



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

**Acquisition
Bulletin (AB)**

No. 02-21
June 14, 2002

MEMORANDUM FOR BUREAU CHIEF PROCUREMENT OFFICERS

FROM: Corey M. Rindner, Director
Office of the Procurement Executive

SUBJECT: Treasury Payable Interagency Agreement Guide

Purpose: The purpose of this AB is to issue the Treasury Payable Interagency Agreement (IA) Guide, which standardizes Treasury-wide policies and procedures related to the preparation, processing, coordination, execution, administration, and close-out of Payable (funds out) IAs.

Effective Date: May 1, 2002

Expiration Date: This bulletin will expire when canceled or superseded.

Background: The Deputy Chief Financial Officer and the Senior Procurement Executive issued a memorandum to the Bureau Chief Procurement Officers and the Deputy Chief Financial Officers on May 1, 2002. The memo strongly encourages program, procurement, and finance personnel to use the uniform guidance and recommendations to prepare, process and administer IAs.

Questions may be directed to Angelie Jackson at angelie.jackson@do.treas.gov or (202) 622-0245.

Attachments



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

**MEMORANDUM FOR DEPUTY CHIEF FINANCIAL OFFICERS
BUREAU CHIEF PROCUREMENT OFFICERS**

FROM:

Steven O. App

Deputy Chief Financial Officer

Corey M. Rindner

Senior Procurement Executive

SUBJECT:

Payable Interagency Agreement Guide

The attached "Treasury Payable Interagency Agreement Guide" standardizes Treasury-wide policies and procedures related to the preparation, processing, coordination, execution, administration, and close-out of Payable (funds out) Interagency Agreements (IAs). Reimbursable (funds in) IAs are thoroughly covered by the "Reimbursable Handbook" in the Treasury Strategic Manual, but this is the first time that Treasury will have department-wide Payable IA procedures.

In response to numerous questions surrounding IAs and responsibilities concerning their preparation, the Treasury Interagency Agreement Work Group was formed in early 2001. Procurement and finance staff from 11 Bureaus collaborated in the following accomplishments that concluded with the guide.

- Researched legal statutes, regulations, GAO's Principles of Federal Appropriation Law (especially Volume IV), and procedures for information requirements for IAs.
- Benchmarked other agencies' procedures.
- Gathered information on procedures, policies, form requirements, statutory authorities approval levels, etc from the Treasury Bureaus.
- Narrowed the focus to Payable IAs, since Reimbursable IAs are covered in existing procedures
- Agreed to maximize use of option years.
- Requested, and obtained through Procurement Instruction Memorandum 01-06 (dated August 8, 2001), a change to the Department of Treasury Acquisition Regulation to require a Determination and Findings to be created only for Economy Act Payable IAs, rather than for all Payable IAs
- Compiled minimum Payable IA form components.
- Compiled recommended samples of Economy Act Determination and Findings, Terms and Conditions, and Analysis of Alternatives (including cost/price analysis)

- Researched OMB Circular A-76 and Treasury Directive 22-01, "Performance of Commercial Activities," Implications for IAs.

Major recommendations reflected in this guide include:

- Procurement offices are not required to participate in preparing Reimbursable (funds in) IAs. In many Bureaus, Procurement is not involved now. Note: Proposed changes to the OMB Circular A-76 and the Federal Acquisition Regulation may affect these recommendations in the future.
- Signature levels should be at the lowest level possible commensurate with the purpose, scope, and dollar amount of the Payable IA. For example, sometimes the Bureau Head is the appropriate level; sometimes the approval level is required by statute.
- Minimum form requirements are listed. Samples of Terms and Conditions, Determination and Findings, and Analysis of Alternatives are included.

We strongly encourage you to follow the uniform guidance and recommendations for program, procurement, and finance personnel to prepare, process, and administer Payable (funds out) IAs. We request that you immediately distribute this guide to procurement, financial, and program offices in your Bureau. It will also be available on the Treasury Intranet at intranet.treas.gov/procurement, with planned links to related sites.

Finally, the Work Group, with co-chairs from the U.S. Customs Service, is commended for all their efforts to develop this guide.

Attachment

cc: Bureau Budget Officers
Chief Financial Officers

Department of the Treasury

**Payable Interagency Agreement
Guide**



First Edition

May 2002

**DEPARTMENT OF THE TREASURY
PAYABLE INTERAGENCY AGREEMENT GUIDE**

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DEPARTMENT OF THE TREASURY PAYABLE INTERAGENCY AGREEMENT GUIDE

PURPOSE. The purpose of this guide is to standardize Treasury-wide policies and procedures related to the preparation, processing, coordination, execution, administration, and close-out of Payable (funds out) Interagency Agreements (IAs). Use of this guide is strongly encouraged in order to meet Treasury-wide minimum requirements for Payable IAs. Each Bureau may tailor or supplement the guide, but they should carefully consider the expected costs and benefits of doing so.

