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

04 June 2025

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 FA8702-25-D-B002 (MIT-LL)
FA8721-05-C-0003, FA8702-l 5-D-0002 and FA8702-25-D-B003 (CMU-SEI)

This memo explains a cost recovery charge that applies to all non-Department of Defense (DoD) customers who use 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). Effective October 1, 2025, a tiered fee will be assessed for acquisition support provided through these contracts. This fee covers the Air Force's costs associated with managing these projects, as required by the Economy Act. The fee amount depends on the type of contract action, and the associated manpower costs are reviewed annually to ensure compliance with the Economy Act. This year, the rates have been adjusted to reflect process improvements and the actual time spent on these tasks. Please see the table below for a breakdown of the costs. Contact information is provided at the end of this memo if you have any questions.

The Economy Act (31 U.S.C. §§ 1535 and 1536) is a law that allows government agencies to place orders with other government agencies when it's more convenient or economical than contracting with a commercial vendor. In this case, the Air Force is using the Economy Act to provide acquisition support to non-DoD agencies for projects involving MIT-LL and CMU-SEI. This approach is based on a Comptroller General Decision (B-136318. AUG. 14, 1978, 57 COMP.GEN. 674) and an official legal opinion. The Joint Advisory Committee approved this process on June 3, 2015. This cost recovery charge, and the associated procedures are necessary to comply with the requirements of the Economy Act.

Based on the above and the November 30, 2015 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	$962.00
"Non-Severable" New Starts	$952.00
"Severable" Special/Classified New Starts	$1,118.00
"Non-Severable" Special/Classified New Starts	$1,113.00
Incremental Funding	$521.00
Changes in requirements (addition or deletion) to existing PWPs	$779.00
De-Obligations	$547.00
Administrative Requests	$623.00
No Cost Period of Performance (POP) extensions	$627.00
Cost Period of Performance (POP) extensions with Incremental funding/Tech increase	$671.00

NOTE: *Single modifications accomplishing multiple types of changes will be charged only a single fee per line of accounting. For example. a modification providing incremental funding to one LOA and making other administrative changes will only be charged $623.00*

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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Heather R Morin, NH-04
Chief Financial Officer
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Steven M. Thomas, NH-04
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