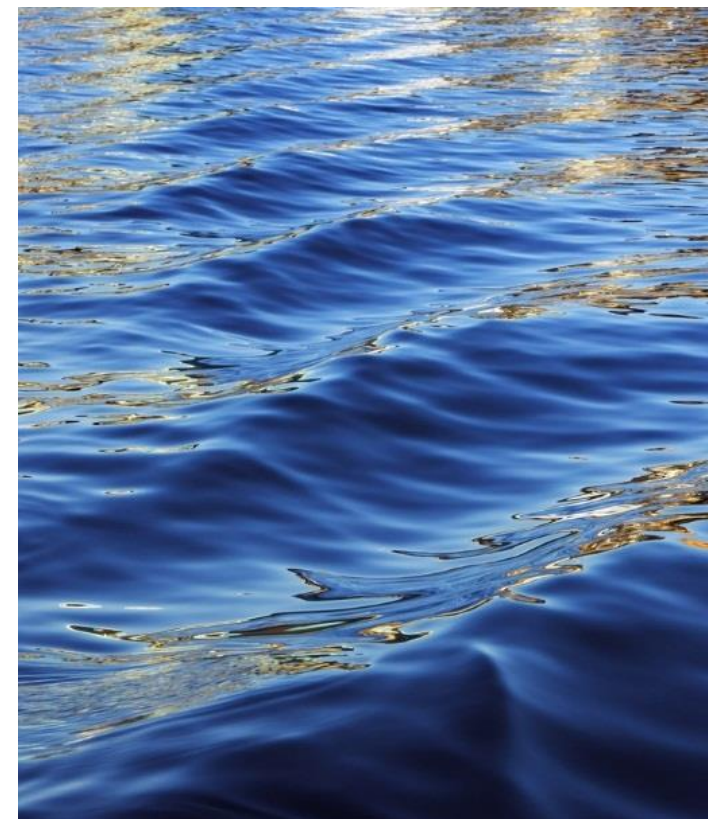




# Service First

## Interagency Agreements



# Service First Interagency Agreements

Purpose: *To provide information and helpful tips on completing Service First Interagency Agreements.*

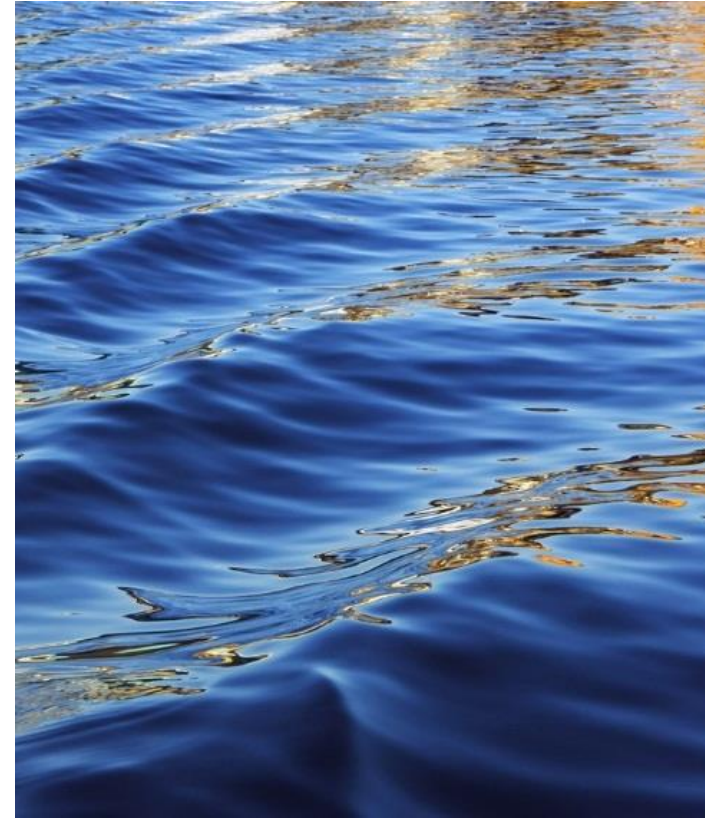
- Service First Authority
- National Memorandum of Understanding
- Goals of Service First
- Master Service First Interagency Agreement
- Satisfying needs of 7600B– *What do I need to start?*
- Tips for successful Service First projects
- Glossary of terms
- Helpful resources





