

**Forest Service Handbook
National Headquarters - Washington Office
Washington, DC**

**Forest Service Handbook 1509.11 - Grants, Cooperative Agreements, and Other Agreements
Handbook**

Chapter 70 - Partnership Agreements

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Approved by: Mary Pletcher Rice, Deputy Chief, Business Operations

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Responsible Staff: Business Operations, Washington Office, Office of Grants and Agreements (WO, OG&A)

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Digest: Following is an explanation of the changes throughout the directive by section.

Section 70.31: Establishes code, caption, and sets forth direction for Match Contributions Policy. New section to align with the Chief's guidance letter released in July 2022.

Section 70.5: Adds four new terms and definitions: match contribution, match reduction, match waiver, and minimum match contribution to align with match contributions direction.

Section 72.11: Revises direction on Match Reduction and Match Waiver Policy.

Section 72.21: Revises direction by removing the word "always" to reflect the current direction on Match Reduction and Match Waiver Policy.

Section 72.31, 72.41 and 72.61: Revises direction on Match Reduction and Match Waiver Policy.

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70.3 - Policy

Use these types of instruments when they are authorized by specific authority and the project involves a joint accomplishment of work directly benefiting both the cooperator and the Forest Service, and no other instruments are prescribed by law, regulations, or subsequent sections of this chapter.

1. Participating Agreements (PA),
2. Challenge Cost-share Agreements (CS),
3. Joint Venture Agreements (JV),
4. International Joint Venture Agreements (IJ),
5. Cost-Reimbursable Agreement (CR),
6. Cooperative Research and Development Agreements (RD),
7. Material Transfer Agreements (RD),
8. Non-Disclosure Agreements (RD), and
9. Stewardship Agreement (SA).

See FSM 1580.35 for direction on deviations from these requirements.

1. Partnership Agreements. The Forest Service, by respective statutes, may execute several types of instruments that are not considered procurement or Federal financial assistance relationships subject to the Federal Grants and Cooperative Agreements Act of 1978 (31 U.S.C. 6301-6308), with non-Federal entities. These instruments commonly define partnership activities. They have been assigned specific agreement titles in this section. Execution of these instruments must not circumvent procurement, printing, property, or personnel procedures where their use is appropriate or required.
2. Mutual Interest. In Cooperative Research and Development Agreements (RD) and Cost-Reimbursable Agreements (CR), the Forest Service and cooperators shall share mutual interests; although, they may not benefit in the same qualitative way. For instance, mutual interest under a Cost Reimbursable Agreement exists when the Forest Service has an interest to conduct research on the health, productivity, and sustainability of forest ecosystems and resources. The cooperator's mutual interest is to gain knowledge on forest ecosystems and provide public outreach and policy to land managers regarding the science of forest health and sustainability. The Forest Service receives a

product, and the cooperator gains the knowledge and experience by providing these services.

3. Mutual Interest and Mutual Benefit. In all cost-sharing arrangements, that is, Participating Agreements (PA), Challenge Cost-share Agreements (CS), Joint Venture (JV), International Joint Venture (IJ), and Stewardship (SA) Agreements, the Forest Service and the cooperator(s) shall share mutual interests and benefit in the same qualitative way from the objective of the agreement. For example, a cost-sharing agreement exists when the Forest Service and the cooperator(s) share a mandate for wildlife habitat improvement, and both parties contribute significant resources to accomplish a wildlife habitat enhancement project on land under Forest Service jurisdiction. Both the Forest Service and the cooperator leverage their resources to complete a project to accomplish their missions.

In some situations, it may appear that the Forest Service and cooperator share mutual interests and benefits. However, the cooperator's contribution should be analyzed carefully. For example, when the cooperator offers to perform services, some of which are contributed in-kind and some of which are reimbursed by the Forest Service, the cost of reimbursing the cooperator may be the same as the rate for completion of the total project that could be obtained through competitive procurement procedures (making the cooperator's contribution meaningless). This type of project should be accomplished using Government procurement procedures.

The Forest Service may not enter into cost-sharing arrangements for goods or services where the cooperator's primary motive is to obtain paid employment, even if the cooperator contributes or appears to contribute to the project. An example would be where a local contractor proposes to provide reimbursable backhoe services to dredge a pond at a discounted price, offering what appears to be a contribution. In this situation, while the Forest Service and the cooperator share mutual interests, they do not mutually benefit since dredging the pond is of no additional benefit to the cooperator than providing a source of paid employment. In addition, the discounted price offered by the cooperator may be nothing more than the competitive rate for backhoe services. This type of work should be performed pursuant to Government procurement procedures.

