

**Department of Energy (DOE) Policies on Accepting
Other Federal Agency Funds For Interagency Acquisitions¹**
As of October 6, 2010

Current through FAC 2005-45 (1 October 2010) which is the last time Section 17.000 changed.

1. Federal Acquisition Regulation (FAR) Authority

17.501 -- Definition.

“Interagency acquisition,” as used in this subpart, means a procedure by which an agency needing supplies or services (the requesting agency) obtains them from another agency (the servicing agency).

17.502 -- General.

(a) The Economy Act authorizes agencies to enter into mutual agreements to obtain supplies or services by inter-agency acquisition.

(b) The Economy Act may not be used by an agency to circumvent conditions and limitations imposed on the use of funds.

(c) Acquisitions under the Economy Act are not exempt from the requirements of Subpart 7.3, Contractor Versus Government Performance.

(d) The Economy Act may not be used to make acquisitions conflicting with any other agency’s authority or responsibility (for example, that of the Administrator of General Services under the Federal Property and Administrative Services Act).

17.503 -- Determinations and Findings Requirements.

(a) Each Economy Act order shall be supported by a Determination and Finding (D&F). The D&F shall state that --

(1) Use of an interagency acquisition is in the best interest of the Government; and

(2) The supplies or services cannot be obtained as conveniently or economically by contracting directly with a private source.

(b) If the Economy Act order requires contract action by the servicing agency, the D & F must also include a statement that at least one of the following circumstances applies: --

(1) The acquisition will appropriately be made under an existing contract of the servicing

¹ For further information, please contact Mr. David W. Bradford, Oak Ridge National Laboratory at phone (865) 574-9798, or by facsimile at (865) 576-7192, or by email at bradforddw@ornl.gov

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; or

(3) The servicing agency is specifically authorized by law or regulation to purchase such supplies or services on behalf of other agencies.

(c) The D & F shall be approved by a contracting officer of the requesting agency with authority to contract for the supplies or services to be ordered, or by another official designated by the agency head, except that, if the servicing agency is not covered by the Federal Acquisition Regulation, approval of the D & F may not be delegated below the senior procurement executive of the requesting agency.

17.504 -- Ordering Procedures.

(a) Before placing an Economy Act order for supplies or services with another Government agency, the requesting agency shall make the D & F required in 17.503. The servicing agency may require a copy of the D & F to be furnished with the order.

(b) The order may be placed on any form or document that is acceptable to both agencies. The order should include --

(1) A description of the supplies or services required;

(2) Delivery requirements;

(3) A funds citation;

(4) A payment provision (see 17.505); and

(5) Acquisition authority as may be appropriate (see 17.504(d)).

(Note: This FAR 17.504(b)(5) provision is used when an interagency acquisition requires the servicing agency [i.e., sponsor agency, DOE] to award a contract.)

(c) The requesting and servicing agencies should agree to procedures for the resolution of disagreements that may arise under interagency acquisitions, including, in appropriate circumstances, the use of a third-party forum. If a third party is proposed, consent of the third party should be obtained in writing.

(d) When an interagency acquisition requires the servicing agency to award a contract, the following procedures also apply:

(1) If a justification and approval or a D & F (other than the requesting agency's D & F required

in 17.503) is required by law or regulation, the servicing agency shall execute and issue the justification and approval or D & F. The requesting agency shall furnish the servicing agency any information needed to make the justification and approval or D & F.

(2) The requesting agency shall also be responsible for furnishing other assistance that may be necessary, such as providing information or special contract terms needed to comply with any condition or limitation applicable to the funds of the requesting agency.

(3) The servicing agency is responsible for compliance with all other legal or regulatory requirements applicable to the contract, including

(i) having adequate statutory authority for the contractual action, and

(ii) complying fully with the competition requirements of Part 6 (see 6.002). However, if the servicing agency is not subject to the Federal Acquisition Regulation, the requesting agency shall verify that contracts utilized to meet its requirements contain provisions protecting the Government from inappropriate charges (for example, provisions mandated for FAR agencies by Part 31), and that adequate contract administration will be provided.

(e) Non-sponsoring Federal agencies may use a Federally Funded Research and Development Center (FFRDC) only if the terms of the FFRDC's sponsoring agreement permit work from other than a sponsoring agency. Work placed with the FFRDC is subject to the acceptance by the sponsor and must fall within the purpose, mission, general scope of effort, or special competency of the FFRDC. (See 35.017; see also 6.302 for procedures to follow where using other than full and open competition.) The non-sponsoring agency shall provide to the sponsoring agency necessary documentation that the requested work would not place the FFRDC in direct competition with domestic private industry.

(Note: DOE contract # DE-AC05-00OR22725 for management and operation of the Oak Ridge National Laboratory has this authorization in Section C (Statement of Work), subsection 2e(3) Other Services.)

17.505 -- Payment.

(a) The servicing agency may ask the requesting agency, in writing, for advance payment for all or part of the estimated cost of furnishing the supplies or services. Adjustment on the basis of actual costs shall be made as agreed to by the agencies.

