

USDA Forest Service

Formalizing Partnerships through Grants & Agreements



Formalizing Partnerships through Grants & Agreements

Chapter 5 DRAFT

Chapter 5 Table of Contents

Introduction	3
5.1 Grants and Agreements	4
5.2 Agency Partners and Roles	5
5.2.1 Agency Responsibilities	5
5.2.2 Partner Responsibilities	6
5.3 Project Development and Execution	8
5.3.1 Roles and Plan Formation	8
5.3.1.1 Four Basics Needed to Proceed with an Agreement	8
5.3.1.2 Establishing Goals, Objectives, and Outcomes	10
5.3.1.3 Financial and Budgeting Planning	11
5.3.1.3.1 Documents Required	11
5.3.2 Document Finalization and Execution	13
5.3.2.1 Tracking Payments	13
5.4 Timeframes and Closeout	14
5.4.1 Timeframes	14
5.4.2 Closeout	15
5.5 General Requirements for All Agreements	16
5.6 Partnership Agreement Type	17
5.6.1 Challenge Cost-Share Agreements	18
5.6.2 Collection Agreements	18
5.6.3 Interagency Agreements	20
5.6.4 Memorandum of Understanding	21
5.6.5 Participating Agreements	22
5.6.6 Stewardship Agreements	23
5.6.7 Cost-Reimbursable Agreements	24
5.6.8 Joint Venture Agreements	25
5.7 Grants and Cooperative Agreements	25
5.7.1 Cooperative Fire, Cooperative Forest Road, and Cooperative Law Enforcement Agreements	27
5.7.2 Cooperative Research and Development Agreements	28
5.8 Resources	28

5. Formalizing Partnerships through Grants & Agreements

How do grants and agreements facilitate partnering opportunities with the USDA Forest Service?

Collaboration and partnerships are the way of the future in managing the nation's forests and grasslands and its many other program areas, including international programs, non-Federal forestry, private land interests, Job Corps, and research.

Increasingly, the USDA Forest Service's role is to bring people together through on-the-ground, community-based projects. A partnered or collaborative approach builds commitment to and ownership of the results of forestry-related projects. This work often helps diverse groups find common interests and enables them to leverage resources to get work done. The Forest Service uses legal instruments called Grants and Agreements (G&A) to facilitate many of its partnering opportunities.

Throughout the G&A process, and especially as questions arise, it is extremely important that one works in close coordination with his or her grants management specialist. The information in this portion of the Partnership Guide is meant to serve as a starting point for your G&A needs and is not meant to replace the expertise that the Forest Service's G&A specialists can provide. In addition, for more detailed written information on the G&A process, please consult the [USDA Forest Service Grants and Agreements Quick Guide for National Forest System Program Managers](#).

← 5.1 Grants and Agreements Defined

The Forest Service works with partners to accomplish important project work under two general legal instrument categories: Partnership Agreements and Federal Financial Assistance, which includes Grants and Cooperative Agreements.

Partnership Agreements involve activities that take place both on and off National Forest System land where both the Forest Service and partner share mutual interests and benefits from the project work. Each partnership agreement comes with its own set of requirements, limits, and opportunities. For example, some agreements are tied to particular funding while others limit the type of activities allowed. The Forest Service works to best match a partner's proposed project with permissible activities authorized by Congress and available funding.

Grants and Cooperative Agreements are Federal Financial Assistance transactions for work that takes place off of National Forest System land with an eye for the public good and benefit. While both Grants and Cooperative Agreements are legal instruments used to document assistance, they differ in that substantial involvement is expected between the Forest Service and the recipient under a Cooperative Agreement but not under a Grant.

The information in this chapter is designed to simplify understanding of these terms.

Unfamiliar terms may be used during partnership discussions. Sometimes the Forest Service calls partners by other names, such as collaborator, cooperator, grantee, participant, party, or recipient. Organizations might be referred to as an entity. Agreement documents may be called instruments or listed by an acronym and number, such as FSM 1580, which is the policy citation for these transactions. An agreement may be referred to by the name of its underwritten legal authority or by the grant and agreement funds tied to that authority.