4. Establishing Mutual Interest and Mutual Benefit when partnering with Public Benefit Corporation or Other Entity.

Public benefit entities (see 70.5 Definitions Section for qualifying legal entities) include positive impact on society, community, and the environment in addition to profit as its legally defined goals. Public benefit legal forms have been authorized in most states; however, it is not nationally accepted or recognized as a separate type of corporation.

Public benefit legal forms may meet the requirement for partnerships to achieve mutual interest and mutual benefit in the same qualitative way, provided that alignment of mission and proposed scope can be established. Key requirements under certain authorities where stated, the Forest Service may work with qualifying public benefit legal entities through partnership agreements covered in this chapter, but there are some considerations that must be addressed. In particular:

- a. Conflict of interest, or the appearance of a conflict of interest, must be avoided. G&A Specialists and the USDA Office of Ethics are available to help evaluate or address these situations.
- b. Endorsement of any cooperator is not allowed. These partnerships are entered into voluntarily for the mutual benefit of the parties, and for the benefit of the public. It is critical to accurately describe the mutual interest and benefit as it aligns to the mission and goals of both the cooperator and the Forest Service. Endorsement or advertising of the cooperator's organization or products should not be part of the interest or benefit.
- c. Profit for the cooperator is not considered an allowable expense or match. The Forest Service is allowed to reimburse a cooperator only for actual expenses incurred. An example might include a rate for the cooperator to provide project management on a large hazardous fuel reduction contract. The project management costs may include actual payroll expenses (wages and benefits) only. There is no allowance for overhead, profit, perceived or actual cost-savings or contingency. Indirect costs may be paid if a rate is approved prior to execution of the agreement or prior to assessing indirect costs against the Federal funding. Program income, where allowable, is not considered to be profit for the cooperator.
- d. Product Sales. With the exception of RDs and PAs with Interpretative Associations, it is not appropriate for the Forest Service to enter into agreements that contemplate development and sale of a product for profit, either directly or indirectly by the cooperator. The Forest Service may only entertain profit interests under contracts, permits, licenses, leases, and RDs. This section does not cover contracts, permits, licenses, and leases.
- e. Where reimbursement is appropriate, the Forest Service is permitted to reimburse only those actual costs (direct and indirect) incurred by the cooperator in performing the project. Reimbursement to the cooperators is prohibited under RDs. In-kind contributions, for example, those contributions for which the cooperator incurs no expense (such as volunteer labor), are not reimbursable by the Forest Service.
- f. Indemnification/Liabilities. Each party shall be responsible, to the extent required by law, only for the acts, omissions or negligence of its own officers, employees, or

agents. The Forest Service may not include or permit language in an instrument that agrees to indemnify, defend, or hold harmless the cooperator, its agent, or its employees from and against any or all losses, damages, liabilities, claims, or judgments resulting from, related to, or arising from the instrument, unless there is specific authority from Congress. This is because the Anti-Deficiency Act provides that an officer or employee of the U. S. Government may not involve the Government in a contract or obligation for the payment of money before an appropriation is made unless authorized by law. Indemnifications are a promise to pay out an unknown amount of funds at some time in the future, and are, therefore, a violation of the Anti-Deficiency Act.

- g. Stewardship. The intent of Stewardship Agreements (SAs) is to accomplish resource management with a focus on restoration. Unless otherwise stated herein, all requirements for Stewardship Contracting contained in the Stewardship Contracting Handbook, FSH 2409.19, chapter 60, also apply to agreements, including bonding, financial accountability, and administration requirements. Comply with applicable provisions of 36 C.F.R. 223.300 et seq., “Stewardship End Result Contracting Projects” as some provisions apply to Stewardship Agreements in addition to Stewardship Contracting.

SA activities are carried out on National Forest System (NFS) lands and must be administered in accordance with the laws and regulations applicable to NFS lands, except where specifically exempted as authorized by law. Stewardship projects are approved to achieve land management goals identified in the applicable land and resource management plan while meeting local and rural community needs. Additionally, the projects must be designed to incorporate environmental documentation and decisions developed in accordance with National Environmental Policy Act (NEPA) requirements (FSM 1950 and FSH 1909.15).

Since there is a mutual benefit to the parties, cooperators should not make a profit on an SA. The cooperator shall document the sale of any products and if a profit is realized, the funds are either used for additional service work or paid back to the Forest Service as excess 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. When residual receipts are generated by one project, they may be used for additional services on the same project or retained for other stewardship projects.

