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TO All State Administrative Agency Heads

All State Administrative Agency Points of Contact

All State Homeland Security Directors

FROM: Matt Mayer

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SUBJECT: Inclusion of Pension Costs as Fringe Benefit in Reimbursable Overtime Costs

The Department of Homeland Security, Office of State and Local Government Coordination and Preparedness, Office for Domestic Preparedness (ODP) is broadening the allowable fringe benefits that can be included in overtime costs reimbursed through ODP grants. ODP program guidance currently states that fringe benefits on overtime hours are limited to Federal Insurance Contributions Act (FICA), Workers' Compensation, and Unemployment Compensation. Based on feedback from state and local stakeholders, ODP will now allow pension costs to be included in the fringe benefit calculation if grantees can document that an existing law, ordinance, regulation, collective bargaining agreement or other legal instrument requires the inclusion of pension costs in the overtime fringe rate. Grantees must coordinate with their assigned Preparedness Officer to document this requirement prior to applying this updated guidance.

For further information on this Information Bulletin, please contact your Preparedness Officer or the Centralized Scheduling and Information Desk at 800-368-6498.