# Service First Authority

Agencies are required to have an authority to use appropriated funds. The Service First statute authorizes Agencies to form and promote partnerships across Agency boundaries and develop joint solutions to federal land management issues. It authorized the agencies to conduct joint activities to mutually benefit resource management goals.



## Service First Authority – Public Law 113 - 76

In fiscal year 2012 and each fiscal year thereafter, the Secretaries of the Interior and Agriculture, subject to annual review of Congress, **may establish programs to conduct projects, planning, permitting, leasing, contracting and other activities, either jointly or on behalf of one another; may co-locate in Federal offices and facilities leased by an agency of either Department; and may promulgate special rules as needed to test the feasibility of issuing unified permits, applications, and leases.** The Secretaries of the Interior and Agriculture may make reciprocal delegations of their respective authorities, duties and responsibilities in support of the "Service First" initiative agency-wide to promote customer service and efficiency. Nothing herein shall alter, expand or limit the applicability of any public law or regulation to lands administered by the Bureau of Land Management, National Park Service, Fish and Wildlife Service, or the Forest Service or matters under the purview of other bureaus or offices of either Department. To facilitate the sharing of resources under the Service First initiative, the Secretaries of the Interior and Agriculture may make transfers of funds and reimbursement of funds on an annual basis, including transfers and reimbursements for multi-year projects, except that this authority may not be used to circumvent requirements and limitations imposed on the use of funds.



# National Memorandum of Understanding



## MEMORANDUM OF UNDERSTANDING

among the

UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
UNITED STATES FISH AND WILDLIFE SERVICE  
NATIONAL PARK SERVICE

and the

UNITED STATES DEPARTMENT OF AGRICULTURE  
UNITED STATES FOREST SERVICE

ON IMPLEMENTING THE SERVICE FIRST AUTHORITY

The [SF MOU](#) was developed to provide a framework to improve the Agencies' effectiveness and efficiency in implementing the Service First goals.

**Note: This MOU cannot be used to obligate funds.**

Agencies can continue reviewing and signing onto the National Service First MOU.

## Three (3) Main Goals of Service First

- To improve **Customer Service**, such as one-stop shopping for information, permits, maps, etc.
- To increase **Operational Efficiency**, such as reduced costs where field units collocate under one roof and share costs of rent, utilities, and equipment.
- To enhance **stewardship of federal lands and resources**, which can come when the various land agencies' staff work in an integrated unit, learn together, and deal with the land on a landscape basis.

**History:** The Treasury Form was adopted by the Service First agencies as the template to use when completing a funded Interagency Agreement. The Treasury form consist of the 7600A (which incorporates General Terms and Provisions) and the 7600B (which contains the order requirements and funding information).



# Master Service First Interagency Agreement

*This form was initiated in 2012 and takes the place of the 7600A requirement of the Treasury Form, which includes mandatory provisions, termination, and modifications that carry forward from one project agreement to the next.*





## Service First Process

1. Starts with a project or program **IDEA**
2. Program Managers agree to project/program and **jointly develop SOW and Financial Plan**
3. Complete **SF Master Interagency Agreement** Treasury form (7600B) if transferring funds.  
*\*Note: Not all agencies use the 7600B. Please consult your G&A/Contract specialists.*



# Service First Master Interagency Agreements identify: \_\_\_\_\_

- The **bona fide need** of the project or program
- The **requirements** for both products and services
- **Funding information** for both agencies
- **Roles and responsibilities** for both agencies
- Required **points of contact**
- **Fiscal obligation**