← 5.2 Agency and Partner Roles

Once the Forest Service and a potential partner have agreed to work together to accomplish something of mutual interest, a Forest Service program manager assigned to the partnership project discusses agreement options with the potential partner and they jointly craft a partnership proposal. The program manager will help the partner understand the opportunities, responsibilities, and limitations within any given agreement. Additionally, the program manager is a resource to assist partners in answering questions as a partnership proposal is drafted. The program manager's expertise will likely be in the arena that corresponds to the project's primary focus, such as conservation education, cooperative forestry, fisheries, forestry, range, recreation, research, or wildlife.

← 5.2.1 Agency Responsibilities

Forest Service program managers follow agency policy and procedures outlined in specific agreement documents to award, administer, review, and ultimately close out partnership projects and awards. Program managers must monitor partnership activities throughout the performance period to make sure the goals are met as outlined. They ensure numerous required reports are received, track funds, and document each stage of the project's progress.



Program managers are Forest Service employees with program management responsibilities, including developing and implementing Grants, Cooperative Agreements, or other partnership or interagency agreements.

Program Manager responsibilities include, but are not limited to, the following:

- Contact Grants and Agreement staff early in the process when anticipating a need for an agreement.
- Manage cooperator negotiations.
- Develop draft agreements.
- Perform role-specific Natural Resource Manager and Work Plan database functions.
- Monitor and report progress and financial performance as required.
- Approve and certify payments.
- Manage incoming funds.
- Initiate and complete close-out procedures.
- Review and certify ethics and conduct statements.
- Review and certify Civil Rights requirements.

Program managers may—depending on the amount and scope of the activity and agreement type—make site visits, calls, or audits while documenting interactions with partners to report progress and seek solutions to issues requiring guidance.

The [USDA Forest Service Grants and Agreements Quick Guide for National Forest System Program Managers](#), an online resource available to Forest Service employees, is designed to benefit both the agency and its partners by helping to simplify relatively complex processes.

5.2.2 Partner Responsibilities

Partners also have numerous responsibilities under a signed agreement; partners must comply with all agreement terms and conditions, including those added through modifications. They should

monitor the project's technical and financial performance, evaluate its effectiveness and success, submit timely invoices, and supervise activities throughout the performance period. Partners must document accomplishments, payments, challenges, delays, or interruptions in an agreed-upon schedule. They must ensure adequate systems are in place to track project progress and financial accuracy. They also must submit performance and financial reports at least annually and no more than quarterly, as outlined in the agreement documents.

Any goods or services provided at a charge must be reasonable, allowable, and allocable for the activities described and accurately reflect activities performed through the invoice date. Expenses must occur during the period of an agreement; no expenses that pre- or post-date the project period are acceptable unless stipulated in the agreement terms and conditions, which is only possible under certain agreement types.

Forest Service program managers are available to help partners meet these requirements.



← 5.3 Project Development and Execution

Once the Forest Service and a potential partner have decided to explore a specific project, the two parties should work closely to determine several facets of the project proposal. With help from a grants and agreements specialist, the program manager works through all options with a potential partner to ensure any partnership agreement meets all mandated law and Forest Service policies. While the process might seem complex, each step ensures that the partnership is successful and compliant with the many Federal funding requirements.

← 5.3.1 Roles and Plan Formation

The process of developing a partnership project and choosing a particular instrument type requires defining the project's scope, intent, and scale. Whatever resources are required, the Forest Service must ensure they are sufficient and that all parties understand what each is contributing. The Program Manager and partner must examine budget cost elements to ensure they are necessary, reasonable, and appropriate for the completion of the activity.

On the Forest Service side, five primary players are required to complete an agreement and formalize a partnership: program manager, grants management specialist, budget approver, signatory official, and a Financial Specialist from CFO who reviews the obligated funds and submits them to FMMI. Each of the five roles carries a specific set of responsibilities to be executed in cooperation with the other four entities. Forest Service employees can find specific role definitions in the [USDA Grants and Agreements Quick Guide for National Forest System Program Managers](#) located on the Forest Service Grants and Agreements Web site.

← 5.3.1.1 Four Basics Needed to Proceed with an Agreement

Early on, a Forest Service program manager needs to ascertain four key elements: authority, appropriations, principle purpose test supporting a bona fide need, and appropriate agreement type. A grants management specialist can help the program manager choose the correct instrument for the project.

Authority

In order for the Forest Service to carry out any activity, a Federal law must permit the agency to perform that activity or the Forest Service cannot do it. [Forest Service Manual \(FSM\) 1580](#) offers a list of commonly used authorities.