SCOPE. The guide applies to procurement, finance, and program personnel in the Department of the Treasury and Treasury Bureaus. It applies only to Payable (funds out) IAs, i.e., the Treasury Department or Bureau is the “requesting agency,” ordering supplies or services from another Federal agency or Treasury Bureau (the “servicing agency”). The guide focuses primarily on requirements for Payable IAs issued under the Economy Act, but it also applies to all other Payable IAs.

BACKGROUND. The Treasury Strategic Manual contains the Reimbursable Handbook, which provides guidance on processing Reimbursable (funds in) Interagency Agreements (i.e., Treasury is the servicing agency, and the other agency is the requesting agency). Until this guide was issued, no document set out specific guidance for Treasury-wide processing of Payable (funds out) IAs.

AUTHORITIES. Most Treasury Payable IAs are issued under the terms of the Economy Act (31 U.S.C. 1535 & 1536)¹, as implemented by the Federal Acquisition Regulation (FAR)² Subpart 17.5 and the Department of Treasury Acquisition Regulation (DTAR)³ Subpart 1017.503. However, the Economy Act only applies when more specific statutory authority does not exist. See Attachment A entitled “Statutory Authorities for Payable Interagency Agreements” for a list of commonly referenced cites.

REFERENCES. FAR Subparts 17.5 and 7.3; DTAR Subpart 1017.503; OMB Circular A-76⁴; Principles of Federal Appropriation Law⁵ (the “Red Book”), Second Edition, published by the U.S. General Accounting Office, especially Volume IV, Chapter 15,

¹ <http://www.access.gpo.gov/congress/cong013.html>; search by 31USC 1535 and 31USC 1536

² <http://www.arnet.gov/far>

³ <http://www.treas.gov/procurement>; click on Policy and Regulations; select 1. DTAR and DTAR Changes

⁴ <http://www.whitehouse.gov/omb/circulars>; select OMB Circular A-76, Supplemental Handbook, and each Transmittal Memorandum

⁵ <http://www.gao.gov>; select GAO Legal Products; select Principles of Federal Appropriations Law Volume IV

Part B, “Interagency Transactions;” Treasury Directive 22-01⁶; and the Treasury Strategic Management Manual (Treasury Directive 31-01⁷ and manual TD P 31-01⁸).

DEFINITIONS. Frequently used terms are defined as follows for purposes of this guide:

A. Administrative Modifications. For the purpose of Payable IAs, examples of administrative modifications include the following: accounting code changes, deobligations with written concurrence by the servicing agency, and the exercise of options. Administrative modifications are usually issued unilaterally (one signature) by the requesting agency.

B. Determination and Findings (D&F). In accordance with FAR 17.503, each Economy Act Payable IA shall be supported by a D&F signed by a requesting agency Contracting Officer (CO). The D&F will state that use of an interagency acquisition is in the best interest of the Government and that the supplies or services cannot be obtained as conveniently or economically by contracting directly with a private source. If the Economy Act order requires contracting action by the servicing agency, the D&F shall include an additional statement as prescribed in FAR 17.503(b). FAR 17.503(c) and DTAR 1017.503(c) require Senior Procurement Executive (SPE) approval of D&Fs where the servicing agency is not subject to the FAR.

C. Interagency Agreement (IA). A written agreement entered into between two Federal agencies, or major organizational units within an agency, which specifies the goods to be furnished or tasks to be accomplished by one agency (the servicing agency) in support of the other (the requesting agency).

1. Payable (Funds-Out) IA. An IA in which one Federal agency (requesting agency) agrees to reimburse another Federal agency (servicing agency) for supplies or services to be provided to the requesting agency. This guide applies only to Treasury’s Payable IAs, where the Treasury Bureau is the requesting agency.

2. Reimbursable (Funds-In) IA. An IA in which one Federal agency (servicing agency) agrees to receive funds from another agency in return for providing supplies or services to the requesting agency. Reimbursable IAs, where the Treasury Bureau is the servicing agency, are not covered by this guide. For guidance on Reimbursable IAs, see Chapter 6.27 of the Treasury Strategic Management Manual, titled “Treasury Department Reimbursable Handbook.”⁹

⁶ <http://www.treas.gov/regs/td22-01.htm>

⁷ <http://www.treas.gov/regs/td31-01.htm>

⁸ <http://intranet.treas.gov/sites/do/admin/budget>

⁹ http://intranet.treas.gov/sites/do/admin/budget/6_27.pdf

3. Unfunded IA (e.g., Master IA, Support Agreement, Memorandum of Agreement, Memorandum of Understanding). A written agreement entered into by Federal agencies to define responsibilities of each party for their mutual benefit.

a. Master IA. The Master IA establishes the basic framework under which specific funding documents (including individual IAs, modifications, or orders) can be issued pursuant to its terms and conditions. The Master IA also establishes an estimated “not to exceed” cost for the term of the agreement and specifies the term of the agreement. Generally, funds are not obligated under the Master IA itself.