<a href="#" style="background-color: #ffcc00; color: black; padding: 2px 5px; text-decoration: none;">RESET FORM</a> <a href="#" style="background-color: #ffcc00; color: black; padding: 2px 5px; text-decoration: none;">SAVE</a> <a href="#" style="background-color: #ffcc00; color: black; padding: 2px 5px; text-decoration: none;">PRINT</a>	
<b>United States Government</b> <b>Interagency Agreement (IAA) – Agreement Between Federal Agencies</b> <b>Order Requirements and Funding Information (Order) Section</b>	
IAA Number <span style="border: 1px solid black; display: inline-block; width: 150px; height: 20px;"></span> - <span style="border: 1px solid black; display: inline-block; width: 80px; height: 20px;"></span> - <span style="border: 1px solid black; display: inline-block; width: 150px; height: 20px;"></span>	Servicing Agency's Agreement Tracking Number (Optional) <span style="border: 1px solid black; display: inline-block; width: 180px; height: 20px;"></span>
	GT&C #                  Order #                  Amendment/Mod #

<b>PRIMARY ORGANIZATION/OFFICE INFORMATION</b>		
<b>24.</b>	<b>Requesting Agency</b>	<b>Servicing Agency</b>
Primary Organization/Office Name		
Responsible Organization/Office Address		

<b>ORDER/REQUIREMENTS INFORMATION</b>
<p><b>25. Order Action (Check One)</b></p> <p> <input checked="" type="checkbox"/> New             <input type="checkbox"/> Modification (Mod) – List affected Order blocks being changed and explains the changes being made. For Example: for a performance period mod, state new performance period for this Order in Block 27. <b>Fill out the Funding Modification Summary by Line (Block 26) if the mod involves adding, deleting or changing Funding for an Order Line.</b> </p> <div style="border: 1px dashed green; height: 100px; margin-top: 10px;"></div>



# To satisfy the needs of the 7600B, you will need:

## 1. Statement of Work

- Details the purpose or objective of the project or program
- Addresses each agencies responsibility
- Period of performance
- Includes mandatory provisions as needed
- This can be developed and attached as a separate document

## 2. Financial Plan

- The financial plan is a very important piece of the agreement. A [template](#) can be found at the Service First webpage
- A financial plan is required for the Forest Service, and is highly recommended as a best practice for DOI agencies. Cost elements to consider are: **salary, benefits vehicle, travel, training, supplies, etc.** Anything you can think of that an agency may need to be reimbursed for. The servicing agency should be involved in the discussion so that there are no misunderstandings when it comes time to request reimbursement.

# To satisfy the needs of the 7600B, you will need:

## 2. Financial Plan (cont'd)

Example: If costs for training show up on a transaction register, will you want to pay for those? Cost to government can be obtained in a work plan or by a budget officer for salary. Only by knowing who does what activity and who pays for specific costs, can the parties accurately understand what is required of each party as they work toward accomplishing the goals of each agreement.

- Grants and Agreements / Contracting needs to review the financial plan. **The three concepts that are crucial to any cost analysis** and address the legitimacy for a cost associated with a project:

**Are the costs allowable, allocable, and reasonable?**

Allowable Cost	Allocable Cost	Reasonable Cost
A cost that meets the criteria for authorized expenditures specific in a cost principle methodology.	A cost to an agreement in accordance with the relative benefit received for the award, treated consistently with other costs incurred for the same purpose in like circumstances.	The cost must be able to withstand public scrutiny. Would a reasonable person think the cost was acceptable?

