



DEPARTMENT OF THE ARMY
103 ARMY PENTAGON
WASHINGTON, DC 20310-0103

25 SEPTEMBER 2024

MEMORANDUM FOR RECORD

SUBJECT: Headquarters, Department of Army Fiscal Year (FY) 2025 Rate Board
Reimbursable Indirect Approval

1. Reference:

a. Army Financial Management and Comptroller Rates and Guidance, retrieved from <https://www.asafm.army.mil/Cost-Materials/HQDA-Rate-Board/>.

b. Department of Defense Financial Management Regulation, Volume 11A.

c. Army Indirect Rate Board Charter [Army Financial Management & Comptroller > Cost Materials > HQDA Rate Board](#)

2. The Headquarters, Department of Army (HQDA) Rate Board has approved FY25 indirect rates for:

a. U.S. Army Corps of Engineers- Army Geospatial Center

b. U.S. Army Futures Command- U.S. Army Combat Capabilities Development Command

c. U.S. Army Materiel Command

(1) U.S. Army Aviation and Missile Command

(2) U.S. Army Communications Electronics Command

(3) U.S. Army Contracting Command

(4) U.S. Army Tank-Automotive and Armaments Command

d. U.S. Army Space and Missile Defense Command

e. U.S. Army Test and Evaluation Command

(1) U.S. Army Redstone Test Center

(2) U.S. Army White Sands Missile Range

(3) U.S. Army Yuma Proving Ground

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3. The board reviewed the methodology and requirements considered to develop the rates. HQDA Rate Board will track implementation results to measure FY25 plan versus FY24 execution to ensure rate compliance. The board will continue to review indirect processes during FY25, and update guidance as required.
4. Army organizations entering into reimbursable agreements with commands listed in Paragraph 2 will utilize board-approved indirect rates only. No other indirect rates may be applied.
5. Rate Board participation is required for servicing Army agencies that receive funded reimbursable budget authority (RBA) and are party to intra-agency agreements in which a reimbursable rate is charged to collect indirect cost. If an agency with RBA does not charge indirect rates, a confirmation will need to be sent to the point of contact in paragraph 7.
6. For indirect rate approval in FY26 all commands (paragraph 2) must demonstrate: standard, documented methodology for indirect program; expanded historical trend of executions; use of standard Army inflation factors; use of defined calculation standards; and use of indirect functionality in the financial system.
7. The point of contact for this memorandum is michaela.d.browning.civ@army.mil

WADE S. YAMADA
Deputy of Program Analysis
and Evaluation

STEPHEN B. LOFTUS
Deputy Assistant Secretary of the Army
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