D. IPAC. The Intra-governmental Payment and Collection¹⁰ system replaced the OPAC system on December 3, 2001, as the system used by most Federal agencies for interagency disbursements and funds transfers.

E. Interservice Support Agreement (ISSA). This term is defined in OMB Circular A-76, Appendix 1 of the Revised Supplemental Handbook. Treasury Directive 22-01, “Performance of Commercial Activities,” November 15, 2001, section 2, states: “Within Treasury, ISSAs are called Interagency Agreements.” The Circular and the Directive may require cost comparisons for a Payable IA. See these documents (see footnotes 4 and 6) and your Procurement and Finance Offices.

F. OPAC. The On-line Payment and Collection system used by most Federal agencies for interagency disbursements and funds transfers. It was replaced by IPAC on December 3, 2001.

G. Requesting Agency. The agency (or major organizational unit within an agency) that requests goods or services from another agency or unit through an interagency agreement. For Treasury’s Payable IAs, Treasury is the requesting agency.

H. Servicing Agency. The agency (or major organizational unit within an agency) that provides goods or services to a requesting agency or unit under the terms and conditions of an interagency agreement.

FINANCIAL ASPECTS OF PAYABLE IAs.

A. Payable Agreement as a Financial Document:

1. A completed Payable IA becomes an obligation in the Treasury Bureau’s (i.e., the requesting agency’s) financial system.
2. A completed IA should be a written order or agreement signed in advance by a responsible official of each of the departments or agencies concerned (both the requesting and the servicing agency).

¹⁰ http://www.fms.treas.gov/goals/GOALS_IPAC.html

3. The IA establishes a ceiling on the requesting agency's financial obligation.
4. A completed IA is essential; however, the lack of a written agreement before performance may not necessarily preclude reimbursement. For example, reimbursement can still be made if (1) an IA had been in effect for several prior years, and (2) the facts showed that the agencies intended to continue the IA for the year in question. A written agreement is required to record the obligation and make payment. See Volume IV, Chapter 15 of the "Red Book" for additional information.

B. Types of Payment:

1. There are two types of payment, advance and reimbursement. The decision is up to the servicing agency, but should be agreeable to the requesting agency. Payment may be in a lump sum or in installments.
2. One common form of reimbursement is actual expenses on a quarterly basis.
3. Payments in advance will often be based on estimates, which will require subsequent adjustments up or down when the actual costs are known. Reports of actual expenses are forwarded to the Contracting Officer's Technical Representative (COTR)/Point of Contact (POC) for approval, then posted in the financial system to draw down the advance. Any excess should be returned to the requesting agency. Retention of the excess amount by the servicing agency is an improper augmentation of funds.

C. Costs:

1. Costs consist of direct costs (expenditures incurred by the servicing agency which are specifically identifiable and attributable to performing the service) and indirect and/or overhead costs. Overhead costs are often charged in the form of a fee by the servicing agency.
2. When final costs are known, and the costs are less than the amount of the agreement, the agreement must be promptly adjusted downward and the remainder deobligated in the financial system of the requesting agency.
3. Where costs are more than the amount of the agreement, the agreement must be adjusted upward and the obligation increased in the financial system of the requesting agency. This should be accomplished prior to the end of the period of availability of the appropriation financing the agreement.

D. Economy Act Restrictions:

1. The Economy Act differentiates between services performed in-house or by awarding a contract. If the servicing agency uses its own resources and personnel to perform, work must cease and funds must be expended or deobligated at the end

of the period of availability of the funds (usually, at the end of the fiscal year). On the other hand, if the servicing agency awards a contract or task order by the end of the period of the availability of the funds, those funds are considered obligated and performance may continue. "The deobligation requirement of 31 U.S.C. Section 1535(d) does not apply where the appropriation originally obligated is a no-year appropriation." per the Red Book (see footnote 5).

E. Payments:

1. Costs are most commonly collected from the requesting agency using the IPAC system. This allows the servicing agency to withdraw funds from the requesting agency using a unique Agency Location Code. The requesting agency's IA number, accounting codes, related line items, and a detailed explanation of the expenses incurred should be cited on the agreement and the IPAC collection.
2. The IPAC collection is reviewed and approved by the COTR/POC. This action verifies that the goods or services were received and accepted by the requesting agency. All adjustments or rejections of IPAC collections should be completed within 90 days.
3. Regular invoices may be created and routed in accordance with instructions in the Payable IA. Payment may be made through IPAC.
4. Payments (costs) should be expensed against the obligation (the Payable agreement) on the requesting agency's financial records.
5. Collections are not made until after the Payable IA is signed by both parties.