# To satisfy the needs of the 7600B, you will need:

## 2. Financial Plan (cont'd)

- You will need to input your project in the Acquisition Plan in the format required by your agency.
- If you are the **Requesting Agency**, funds for the project will need to be committed in your financial system before the agreement can be sent out for signature. Once the agreement is fully executed, the funds will be obligated and will remain so through the expiration of the funds or of the agreement which is not to exceed 5 years.
- A Grants and Agreements Specialist (GMS) or a Contracting Officer will review and finalize the Interagency Agreement for signature. **Please allow 30-45 day lead time.** The review may go quickly, but also may be fairly complex, which requires additional time. Also, several agreements may be in process at the time new requests are received, so this staff will need time to work it into current workloads.
- Follow-up questions or comments to the program staff may be required.
- Once signed and fully executed, the **Requesting Agency** will obligate the funds; the **Servicing Agency** will request a job code, shorthand code, or management code. **Do not incur any project expenses prior to obtaining the budget authority and job code.**



# To satisfy the needs of the 7600B, you will need:

## 2. Financial Plan (cont'd)

*Note: Currently, for award documents executed with a government entity (federal, state, local, or political subdivision thereof), an additional level of approval from the Chief Financial Office is required before financial obligation is complete or a job code is provided. Typically, this approval takes an additional 10-14 days.*

- FMMI PO Number (*which can be obtained after signature*)
- Funding amounts
- Initiate closeout

### Financial Roles and Responsibilities

Servicing Agency	Requesting Agency	Program Managers
There is a growing concern on unliquidated obligations, which are funds remaining on an agreement for extended periods of time. Servicing Agency should work diligently on the project and expend/request reimbursement for the funds appropriately.	The Requesting Agency must monitor IPAC bill and transactions of the expenditures to ensure the project is being completed as intended.	Program Managers must: 1. Determine whether the work is accomplished and all Terms and Conditions of the award have been met. Important to receive transaction registers with the IPAC bill. 2. Review to ensure charges are correct and no inappropriate charges are applied to the job code.

# Best Practices: SF Interagency Agreements

The best practice is to avoid beginning work on a proposed project until a fully executed Interagency Agreement is in place.

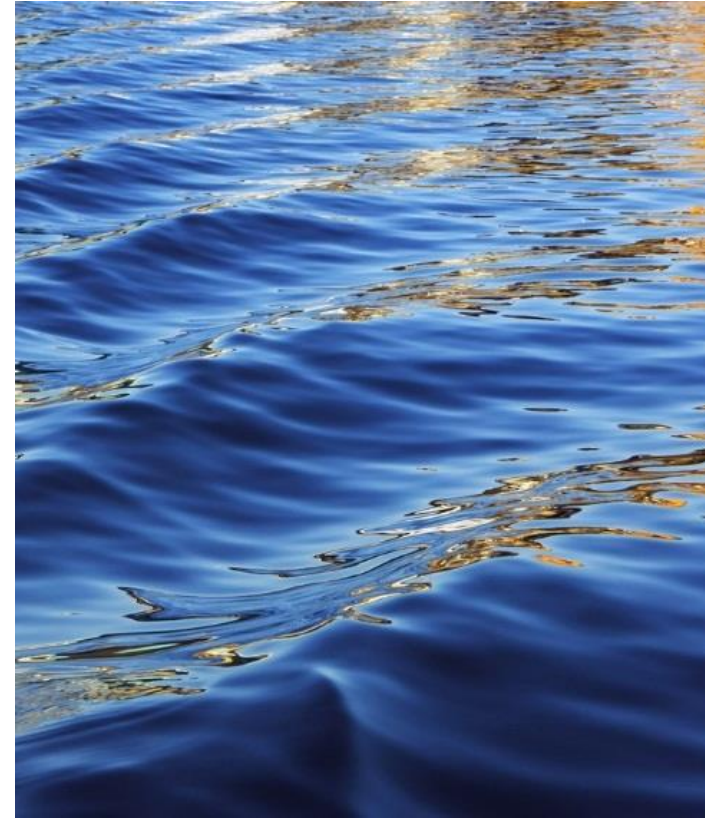
- If not, you may hear the term “ratification.”

