



OFFICE OF THE UNDER SECRETARY OF DEFENSE  
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ACQUISITION  
AND SUSTAINMENT

MEMORANDUM FOR COMMANDER, UNITED STATES CYBER  
COMMAND (ATTN: ACQUISITION EXECUTIVE)  
COMMANDER, UNITED STATES SPECIAL OPERATIONS  
COMMAND (ATTN: ACQUISITION EXECUTIVE)  
COMMANDER, UNITED STATES TRANSPORTATION  
COMMAND (ATTN: ACQUISITION EXECUTIVE)  
DEPUTY ASSISTANT SECRETARY OF THE ARMY  
(PROCUREMENT)  
DEPUTY ASSISTANT SECRETARY OF THE NAVY  
(PROCUREMENT)  
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE  
(CONTRACTING)  
DIRECTORS, DEFENSE AGENCIES  
DIRECTORS, DEFENSE FIELD ACTIVITIES

SUBJECT: DoD Process for Section 3610 Reimbursement

Defense Pricing and Contracting (DPC) has published a Class Deviation (Class Deviation 2020-O0013, Coronavirus Aid, Relief, and Economic Security (CARES) Act Section 3610 Implementation), supporting Implementation Guidance, and a series of Frequently Asked Questions (FAQs) to implement the requirements of CARES Act, Section 3610. This section allows agencies to reimburse, subject to the availability of funds, at the minimum applicable contract billing rates (not to exceed an average of 40 hours per week), any paid leave, including sick leave, a contractor provides to keep its employees or subcontractors in a ready state, including to protect the life and safety of Government and contractor personnel, during the public health emergency declared for Coronavirus Disease 2019 (COVID-19) on January 31, 2020.

With this policy framework in place and the number of potential approaches to implement the section, the Department of Defense (DoD) must now move rapidly to provide overarching implementation guidance to our workforce. This guidance will address the reimbursement process from requesting the contracting officer's determination of an "affected contractor" to providing a checklist to guide collection, and evaluation of costs from the industry partner seeking reimbursement within the parameters of the section and the class deviation. This guidance must also provide the flexibility our contracting professionals need to resolve the numerous reimbursement requests expected under Section 3610 at the contract, business unit or the corporate level.

In alignment with our existing policy and inclusive of efforts available from our Services and Defense Agencies, we are coordinating a Department-wide, overarching guidance document for our workforce. In the coming week, we will leverage our internal coordination teams to produce a Draft DoD Process for Section 3610 Reimbursement.

The Department will then take that product and post it to our Defense Acquisition Regulations System (DARS), Early Engagement at the following web link: ([https://www.acq.osd.mil/dpap/dars/early\\_engagement.html](https://www.acq.osd.mil/dpap/dars/early_engagement.html)). We anticipate posting the draft document to the DARS site on or about, May 11, 2020. This will allow industry partners the opportunity to provide input on the draft guidance document. DoD will then leverage the same team to review and consider industry input, to achieve a target release date of May 22, 2020.

We understand that this is an aggressive timeline given the scope of Section 3610, the challenge of integrating our guidance across the depth and breadth of our contracting missions and the need to consider industry inputs to inform our final product. However, we are confident that collectively we can deliver useful, coordinated and clear guidance to implement the requirement of Section 3610 to help deal with the challenges of this pandemic.

Kim Herrington  
Acting Principal Director,  
Defense Pricing and Contracting