REVIEWS AND APPROVALS. Signature levels for all of the approvals should be at the lowest levels possible in the organization, commensurate with complexity, importance, political sensitivity, dollar value, or other statutory requirement.

- A. Policy Review.** Requirements and thresholds for policy reviews are determined by each Bureau.
- B. Legal Review.** In accordance with DTAR 1004.7100, a legal review is required for all IAs in excess of \$10 million. The CO may request legal advice or an opinion from Chief Counsel whenever there is a question as to compliance with laws and regulations applicable to IAs.
- C. Senior Procurement Executive Review.** In accordance with DTAR 1017.503 (c), the SPE must approve Determination and Findings where the servicing agency is not subject to the FAR.

ROLES AND RESPONSIBILITIES. The following offices/officials bear responsibilities including those listed below.

A. Program Office/Contracting Officer's Technical Representative (COTR)/Program Point of Contact (POC):

1. Include planned IAs on the Advanced Acquisition Plan.
2. Adhere to all the requirements of the appropriate legal authority for the action (Economy Act or other specified Act), FAR (including the requirements of FAR 7.3 "Contractor Versus Government Performance"), DTAR, OMB Circular A-76 and other applicable Circulars, Treasury Directives, and Treasury Manuals.
3. Contact the Bureau Procurement Office for additional Bureau requirements, sample forms, etc., and to ask any questions.
4. Include option periods if appropriate.
5. Prepare Statement of Work.
6. Complete (in electronic format if possible) the Program Office/COTR/POC portion of the Analysis of Alternatives (see Attachment B).
7. Draft the Determination and Findings (D&F) for Economy Act Payable IAs (in electronic format if possible), addressing option periods if included; see Attachment C for a sample D&F.
8. Prepare the requisition and/or Payable IA form in accordance with Bureau procedures; minimum form requirements are listed in Attachment D, and sample Terms and Conditions appear in Attachment E.
9. Submit all documents to Procurement electronically if possible.
10. Complete COTR or POC training, if required.
11. Monitor performance of servicing agency and/or contractor.
12. Monitor reimbursements and funding, including reviewing and approving OPAC collections (may be done by requiring backup documentation for IPAC transactions or servicing agency invoices).
13. Report performance/compliance issues and disputes over Payable IA terms and conditions to the CO.
14. Accomplish receipt and acceptance in accordance with local procedures.

15. Approve invoices.
16. Accomplish close-out functions as directed by the CO.
17. Notify the CO, Financial Plan Manager, and Accounting Operations in writing upon physical completion of the Payable IA.
18. Ensure that all invoices have been paid or that all IPAC transactions have been fully documented and reconciled prior to close-out.
19. See Attachment F entitled "Questions and Answers for COTRs/POCs" for additional assistance.

B. Procurement Office/Contracting Officer:

1. Evaluate the Advanced Acquisition Plans for Payable IAs and consult with the Program Office on business decisions.
2. Adhere to all the requirements of the appropriate legal authority for the action (Economy Act or other specified Act), FAR (including the requirements of FAR 7.3 "Contractor Versus Government Performance"), DTAR, OMB Circular A-76 and other applicable Circulars, Treasury Directives, and Treasury Manuals.
3. Provide Bureau Payable IA forms, Bureau requirements, and guidance to the Program Office.
4. Complete the cost/price analysis portion of the Analysis of Alternatives (Attachment B).
5. Determine price reasonableness.
6. Complete the D&F for Economy Act Payable IAs (see Attachment C) and obtain signature by the CO.
7. Obtain required reviews/approvals.
8. Award Payable IA.
9. Delegate a COTR by issuing a tailored delegation memo referencing the Payable IA number, as appropriate.
10. Monitor performance of servicing agency and/or contractor.
11. Monitor performance of COTR/POC.

12. Ensure that all unexpended/unliquidated funding balances are promptly deobligated.
13. Resolve performance/compliance issues and disputes.
14. Issue modifications, including administrative modifications.
15. Perform required close-out functions upon notification by the COTR/POC that the Payable IA has been satisfactorily completed.
16. Initiate a funds status review and verify completion of performance, receipt and acceptance, and accounting transactions with the servicing agency and/or Accounting Operations.
17. Ensure that all funding reconciliations have been completed by the COTR/POC, Accounting Operations, and Procurement.
18. Ensure that all unexpended/unliquidated balances are promptly deobligated by Payable IA modification.