Appropriations

An agreement cannot move forward without Congressionally-appropriated funding. Congress must also give, or appropriate, funds to the Forest Service to accomplish its work. Sometimes Congress approves funds for a specific purpose, but typically it appropriates funds based on categories, such as National Forest System lands, Research and Development, etc.

The Forest Service must ensure appropriated funds' use corresponds to given authorities. For example, the Forest Service can use National Forest System appropriations under the authority of the Cooperative Funds and Deposits Act to do interpretative services but cannot use National Forest System appropriations for research activities under the Forest and Rangeland Renewable Research Act; that is, under a Research and Development authority. The program manager should confirm any planned use of funds aligns with appropriated funds authorities.

Principle Purpose Test (FSH 1509.11, sec. 13.5, Principle Purpose Test)

Once the program manager has determined both the authority and appropriations are available, the next step is to ensure a bona fide need exists for the project and to look at the activity's principle purpose and determine which authorization is most appropriate:

- Gift or donation
- Federal Financial Assistance document (Grant or Cooperative Agreement)
- Partnership Agreement
- Procurement, property transaction, lease, or special use permit

- Volunteer Agreement

Choosing Agreement Instruments

Working directly with the program manager, the grants management specialist ultimately determines which agreement instrument is appropriate based on the answers to these questions. In addition to guiding the agreement-type selection, the grants management specialist may offer guidance during negotiations to ensure the agreement is properly drafted. The [Agreements' Decision Tree](#) explains the process. Some projects that primarily benefit the Forest Service are better suited to contracts, which are outlined in chapter 6 of this guide.



5.3.1.2 Establishing Goals, Objectives, and Outcomes

Together, the program manager and the potential partner establish clear goals, objectives, and outcomes. During this exploratory phase of building a partnership relationship, the two entities need to answer the following:

- What is the project proposing to do?
- Does the Forest Service have the authority and available funding to support the project?
- Who is performing the work or specific parts of the work?
- Do the two organizations have the capacity and capability to accomplish the proposed work?
- What is the proposed project's full cost, including direct, indirect, and in-kind contributions?
- What is the project timeline?

The program manager will consult with a Forest Service grants management specialist to discuss options. Responses to the following questions will help guide which agreement is appropriate for a proposed partnership:

- What is the proposed project's principle activity?
- Does it require Forest Service funding?
- Is this suited to a grant or an agreement?

- Does the project involve the Forest Service purchasing services or acquiring property?
- Is this project better suited to a procurement contract, lease, or special use permit?
- How involved will the Forest Service be in the partnership or grant project?



5.3.1.3 Financial and Budgetary Planning

Early in the process, the program manager coordinates with the budget office to ensure any necessary funding is available. Financial and budgetary planning can then begin while agreement options are being reviewed. In most cases, funding must be available within existing appropriations for the type of activity to be implemented. Any necessary Forest Service staff support must be also acknowledged and approved.

The Forest Service budget official is responsible for determining job and budget object code authorized uses. The program manager submits a draft proposal and financial information to the local budget official to acquire necessary financial support and complete the Work Plan record (which is later linked in the NRM system).



5.3.1.3.1 Documents Required

Partnership project proposals require specific documents based on agreement type. At a minimum, proposals consist of the following:

- Agreement form
- Scope of work
- Defined performance period
- Financial plan



The specific agreement form needed is based on a template that varies per the planned activity and the authority under which the agreement is authorized. When finalized, this template becomes the award letter. The scope of work, or operating plan as it is sometimes called, identifies each partner's respective roles, responsibilities, obligations, and accountability (monitoring and reporting), including the following:

- An explicit statement outlining the character and extent of anticipated involvement of both partners.
- Project performance measurements to evaluate achievement of specific milestones or mutual objectives.
- A resource list naming the providing partner, such as services, facilities, equipment, materials, supplies, and personnel, and if applicable, a schedule indicating when they will be provided.

Within a partnership agreement, the defined performance period must be articulated and is usually included in the agreement or the award letter. The financial plan is created following detailed discussions between the partners concerning project costs. The grants management specialist conducts a preliminary cost and budget analysis to ensure expenses are reasonable and necessary for the project's completion. Forest Service and partner contributions should complement one another and ensure cost sharing/matching based on statutory and policy requirements. Such planning allows both the Forest Service and the partner to better understand the expectations and deliverables associated with the agreement. Only by knowing who will perform what activity and who pays for specific costs can both fully commit to what will be required of each. The financial plan lists the proposed project's resource requirements in detail, identifying direct costs, indirect costs, in-kind contributions, and third party contribution of funds, and outlines all cost elements, which might include equipment, materials, printing, salaries/labor, supplies, and travel, for example. Using the Forest Service financial plan forms also allows for narrative explanations to supply financial plan cost element details.

