Food Safety and Inspection Service, USDA

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(b) FSIS will calculate the benefits, travel and operating, overhead, and allowance for bad debt rate components of the basetime rate, using the following formulas:

(1) Benefits rate. The quotient of dividing the previous fiscal year’s direct benefits costs by the previous fiscal year’s total hours (regular, overtime, and holiday), plus the quotient multiplied by the calendar year’s percentage cost of living increase. Some examples of direct benefits are health insurance, retirement, life insurance, and Thrift Savings Plan basic and matching contributions.

(2) Travel and operating rate. The quotient of dividing the previous fiscal year’s total direct travel and operating costs by the previous fiscal year’s total hours (regular, overtime, and holiday), plus the quotient multiplied by the calendar year’s percentage of inflation.

(3) Overhead rate. The quotient of dividing the previous fiscal year’s indirect costs plus the previous fiscal year’s information technology (IT) costs in the Public Health Data Communication Infrastructure System Fund plus the previous fiscal year’s Office of Management Program cost in the Reimbursable and Voluntary Funds plus the provision for the operating balance less any Greenbook costs (i.e., costs of USDA support services prorated to the service component for which fees are charged) that are not related to food inspection, by the previous fiscal year’s total hours (regular, overtime, and holiday) worked across all funds, plus the quotient multiplied by the calendar year’s percentage of inflation.

(4) Allowance for bad debt rate. Previous fiscal year’s allowance for bad debt (for example, debt owed that is not paid in full by plants and establishments that declare bankruptcy) divided by the previous fiscal year’s total hours (regular, overtime, and holiday) worked.

(c) The calendar year’s cost of living increases and percentage of inflation factors used in the formulas in this section are based on the Office of Management and Budget’s Presidential Economic Assumptions.

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