C. Finance Office/Accounting Operations:

1. Adhere to all the requirements of the appropriate legal authority for the action (Economy Act or other specified Act), FAR (including the requirements of FAR 7.3 “Contractor Versus Government Performance”), DTAR, OMB Circular A-76 and other applicable Circulars, Treasury Directives, and Treasury Manuals.
2. Certify payments as required.
3. If an advance payment was made, post expenses in the financial system to draw down the advance, as required.
4. Notify the COTR/POC of receipt of OPAC collections so they may review and approve them.
5. Notify the COTR/POC and CO when there is a problem, e.g., mismatched accounting codes, an invoice or IPAC transaction prior to obligation of the Payable IA, etc.
6. Monitor and take appropriate actions for IPAC transactions.

ATTACHMENT A

STATUTORY AUTHORITIES FOR PAYABLE INTERAGENCY AGREEMENTS

CITES: The most commonly cited statutes for the Treasury Bureaus are:

Economy Act, 31 U.S.C. 1535 & 1536

Government Management Reform Act of 1994 (Pub. L. 103-356), 31 U.S.C. 501 note

Government Employees Training Act (Pub. L. 85-507), 5 U.S.C. 4104

Office of Personnel Management Revolving Fund, 5 U.S.C. 1304(e)(1)

Executive Order 11348, "Providing For the Further Training of Government Employees," signed 4/20/1967 (32 FR 6335, 4/22/67)

Presidential Protection Assistance Act of 1976 (Pub. L. 94-524), 18 U.S.C. 3056

Intergovernmental Personnel Act of 1970 (Pub. L. 91-648), 42 U.S.C. 4701

Treasury Franchise Fund (Pub. L. 104-208), 110 STAT. 3009-316

Debt Collection Act of 1982 (Pub. L. 97-365), 5 U.S.C. 5514(a)(2)

Information Technology Fund, 40 U.S.C. 757

District of Columbia, 31 U.S.C. 1537 (approval by OMB and DC Mayor)

National Academy of Sciences, 36 U.S.C. 253

Inspection of Personal Property, 40 U.S.C. 481(d) and 201(d)

Foreign Assistance Act, 22 U.S.C. 2151 et seq.

Treasury Financial Manual, 1 TFM 5-4650.50

NOTE: The internet addresses are:

- U.S. Code cites: <http://www.access.gpo.gov/congress/cong013.html>
- Code of Regulations, Executive Order, and Statute cites: <http://www.nara.gov/fedreg>
- Public Law cites: <http://thomas.loc.gov>
- Treasury Financial Manual: <http://www.fms.treas.gov/tfm>

ATTACHMENT B

PAYABLE INTERAGENCY AGREEMENT ANALYSIS OF ALTERNATIVES

This Analysis of Alternatives will: (1) identify and evaluate various methods of obtaining needed goods and services, (2) determine which alternative is the most advantageous to the government, and (3) document the cost/price analysis.

Part A to be completed by Contracting Officer's Technical Representative/Program Office Point of Contact:

Project Description: Define the objective and explain why obtaining the goods and/or services is necessary to meet mission goals.

Analysis of Alternative Solutions: Identify all feasible alternatives for accomplishing the stated objective. Identify all known costs and describe the benefits and disadvantages of each alternative.

In-House Resources (Include whether in-house sources are available and/or if expertise required is/is not available in-house.)

Servicing Agency In-House Resources (Include if another agency can perform services with in-house personnel.)

Existing Bureau or Treasury Contracts (List all current Bureau or Treasury contracts for the same service or item. If none, so state.)

Existing Servicing Agency Contracts (List current contracts issued by other agencies for same service or item.)

New Contract (Address the feasibility of issuing a new Bureau contract.)

Rationale for Selecting an Interagency Agreement (Compare the alternatives and state why the use of a Payable IA is in the best interest of the government. If comparable services are available, discuss why the Payable IA would be more beneficial in terms of cost, convenience, and/or need to expedite the acquisition.)

Name:

Title:

Signature:

Date:

**PAYABLE INTERAGENCY AGREEMENT
ANALYSIS OF ALTERNATIVES, continued**

Part B to be completed by the Procurement Office Representative/ Contracting Officer:

Cost/Price Reasonability (Analyze cost/price in as much detail as required for the type of supplies/services being obtained and the dollar amounts of the various alternatives).

Additions to Part A above, if required (Specify item being amended.)

Name:

Signature:

Title:

Date:

ATTACHMENT C

DETERMINATION AND FINDINGS: AUTHORITY TO ENTER INTO A PAYABLE INTERAGENCY AGREEMENT UNDER THE ECONOMY ACT

Based on the following determination and findings, in accordance with the authority of the Economy Act (31 U.S.C. 1535), as implemented in subpart 17.5 of the Federal Acquisition Regulation (FAR), the requesting agency, insert the funding Treasury Bureau name, intends to enter into an interagency agreement with the servicing agency, insert the name of the other agency or Bureau.