Note that, for Federal Financial Assistance, project costs and spending must also be allowable per the Office of Management and Budget cost principles found at [2 CFR Parts 220, 225 and 230](#).



5.3.2 Document Finalization and Execution

Once the proposed project has been developed and an appropriate agreement has been prepared, the program manager works with the signatory official to sign the completed documents after the grants management specialist has cleared the document for signature. Only designated Forest Service signatory officials, including the Chief, Deputy Chief, or Regional Forester or those acting for them in an official capacity, have the authority to sign a completed agreement to formalize a partnership.

Once signed, an agreement is legally binding in that both entities must perform as agreed. The program manager ensures that the partner receives a copy of the agreement and other pertinent records. Once the agreement is underway, the program manager and grants management specialist all have ongoing administration and closeout responsibilities.



5.3.2.1 Tracking Payments

Forest Service employees are responsible for tracking payments and following other process requirements within Natural Resource Manager (NRM), a Forest Service organization responsible for coordinating software development activities for Forest Activity Tracking System (FACTS), Infra, Natural Resource Information System (NRIS), and Timber Information Manager (TIM) applications. All data and software are stored on NRM's servers at the National Information Technology Center (NITC) in Kansas City, Missouri. The [NRM Forest Service Web site](#), NRM's primary information portal, is the central location for all user support materials, training resources, and release notes for NRM applications.



← 5.4 Timeframes and Close Out

← 5.4.1 Timeframes

Partnership agreements may be in place for a period up to five years, or in the case of a Stewardship Agreement, for ten years. Funds must be obligated within the fiscal year of the appropriation but can then be spent over the entire life of the agreement, the length of which depends on how the agreement is written.

For projects that require a change in the performance period, both parties must sign a prepared modification that officially extends the agreement term. If the agreement is at or near the five-year mark, then a new agreement is created to begin a new programming cycle, and the old agreement is closed out upon expiration.

A longer-term project can be funded on an annual basis or completely during the first year, depending on available funding. When the Forest Service chooses to fund the first year only, then its obligation for adding funds in subsequent years is contingent upon the availability of appropriated funds. As such, no legal liability exists on the Forest Service's part for payment requests for performance that takes place beyond an agreed-upon date or amount under the grant or agreement. If additional funds become available in a subsequent year, then the parties can modify the existing grant or agreement through a written modification to add the funds. For multiple-year partnership projects where the Forest Service receives funds from a partner, there are special annual requirements.

5.4.2 Close Out

A partner's participation is required to gather all the necessary information and documents critical to a successful (and legal) closeout period. Closeout involves the collection of all final program and financial documents and in some cases, deobligation of unspent funds. These actions require a partner to certify that the project is complete (by submitting final performance and financial reports, as the agreement requires) and they have submitted their final invoice to the Forest Service. The program manager ensures that these documents are sent to the Grants Management Specialist for processing and closeout. Depending on the type of agreement or grant, the partner's project manager needs to submit final documentation within 30 to 90 days after the performance period has expired. All invoices must have been received; payments made; work completed; and proper performance and financial reports received and accepted.

← 5.5 General Requirements for All Agreements

Several general requirements that come from Federal and Appropriations law, Presidential orders, and Forest Service policy guide nearly all partnerships. Important provisions follow:

- Potential conflicts of interest or the appearance of such within an agreement must be avoided. Similarly, an agreement must not imply that the Forest Service is endorsing partner organization services or products.
- Projects must comply with all applicable Federal, State, and local laws and regulations, policies, and requirements (such as the National Environmental Policy Act, the Clean Water Act, the Endangered Species Act, etc.).
- For all agreements (other than Memorandums of Understanding), financial plans must be accepted before the project begins.
- Agreements can only involve authorized work, that is, work that the Agency would itself be authorized to accomplish.
- Funding for partnerships, grants, and agreements is tied to the availability of appropriations, authorized programming, Agency needs, and other factors such as direct Congressional funding.
- Financial commitments can last as little as a year and no more than five years (ten years in the case of Stewardship Agreements), which depends on the funding type used for the program.
- Forest Service and partner liability are determined based on the instrument type and by statutory regulations.
- Regardless of who initiates discussions, all projects are subject to negotiation and grants management specialist review. Programming should not begin unless a documented partnership agreement has been established and signed by authorized representatives from all participating entities. Verbal agreements to allocate funds, property, or resources are not legally binding and may result in ratification or violation of the Anti-Deficiency Act.
- All agreements are subject to the parameters and limitations of the supporting applicable legal authority.

