once every ten (10) years. Our calculations divide this cost over ten years and apply the tenth of a cost each year.

Civilian Personnel

The calculations assume that 80% of civilian personnel require a NACLC (Minimum Background Investigation, MBI) once every ten (10) years; the other 20% of civilian personnel require an SSBI every five (5) years. This 80/20 split was derived from historical Security Center (CG-862) investigations.

To simplify math on our worksheet, we calculated these figures based on 100 clearances over a ten year period; 80 of these were NACLC (each processed once in those ten years), 20 were SSBI (each processed twice in those ten years). We averaged the fees over the ten year period, divided them by 100 and found the individual addition to the civilian SPC table.

Effects of Basing Figures on Personnel vs. Positions (Billets)

CG-86 calculated new SPC table costs based on *new personnel* versus *new positions* (billets).

CG-86 examined the Security Center's (CG-862) previous data for numbers of investigations, including how many personnel historically required each level of investigation when they enter the US Coast Guard. This is a relatively straightforward method because each new member (military or civilian) typically requires some level of clearance.

The SPC tables are built with new billets in mind versus new personnel; this will not likely affect calculations. Current personnel who come into a new billet will already have a clearance, but the billet will have an annual amount set aside for a re-investigation. Over time, those annual funds that have been set aside will pay for a full re-investigation.