FINDINGS

- A.** The requesting agency has a need for the servicing agency to provide describe the supply or service. The total cost of the agreement is estimated to be \$_____. (If this is a multi-year agreement, the estimated dollar amount should be shown for each fiscal year, along with the aggregate/total.)
- B.** The describe the supplies and/or services cannot be obtained as conveniently or economically by contracting directly with a private source.
- C.** Nothing in this requirement conflicts with the authority of the servicing agency.
- D.** NOTE: If the agreement requires contracting action by the servicing agency, the D&F shall also include one of the following choices, as applicable:
1. The acquisition will appropriately be made under an existing contract of the servicing agency, entered into before placement of the order, to meet the requirements of the servicing agency for the same or similar supplies or services.
 2. The servicing agency has capabilities or expertise to enter into a contract for such supplies or services which is not available within the requesting agency.
 3. The servicing agency is specifically authorized by law or regulation to purchase such supplies or services on behalf of other agencies.
- E.** State the justification/rationale that it is in the best interest of the Government to issue an agreement.

**DETERMINATION AND FINDINGS: AUTHORITY TO ENTER INTO A
PAYABLE INTERAGENCY AGREEMENT UNDER THE ECONOMY ACT,
continued**

DETERMINATION

Based on the above findings, I hereby determine that it is in the best interest of the Government to enter into an Interagency Agreement with the servicing agency.

Name of Contracting Officer:

Signature:

Date:

Approval by the Senior Procurement Executive if the servicing agency is not subject to the Federal Acquisition Regulation:

Name:

Signature:

Date:

ATTACHMENT D

MINIMUM REQUIRED FIELDS FOR PAYABLE INTERAGENCY AGREEMENT FORMS

Administrative Information:

Date prepared

Agreement number

Amendment number

Fiscal Year

Task Order number

Statutory Authority

Identification information for both Requesting Agency (the funding Treasury Bureau) and Servicing Agency (the performing Federal Agency or Treasury Bureau):

Name

Address

Program Office Contracting Officer's Technical Representative/Point of Contact (POC), Budget Office POC, and Contracting Office POC:

Name

Telephone number

FAX number

e-mail address

Requesting Agency address for return of an approved form by the Servicing Agency

Supplies/Services:

Supply/project/service description

Attachments

Term of agreement

Period of performance

Option Information, if applicable

Delivery Requirements, as required

Quantity

Unit price

Overhead/fee

Total amount

Remarks

Terms and Conditions

Funding/Billing Information:

Fund citations for both Agencies

Reimbursement versus direct fund cite

Requisition number

Funding status (need more or withdraw)

Agency Locator Code for both Agencies

**MINIMUM REQUIRED FIELDS FOR
PAYABLE INTERAGENCY AGREEMENT FORMS, continued**

Method of payment

Frequency of payment Type of payment: advance or reimbursement

Requesting Agency Paying Office:

Address

POC:

Name

Telephone number

FAX number

e-mail address

Servicing Agency Billing Office:

Address

POC:

Name

Telephone number

FAX number

e-mail address

Approvals:

Requesting Agency:

Program Office

Budget Office

Contracting Office

Servicing Agency (the Servicing Agency will follow its own requirements for approvals):

Program Office

Budget Office

Contracting Office

ATTACHMENT E

SAMPLE PAYABLE INTERAGENCY AGREEMENT TERMS AND CONDITIONS

Include the following terms and conditions as appropriate. NOTE: Each Treasury Bureau may have its own requirements for security, access to and disclosure of sensitive information, and related issues.

1. General

The Payable Interagency Agreement (IA) Form, these Terms and Conditions, the Statement of Work (SOW), and any attachments constitute a Payable IA between the requesting agency, insert name of the funding Treasury Bureau, and the servicing agency, insert the name of the performing federal agency or Treasury Bureau. This agreement shall be effective on the date of the final signature by authorized officials of both agencies, and shall remain in effect for the period(s) stated on the form, or until terminated in accordance with Cancellation/Termination provision of this document.

2. Definitions

COTR/POC: the requesting agency's Contracting Officer's Technical Representative/Point of Contact.

Requesting Agency: the funding Treasury Bureau named in 1. above, or any duly authorized representative.

Servicing Agency: the federal agency or Treasury Bureau that is performing services or providing goods under this agreement named in 1. above, or any duly authorized representative.

3. Competition Requirements for the Servicing Agency

All acquisitions awarded by the servicing agency in performance of this Payable IA shall comply with the Competition in Contracting Act (CICA), Public Law 98-369.