- Where required, a partner's matching contribution does not include other Federal funds unless specifically authorized by statute.
- Where a partner provides services for which they are paid, an outside reasonable person knowing the relevant facts would consider the costs to be fair and reasonable for the circumstances.
- Projects must be in the public interest in part or whole.
- Projects must align with the Forest Service's mission.

← 5.6 Partnership Agreement Types

Over 25 laws govern Federal agencies' partnership policies; specific rules define the varying partnership types. Several of these laws are explained on the [Partnership Resource Center](#). Common agreement types explained below offer Federal agencies and partners a myriad of ways to work together successfully through these laws and various authorities while ensuring the rules are followed. Forest Service employees can benefit from perusing the [Grants and Agreements Forms and Templates Web site](#).

The [Agreements' Decision Tree](#) document can help determine which partnership option best suits a given project.

This chapter generally explains the following agreements:

- Challenge Cost-Share Agreements
- Collection Agreements
- Interagency Agreements
- Memorandums of Understanding
- Participating Agreements
- Stewardship Agreements

- Federal Financial Assistance Grants and Cooperative Agreements (Domestic and International)

5.6.1 Challenge Cost-Share Agreements

Challenge Cost-Share Agreements are used when the Agency partners to develop, plan, and implement projects that enhance Forest Service activities. As the agreement name implies, both the Forest Service and its partner contribute funds to the direct costs of shared projects. Partners' matching funds may originate from fundraising, individuals, institutions, organizations, and/or other non-Federal public agencies. Besides cash funds, partners may satisfy the matching requirement of typically not less than 20 percent by providing real or personal property, services, and/or in-kind contributions, such as volunteer labor. Challenge Cost-Share Agreements allow the Forest Service to reimburse organizations for the cost of their materials and/or labor. The Interior and Related Agency Appropriations Act of 1992 authorizes this agreement type.

Partners who tend to work under Challenge Cost-Share Agreements include corporations, institutions, individuals, nonprofit organizations, and public and private agencies. A Challenge Cost-Share Agreement could be used to support a wildlife habitat study with a regional nonprofit partner, enable riparian or other ecosystem restoration efforts, or engage a local educational partner to develop an outdoor summer education program.

5.6.2 Collection Agreements

Collection Agreements, authorized by the Cooperative Funds Act of 1914 or the Granger-Thye Act of 1950, allow the Forest Service to collect cash contributions from partnering organizations to perform work benefitting partners on either National Forest System land or land adjacent to or with direct impact to National Forest System land. Collection Agreements are used when the Forest Service accepts funds from non-Federal partners to enable on-site conservation projects focused on land administration, evaluation, improvement, management, protection, or reforestation. Partner

financial contributions may cover all or part of the work costs. A balance of responsibilities enables both entities to use their organizational strengths in concert.

The Cooperative Funds Act of 1914 supports the following:

- Construction and maintenance of National Forest System improvements such as fences, range, recreational areas, and roads.
- Protection of National Forest System land from diseases, fire, and insects.
- Forest investigations on National Forest System land, such as timber surveys or water monitoring.
- Wildlife habitat improvement on National Forest System land.

The Granger-Thye Act of 1950 supports the following:

- Cruising, marking, scaling, and helping manage Federal and non-Federal timber stands.
- Administering forest resources in accordance with sound conservation practices on non-Federal forest lands.
- Conducting wildlife activities on non-Federal lands under agreements with State game commissioners or others.
- Surveying to establish common boundaries.

Partners who tend to work under Collection Agreements include Tribal governments, conservation districts, nonprofit organizations, watershed councils, schools, private landowners, counties, municipalities, States, and other non-Federal entities. Examples of work for which Collection Agreements are often used include a land exchange survey with a neighboring property developer, construction and maintenance, tree planting on Forest Service lands, and concessionaire operations.