*- Ratification is the process used to approve an unauthorized commitment of funds. If the work begins prior to having a fully executed Interagency Agreement in place, your agency may require that it goes through the ratification process. This will slow your project down considerably as the unauthorized commitment will need to be reviewed and approved by the appropriate signatory official in order to proceed.*



# Successful Service First Projects

*Tips and points to remember*



# Service First Success – Points to Remember

You cannot move money through an **MOU** or the Master SF agreement

When using SF Authority, **no other authority** needs to be applied

Life of the agreement cannot exceed **5 years**

Allow **ample amount** of time for processing

When completing the 7600B with DOI or USDA, **reference the SF MOU** as this will meet the Treasury form requirement for the 7600A



# Service First Success – Points to Remember

**Be clear in your expectations.**  
Specify the objectives, responsibilities of each agency, and performance period

Funds will be reimbursed automatically through the Intra-governmental Payment and Collection (IPAC) process

**Monitor expectations.**  
Once the project is completed, costs are reimbursed, close the agreement and deobligate remaining funds ASAP

**Follow your agencies policies** for processing; commitment of funds; Acquisition plan

# Glossary of Terms – 7600B

- **Requesting Agency**: This is the Agency that is requesting the goods or services; obligating agency (the one funding the project). You may also hear them referred to as the Buyer.
- **Servicing Agency**: This is the agency that will provide the goods or services; collecting or agency that will be reimbursed for the project (the one responsible for producing the deliverable or completing the project). You may also hear them referred to as the Seller.

These are two very important terms to understand. We need to determine which way the funds will flow (see [IA Flow Chart](#)). While both agencies will collaborate on the project, the Requesting Agency generally will take the lead on developing the Interagency Agreement. The Servicing Agency will need to review the format, insert their agreement number, ALC, TAS, DUNS in the 7600 Block 28, while making sure the requirement provisions are incorporated before moving forward on signatures.

# Glossary of Terms – 7600B

- **Indirect Cost Rate (or overhead)**: A cost to the servicing agency that cannot be charged to a SF project directly, such as administrative support to process the agreement. Service First authority allows agencies to have the discretion not to assess indirect costs or assess at a negotiated rate. Both situations must be documented in the agreement so there is a clear understanding.
- **Assisted Acquisition**: An Interagency Agreement which the servicing agency performs an acquisition activity on the requesting agency's behalf, such as awarding a contract, task order or delivery order.

Example: We are collocated and we need a card key system for the office. Each agency is required to support their share of this procurement or assisted acquisition. One agency completes the acquisition and the invoice is paid by both agencies. IA from Requesting Agency obligates funds; Servicing Agency establishes a reimbursable account, issues the contract, and an IPAC bill is processed to reimburse for the other agencies' portion. The Interagency Agreement would line out the terms of the deliverables.

# Glossary of Terms – 7600B

- **Treasury Account Symbol (TAS):** The TAS is tied to your appropriations and will indicate the expiration date of those available funds. For example, 1 year funds, 2 year funds or no year funds. This is very important information and required to be included in the accounting section of the 7600B to ensure the obligated funds are available to use when needed, especially if the agreement is for 5 years. ***Requesting Agency's budget office needs to include this information.***
- **Agency Location Code (ALC):** Unique identifier for each agency. Important to ensure the funds come from and get to the correct agency.
- **Business Partnership Number (BPN):** For the purpose of an Interagency Agreement, the BPN is actually the DUNS# which is specific to each agency.
- **Budget Object Code (BOC):** Used for further classify the use of funds for accountability. Budget can assist you with gathering this information as well.
- **Business Event Type Code (BETC):** For the purpose of the 7600B, we will simply need to indicate which agency is disbursing funds (DISB) and which agency is collecting those funds (COLL).



# Helpful Resources – Service First

[Service First Webpage](#) (public)

[Service First Internal page](#) (Max.gov)

[Max.gov Instructions](#)

[Service First Authority](#) – P.L. 113-76

[National Service First Memorandum of Understanding](#)

[Master Service First Interagency Agreement](#)

[Sample 7600B](#)

[Color-coded Instructions](#) for completing 7600B

[Flowchart](#) on establishing a SF Interagency Agreement