4. Funding and Reimbursement

The servicing agency is limited to recovery of actual costs only. The servicing agency shall notify the requesting agency's COTR/POC in writing when the costs incurred and outstanding commitments equal 80% percent of the estimated total costs.

The servicing agency shall make no other commitments or expenditures beyond 100% of funds obligated and shall be excused from further performance of the work unless and until the requesting agency's Contracting Officer (CO), or other authorized official, increases the total obligation under this agreement by modification.

Special Terms for One-year Funding:

The total amount to be reimbursed shall not exceed the total amount obligated for the current fiscal year. If this agreement is issued under the authority of the Economy Act (31 U.S.C. 1535 and 1536 and the servicing agency uses in-house resources to perform part or all of the agreement, work must stop on September 30th of the current fiscal year

PAYABLE INTERAGENCY AGREEMENT TERMS AND CONDITIONS, continued

and any unexpended funds must be deobligated. In-house work to continue in the next fiscal year must be funded effective October 1st with the new fiscal year's funds. If the servicing agency obligates the annualized funds by awarding a contract or delivery/task order prior to the expiration of the fiscal year, the funds will be protected and do not need to be deobligated after September 30.

Special Terms for Greater Than One-year Funding:

For longer than one-year (e.g., two-year, no-year) funding availability, the dates are extended appropriately.

5. Billing Instructions/Support Documentation for Expenditures

Billing and reimbursement may be handled through the Intra-governmental Payment and Collection (IPAC) system, or the servicing agency may submit invoices when the work is completed or as otherwise authorized. The Payable IA number, the Agency Locator Codes, appropriate accounting code(s), and associated dollar amounts must be referenced on all IPAC transactions or invoices.

If IPAC is used, the servicing agency shall provide documentation supporting all charges to the requesting agency's COTR/POC. In the event that advance payment is requested and authorized, the servicing agency shall furnish expenditure reports to the COTR/POC on a insert frequency (e.g., monthly, quarterly) basis.

If invoices are used, the invoices, along with supporting documentation, shall be submitted to the requesting agency's payment office as shown on the Payable IA form, with a copy furnished to the COTR/POC. Per the Economy Act and Federal Acquisition Regulation 17.505, bills or requests for advance payment will not be subject to audit or certification in advance of payment.

Both agencies agree to promptly discuss and resolve issues and questions regarding payments. The servicing agency will promptly initiate year-end and closeout adjustments once final costs are known.

6. Travel

All travel under this Payable IA shall be in accordance with the Federal Travel Regulations.

7. Prompt Payment

The servicing agency shall not assess the requesting agency for any prompt payment interest charged to the servicing agency.

8. Modifications

When appropriate, a unilateral administrative modification will be issued by the requesting agency, e.g., to add funds with no change to the SOW, to change a

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COTR/POC name. A written bilateral modification (i.e., agreed to and signed by authorized officials of both parties) will be issued to change the Payable IA, modify the SOW, etc.

9. Program Office/COTR Responsibilities

The requesting agency COTR/POC and the servicing agency program office shall be responsible for technical oversight of the specified product or service, as set forth in the SOW of this agreement. In carrying out these responsibilities, they will operate within the scope of applicable regulations, specifically delegated authorities, and the program authorities and funding limitations of the Payable IA. The COTR/POC has no authority to make changes to the terms of the Payable IA.

10. Property

Non-expendable property purchased from funds supplied under this agreement shall become an asset of the requesting agency unless otherwise agreed to in writing by both agencies. Purchase of equipment required for performance of the work must be authorized under this Payable IA.

11. Third Party Liability

With respect to third-party liability for acts arising out of the performance of official duty by a government employee of the servicing agency, the servicing agency undertakes responsibilities for the investigation, adjudication, settlement, and payment of any claim asserted against the United States; except that, in all cases, the responsibility for the investigation, adjudication, settlement, and payment of any claim with respect to third-party liability arising out of the use, damage, or destruction of loaned personal property shall be the responsibility of the particular agency that has custody and control of the said personal property. In addition, the servicing agency representative shall have the duty of investigating and reporting, in accordance with the servicing agency's regulations and policies, incidents occurring on, or involving that servicing agency's real property, and the requesting agency agrees to cooperate fully in such investigations.

12. Disputes

Nothing in this agreement is intended to conflict with current requesting agency or Treasury directives. However, should disagreement arise as to the interpretation of the provisions of this agreement that cannot be resolved between the servicing agency program office and the requesting agency COTR/POC, the area(s) of disagreement will be reduced to writing by each agency and presented to the authorized officials at both agencies for resolution. If settlement cannot be reached at this level, the disagreement will be raised to next level in accordance with servicing agency and requesting agency procedures for final resolution.