← 5.6.3 Interagency Agreements

Interagency Agreements, permanently authorized under the Economy Act of 1932 (P.L. 97-258 and 98-216) and the Consolidated Appropriations Act of 2012 (more commonly known as Service First, P.L. 112-74), help the Forest Service work more closely with other Federal agencies to carry out joint or shared activities to achieve resource management goals, leading to increased efficiency and overhead cost reduction.

Interagency Agreements should be used when one Federal agency is in a position to provide equipment, services, or supplies that another agency needs to accomplish its mission. A general requirement is that the performing agency must recover full work costs, though this may be limited in special circumstances. Interagency Agreements are often used to co-locate two different agencies' offices, create a single point of contact for resource programs, or provide equipment, materials, services, supplies, or work to another Federal

agency.

Essentially, Service First is a partnership authority available for use by all bureaus and offices within the Departments of Interior and Agriculture. The Service First authority cannot be used with Tribal governments because they are sovereign nations, not Federal agencies. It is possible to enter into an Economy Act agreement with the Bureau of Indian Affairs who in turn can subcontract the work to a Tribal government. More information can be found on the [Forest Service's Service First website](#).

5.6.4 Memorandums of Understanding

Memorandums of Understanding (MOUs), general frameworks for cooperation between the Forest Service and partners, are best used when the Agency works in coordination with partners but under separate activities. Both parties benefit through their coordinated efforts, but both the Forest Service and partners direct their own activities and use their own resources. There is no exchange of financial resources or objects of monetary value, such as supplies. If it becomes necessary to fund or exchange anything of value between parties to an MOU, then a new and separate agreement, contract, grant, or special use permit must be created to expand the existing relationship's parameters.

Unlike other agreements, an MOU is a nonbinding document that does not require the foundation of a legal authority. Used with a very broad range of partners and projects, MOUs are common within all deputy areas of the Forest Service. While MOUs can document relationships and/or coordinated efforts, these instruments cannot obligate or fund projects or involve work not authorized by legislation.

Partners who tend to enter into MOUs with the Forest Service include educational institutions and nonprofits, individuals, associations, and private organizations, and government-to-government entities, including Tribes. MOUs can even be used with foreign agencies and organizations. In addition to functioning well within government-to-government and interagency relationships, MOUs can enhance cooperation with universities and professional associations that serve diverse audiences by increasing opportunities for study and employment with the Forest Service that ultimately help diversify the Forest Service workforce. MOUs also contribute to capacity building and cooperation to help transfer research findings and technical advice and eliminate duplicative efforts through increased coordination.

← 5.6.5 Participating Agreements

Participating Agreements are mutual benefit agreements used with two authorities: the Cooperative Funds and Deposits Act and Watershed Restoration and Enhancement Act (Wyden Amendment). Participating Agreements citing the Cooperative Funds and Deposits Act of 1975 are focused projects involving four specific program areas: development, job training, and manpower programs; environmental education and forest history materials; forestry protection; and pollution abatement. When citing the Wyden authority (P.L. 111-11), Participating Agreements can be used to enhance, protect, and restore fish and wildlife habitat and other natural or cultural resources on public or private land – so long as the activities benefit National Forest System land within a watershed or reduce natural disaster risk where public safety is threatened. All work is cooperatively performed between both partners. Partner contributions may include cash, in-kind contributions, personal or real property, and/or services (such as volunteer labor).

Eligible partners under Participating Agreements include educational institutions or nonprofit organizations; local, State, and Tribal governments or other public entities; and landowner or private organizations and agencies. Examples of Participating Agreement use include the following:

- Working jointly with a local watershed organization where the Forest Service and the organization plan and produce a conference (environmental education and forest history).
- Working with a State-run youth rehabilitation center to provide training and tools for residents to create wildlife openings on a nearby national forest (development, job training, and manpower programs).
- Contributing to a local government for the construction, operation, and maintenance of a recycling center which the Forest Service as well as the municipality can mutually use (pollution abatement).
- Partnering with the local branch of a national conservation organization to hand-pull noxious weeds in a national forest wilderness area (forest protection).