(b) If approved by the servicing agency, payment for actual costs may be made by the requesting agency after the supplies or services have been furnished.

(c) Bills rendered or requests for advance payment shall not be subject to audit or certification in advance of payment.

(d) If the Economy Act order requires use of a contract by the servicing agency, then in no event shall the servicing agency require, or the requiring agency pay, any fee or charge in excess of the

actual cost (or estimated cost if the actual cost is not known) of entering into and administering the contract or other agreement under which the order is filled.

Note: Section 3136 of Public Law 105-196 requires DOE to charge a 3% surcharge, called the Federal Administrative Charge (FAC), on all reimbursable work. There are a limited set of both statutory and regulatory waivers available to waive the FAC surcharge.)

2. DOE Requirements

- 2.1 Appropriation funds cite certified by an appropriate agency official with funding document number as part of a reimbursable work order.
- 2.2 A statement indicating when the funds must be obligated by.
- 2.3 A statement indicating the appropriated funds expiration date.
- 2.4 Sample Statement from a Federal Agency ("legal authority and no direct competition with U.S. private sector").
- 2.5 Statement of Work (SOW) or Research Proposal (RP) indicating what needs to be done.
- 2.6 Name, address, and telephone number of requesting agency financial contact.
- 2.7 Requesting agency billing address.
- 2.8 All billings, collections and payments related to reimbursable interagency acquisition (IA) work performed by DOE for other federal agencies will be recorded through the Intergovernmental Payment and Collection (IPAC) System. As expenditures are incurred against a customer agency's funding authorization, monthly billings will be issued on behalf of DOE by the M&O Contractor's Accounts Receivable Department through the IPAC System. Chargebacks to DOE should not occur unless the customer agency has agreement with DOE to do so. In addition, sufficient accounting classification or other funding information required by the customer agency to properly identify the charges should be provided.
- 2.9 The DOE Obligating Number (i.e., the sponsor's agreement number [interagency agreement number], funding document number, MIPR number, etc.) shall serve as the common agreement number required by FMS Bulletin no. 2007-03. The requesting agency IA should specify information including:
 - 2.9.1 Agency Location Code (ALC)
 - 2.9.2 Treasury Account Symbol (TAS)
 - 2.9.3 Business Event Type Code (BETC)
 - 2.9.4 Business Partner Network (BPN) number, and

2.9.5 Contracting and Accounting Points of Contact

(Note: DOE is unable to accept direct cite funds.)

3. Funding Documents That DOE Will Accept

DOE does not impose the use of a specific DOE or a particular standard government form so as not to impede the requesting agency from asking for services. To enhance government efficiency, DOE will accept for obligation purposes any reimbursable funding document that the sponsoring agency may desire to use as long as the information in paragraph 2 above is provided.

Some examples of acceptable funding documents are:²

- 3.1 Agency Letterhead
- 3.2 SF 26, Award/Contract (also SF 30, Amendment of Solicitation/Modification of Contract, when used to modify the SF 26)
- 3.3 SF 1034, Public Voucher for Purchase and Service Other than Personal Services
- 3.4 DD 1144, Inter-Service/Interdepartmental Support Agreement
- 3.5 DD 1155, Order for Supplies or Services
- 3.6 AF Form 185, Reimbursable Order
- 3.7 NAVCOMPT 2275, Order for Work and Services
- 3.8 DA 3953, Purchase Request and Commitment Form
- 3.9 DD 448, Military Interdepartmental Purchase Request (MIPR)
- 3.10 PHS 5152-5, Notice of Grant Award
- 3.11 DOT F 2300.1, Department of Transportation Reimbursable Agreement
- 3.12 NRC 173, Standard Order for DOE Work
- 3.13 DTRA IACRO, Inter-Agency Cost Reimbursement Order

² Form definitions are: SF = Standard Form; DD = Department of Defense; AF = Air Force; NAVCOMPT = Navy Comptroller; DA = Department of the Army; DTRA = Defense Threat Reduction Agency; PHS = Public Health Service; DOT = Department of Transportation; NRC = Nuclear Regulatory Commission; NSA = National Security Agency; DARPA = Defense Advanced Research Projects Agency; TDF = Treasury Department Form.

- 3.14 NSA ORM B5549, Universal Order Form
- 3.15 DARPA 26F, Award/Contract
- 3.16 TDF 35, Department of Treasury Form Agreement for Reimbursable Services

4. Financial Policy.

DOE will account for and control funds by individual funding document unless specific written instructions to the contrary are received from a certifying official of the other federal agency. Multiple funding documents for the same scope of work under this agreement will be fully costed on a first-in, first-out basis utilizing cost transfers if authorized.

5. References

- 5.1 Federal Acquisition Regulation Section 17.500.
- 5.2 DOE Order 481.1C, Non-DOE Funded Work (Work For Others), dated 01/09/2005.
- 5.3 DOE Accounting Handbook, Paragraph 2 (Reimbursable Work) of Chapter 13 (Reimbursable Work, Revenues, And Other Collections).