13. Cancellation/Termination

This agreement is subject to cancellation or termination, with at least 60 calendar days (unless the Statement of Work specifies a different period) advance written notice by

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either party. The servicing agency shall be reimbursed for the cost of all completed and partially completed work (up to the Payable IA ceiling) as of the effective date of cancellation.

14. Project Completion and Closeout

When the requesting agency has accepted all deliverables related to the SOW, the servicing agency will provide a written project evaluation and final accounting of project costs to the requesting agency CO. The servicing agency account will then be closed and any remaining funds will be returned to the requesting agency immediately. After final accounting, the remaining balance in the project account will be deobligated by Payable IA modification.

15. Accessibility of Electronic and Information Technology

Each Electronic and Information Technology (EIT) product or service furnished under this agreement shall comply with the Electronic and Information Technology Accessibility Standards (36 CFR 1194), which implements section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794d).

ATTACHMENT F

QUESTIONS AND ANSWERS FOR CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVES AND POINTS OF CONTACT

1. What documents should I submit with a Payable Interagency Agreement (IA)?

A. A requisition (funding document) and/or a Payable Interagency Agreement form with signatures and funds certification (in accordance with Bureau procedures), including the following information:

1. Statement of Work/description of services.
2. Period of performance, including options years, etc.
3. List of deliverables, when appropriate.
4. Total dollar estimate or ceiling, by period.

B. Analysis of Alternatives to show that a Payable IA is the best method to use.

C. Draft Determination and Findings (D&F), for Economy Act Payable IAs only.

D. Pricing, including base and option years (if applicable).

2. Who signs the Payable IA?

The lowest level possible for Program, Finance, legal counsel, and Procurement reviews, taking into consideration the complexity, political sensitivity, dollar level and other criteria prescribed by FAR, DTAR, and Bureau procedures.

3. Who develops the D&F?

Ideally, the COTR/Requester will draft the D&F and forward it electronically to the Procurement Office. The CO will finalize the D&F and sign it.

4. Should I Include Option Years?

Yes, build your Payable IA and Economy Act D&F (if required) to cover all planned option years (not to exceed 5 years).

5. Are Personnel Details Considered to be Interagency Agreements?

Sometimes – check with your Bureau's Procurement Office or legal counsel.

6. Do I Include Payable IA's in Strategic Planning and/or Advanced Acquisition Planning?

Yes.

7. Do OMB Circular A-76, "Performance of Commercial Activities," competition requirements apply to Payable IAs?

Yes. See the Circular, Treasury Directive 22-01, FAR, and DTAR. Also, coordinate with Procurement and Finance personnel.

8. What do I include as Receipt and Acceptance Requirements?

A. Are deliverables required?

B. Are technical reports?

**QUESTIONS AND ANSWERS FOR
CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVES AND
POINTS OF CONTACT, continued**

- C. Are cost/expense reports required?
- D. What are the acceptance/rejection criteria?

9. Can I Change/Modify a Payable IA? Can I increase/decrease funds?

Yes, submit a requisition/request for modification (as specified by Bureau procedures) to the Procurement Office. You may also need to modify the D&F. Procurement will issue a modification to the Payable IA.

10. What Should I Do If the Servicing Agency is Not Performing?

Contact the CO in your Procurement Office, who will assist you.

11. Who Follows Up on Performance?

It is the responsibility of the program office, or office requesting the Payable IA to follow up on performance. Contact the CO if you are having difficulty.

12. When Do I Submit a Request for Payable IA?

When you first identify the need (before the work starts). If this is a recurring effort, submit the request according to the procedures set by your Bureau Procurement Office.

13. How Do I Continue Performance Into the Next Year (Exercise Options)?

- A. Exercise an option if it is included in the Payable IA.
- B. Initiate a new Payable IA (consider options).

14. What is the Maximum I Can Spend on My Agreement?

The amount obligated.

15. Can I Use Money From This Year's Agreement For Next Year?

Different funds/appropriations have different rules. Talk to Procurement.

16. Who Is Responsible for Closing-Out the Payable IA?

Both the Procurement office and the Program office are responsible for close-out. The Program Office must ensure that the services were performed or the supplies delivered. The Program Office will approve the final invoice or expense report and forward it to the appropriate office in accordance with Bureau procedures.

17. What Procedures Do I Follow for Reimbursable IAs?

The "Treasury Department Reimbursable Handbook," which is Chapter 6.27 of the Treasury Strategic Management Manual. Also follow Bureau procedures.

18. Do I Follow This Guide Even If I Only Have Revolving Funds?

Yes.

**QUESTIONS AND ANSWERS FOR
CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVES AND
POINTS OF CONTACT, continued**

19. Do I Follow This Guide to Pay the Treasury Working Capital Fund?

No.

20. Who can help me if I still have questions or need additional guidance?

Your Bureau Procurement Office will assist you.