5.6.6 Stewardship Agreements

Stewardship Agreements, along with Stewardship Contracts that are discussed in Chapter 6, are used to achieve mutually-shared objectives and land management goals on the national forests, such as forest restoration, watershed protection, and wildlife conservation. Designed to promote closer working relationships with local communities on projects that meet local and rural needs, these instruments allow Federal agencies to contribute to sustainable development and restore and maintain healthy forest ecosystems. These agreements are authorized by Section 8205 of Public Law (P.L.) 113-79, the Agricultural Act of 2014. Note that Section 8205 supersedes the authority granted to the Forest Service in P.L. 105-277, sec. 347 (Stewardship Authority).

Forest Service staff may use Stewardship Agreements as tools to achieve restoration objectives identified through forest planning and National Environmental Policy Act (NEPA) processes. Stewardship Agreements are often used for assessing timber conditions, forest stewardship and restoration activities, timber removal, or timber salvage in disaster conditions. Forest Service staff collaborates to build community partnerships with cooperating nongovernmental organizations; Federal, local, and State government agencies; Tribal governments; and any interested groups or individuals to develop projects. Unlike other partnership agreements that are limited to a five-year performance period, stewardship agreements can last up to ten years because of the long-term planning and programming that takes place with these projects. Examples of interested groups or individuals include conservation groups, fire safe councils, resource advisory committees, resource conservation districts, and watershed councils.

Stewardship Agreements are unique in that they can use a combination of forest product and appropriated funding to carry out stewardship activities. In addition, retained receipts (the amount collected from forest product sales over the amount spent on stewardship programming) can be used for future stewardship projects. Since there is a mutual benefit to the parties, cooperators should not financially profit from Stewardship Agreements. Cooperators shall document the sale of any forest products and, if profits are realized, the funds are either used for additional service work or paid back to the Forest Service as retained receipts. The proper use and management of Stewardship Agreement receipts must be assessed as a normal part of regional and forest renewable resource programs and activity reviews.



The determination to pursue an agreement over a contract is deliberate and can often be developed if the interested party is a nonprofit organization. Sometimes projects are better served by Stewardship contracts.

← 5.6.7 Cost-Reimbursable Agreements

Cost-Reimbursable Agreements procure certain goods or services through colleges and/or universities and State cooperative institutions to conduct agricultural research or teaching activities of mutual interest. For example, Cost-Reimbursable Agreements may be used to help develop

forestry and renewable natural resources curriculum, or to coordinate and/or conduct a conference, workshop, or training session if such services are otherwise provided by the colleges and/or universities or State cooperative institution. The benefit may be for both attending students and government employees.

5.6.8 Joint Venture Agreements

Joint Venture Agreements are used for agricultural research activities provided the agreement objectives serve both parties' mutual interest. Additionally, Joint Venture Agreements may be used with universities and colleges offering baccalaureate or higher degrees for agricultural teaching activities when the parties benefit in the same qualitative way from the agreement objectives and all parties to the agreement contribute resources to accomplishing those objectives. International Joint Venture Agreements may be entered into with any foreign entity or individual (upon clearance from Washington Office International Programs) for agricultural research activities, provided the objectives of the agreement serve the parties' mutual interest. Only the Research and Development deputy area or branch may enter into Joint Venture Agreements.

5.7 Grants and Cooperative Agreements

Authorized by the Federal Grants and Cooperative Agreements Act of 1977, the primary purpose of a Grant or Cooperative Agreement – a Federal Financial Assistance (FFA) transaction – is to stimulate a recipient's activities designed to support the public good. Examples of Cooperative Agreement or Grant uses include:

- Basic and applied research when the principal objective is to stimulate or support knowledge development.
- Training projects where the recipient selects the trainees; specifies the training plan; provides the training; and supports its capacity to provide high-quality training.

- Service planning and delivery at the local, regional, or State level to meet award recipient-identified needs.
- Development and testing of prevention, training, and service delivery models where the recipient principally develops a detailed approach to advance project excellence (for example, demonstration projects).
- Conferences to exchange current information, opinions, or findings in the area of agency program interests for the principal purpose of advancing the field (rather than to directly benefit the government).
- Construction projects designed to benefit individuals or groups served by the recipient (for example, constructing a school building or a municipal wastewater treatment plant).

It's essential to recognize that, while partnership activities can take place on National Forest System lands, FFA activities cannot since a direct outcome or deliverable for the Forest Service is not the primary goal of these transactions.

In order to award a Grant or Cooperative Agreement, the Forest Service must cite a specific statute that authorizes the Agency to provide such assistance to the public. In addition, all Grants and Cooperative Agreements must have a corresponding Catalog of Financial Domestic Assistance (CFDA) number. The active list of all Forest Service current Financial Assistance programs can be found at: <https://www.cfda.gov/>. If the principal purpose between the Agency and the recipient is to acquire goods or services—by purchase, lease, or barter—of property or services for the direct benefit or use of the Federal government, then a procurement contract should be used instead.

Cooperative Agreements carry the same requirements as Grants except that Forest Service personnel or their representatives shall have substantial involvement, that is, the Agency engages in planning and carrying out the project with the cooperator for those activities specified in the agreement. Under a grant the recipient is expected to perform the project without substantial agency collaboration or intervention, but the Agency will still monitor the recipient's performance. Essentially, it is the Federal agency's required level of substantial involvement that differentiates between Grants and Cooperative Agreements. The criteria and definitions outlining substantial

involvement are set out in 2 CFR 200.201 which are the administrative requirements for Federal Financial Assistance recipients.

5.7.1 Cooperative Fire Protection Agreements, Cooperative Forest Road Agreements, and Cooperative Law Enforcement Agreements

The Office of Management and Budget (OMB) has authorized certain exemptions to the Federal Grants and Cooperative Agreements Act of 1977, specifically Cooperative Fire Protection Agreements, Cooperative Forest Road Agreements, and Cooperative Law Enforcement Agreements.

- Cooperative Fire Protection Agreements, primarily authorized by the Reciprocal Fire Protection Act (42 USC 1856a), allow the Forest Service to work cooperatively with fire organizations to provide wildland fire protection, to perform approved severity activities, and as applicable, to respond to presidentially-declared emergencies or disasters under Federal Emergency Management Agency authorities (such as the Stafford Act). Wildland fire protection activities include but are not limited to prevention, detection, suppression, training, aviation, wildland fire use, and fuels management. These agreements can be very complex.
- Cooperative Forest Road Agreements, authorized by the National Forest Roads and Trails Act (16 USC 532-538), 23 USC 205 and regulations issued by the Secretary of Agriculture, allow the Forest Service to work cooperatively with State, county, or local public road authorities for the cooperative planning, survey, design, construction, reconstruction, improvement, and maintenance of certain Forest Roads (further defined in 36 CFR 212).
- Cooperative Law Enforcement Agreements, authorized by Cooperative Law Enforcement Act (16 USC 551a), permit the Forest Service to work cooperatively with State and local law enforcement agencies to enhance the enforcement and/or supervision of their laws or ordinances on lands within or part of any unit of the National Forest System.

← 5.7.2 Cooperative Research and Development Agreements

The Federal Technology Transfer Act of 1986 authorizes the Forest Service to enter into Cooperative Research and Development Agreements for technological transfer for commercial purposes. For example, the Forest Service Forest Products Laboratory, a non-Federal entity, and a State agency enter into an agreement to develop a wood treatment process to enhance the physical performance of wood flooring. The research is performed in a non-Federal entity's laboratory. State and Forest Products Laboratory personnel are detailed to the non-Federal entity's facility and reimbursed by the non-Federal entity. The product is sold commercially. A patent license is granted to the non-Federal entity providing a 15 percent royalty to the Forest Products Laboratory and a 15 percent royalty to the State agency based on product sales. The Forest Service retains the non-exclusive, irrevocable, royalty-free right to use the invention.

← 5.8 Resources

- [Catalog of Financial Domestic Assistance \(CFDA\)](#)
- [USDA Forest Service Administrative Processes](#)
- [USDA Forest Service Grants and Agreements](#)
- [USDA Forest Service Grants and Agreements Quick Guide for Program Managers](#) (available to Forest Service employees only)
- [USDA Forest Service Grants and Agreements Forms and Templates](#) (available to Forest Service employees only)
- [USDA Forest Service Manual \(FSM\) 1580](#)
- [USDA Forest Service Northeastern Area Cooperative Agreements](#)
- [USDA Forest Service Service First](#)
- [USDA Forest Service Stewardship End Result Contracting](#)
- [U.S. Department of the Interior Partnership](#)
- [U.S. Fish and Wildlife Service: Soaring to New Heights: A Guide to Creating a Sustainable Friends/Refuge Collaboration](#)