70.31 - Match Contributions Policy

70.31a - General

In a partnership agreement, the Forest Service and its cooperators shall both contribute resources to perform cooperative work while sharing a mutual interest and a mutual benefit in the outcomes of the partnership agreement. The cooperator’s contributions may include cash, non-cash, real or personal property, services, and in-kind contributions such as volunteer labor or supplies specifically for use towards the agreement. During agreement negotiations, the

Forest Service intent is to consider all types of in-kind contributions, such as Traditional Ecological Knowledge (TEK), that reflect mutual benefit to all parties.

70.31b - Traditional Ecological Knowledge

Traditional Ecological Knowledge (TEK) is a body of observations, oral and written knowledge, practices, and beliefs that promote environmental sustainability and the responsible stewardship of natural resources through relationships between humans and ecological systems. TEK is an asset that can be applied across biological, physical, cultural, and spiritual systems. The Forest Service recognizes the value of TEK in the form of an in-kind contribution towards an agreement when a member, representative, or staff of the cooperator provides it. The Forest Service and the cooperator should negotiate and agree on an assessed value of any TEK contributions provided in an agreement.

Unless specifically authorized by law, a cooperator may not use funds received from other Federal awards toward their match contribution on a Forest Service award. ([GAO Principles of Federal Appropriations](#), Chapter 10, section E. Grant Funding, 4. Cost-Sharing, a. Local or Matching Shares, (3). Matching one grant with funds from another).

70.32 - Minimum Match Reduction and Match Waiver Policy Requests

A cooperator's minimum match requirement in a partnership agreement may be reduced or waived on a case-by-case basis unless the minimum match requirement is required by statute. This section provides the policy and process for match reduction and match waiver requests.

The following table (ex. 01) provides a list of Forest Service partnership agreement authorities (statutes), their applicable minimum match requirement, and the eligibility for a Forest Service match reduction or waiver.

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70.32 - Exhibit 01

Partnership Agreement Authorities (Statutes)

Authority (Statute)	Instrument Type	Forest Service Program Area	Forest Service Minimum Match Requirement	Eligible for Match Reduction or Waiver
Interior and Related Appropriations Act of 1992	Challenge Cost Share	NFS	20 percent	Yes
Cooperative Funds and Deposits Act of 1978, P.L. 94-148 as amended 161 USC 565a-1	Participating Agreement	NFS	20 percent	Yes
Interpretive Services	Participating Agreements	NFS	20 percent	Yes
Watershed Restoration and Enhancement Act of 1998 (Wyden Amendment) *	Participating Agreements	NFS	None	Yes. Reduction only. Statue requires all parties contribute.
Agriculture Conservation Experienced Services Program	Participating Agreements	NFS	None	Not applicable
Public Land Corps Healthy Forest Restoration Act	Participating Agreements	NFS	25 percent (per Public Land Corp Statute)	No. Match can only be reduced when authorized by legislation.
Secure Rural Schools and Community Self-Determination Act of 2000 *	Challenge Cost Share Participating Agreements	NFS	None	Yes. Match committed on proposal form must be honored in the agreement.
National Agricultural Research, Extension, and Teaching Policy Act of 1977	Joint Venture and International Joint Venture Agreements, Cost-Reimbursable Agreements	R&D	20 percent	Yes. Reduction only. Statue requires all parties contribute.

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Authority (Statute)	Instrument Type	Forest Service Program Area	Forest Service Minimum Match Requirement	Eligible for Match Reduction or Waiver
Federal Technology Transfer Act of 1986	Cooperative Research and Development Agreements, Material Transfer Agreements	R&D	None	Not applicable
Agricultural Act of 2014, Pub. L. 113-79, Sec. 8205 (Stewardship)	Stewardship Agreements	NFS	None	Not applicable

* If cited with another authority, additional consideration may be applicable.

70.32a - Match Reduction Requests

The Chief of the Forest Service has delegated the authority to all Deputy Chiefs, Regional Foresters, and Station Directors the ability to approve an eligible match reduction request. An eligible match reduction would permit authorized officials within the Forest Service to reduce a cooperator's minimum match requirement in a partnership agreement to as low as 5 percent.

Only Authorized Officials within the Office of the Chief of the Forest Service shall approve all match reduction requests that reduce the minimum match requirement of a partnership agreement below 5 percent. Those Authorized Officials are the Chief of the Forest Service, the Associate Chief of the Forest Service, and the Chief of Staff to the Chief of the Forest Service.

Instructions on how to submit a match reduction request for a cooperator minimum contribution less than 5 percent to the Chief of the Forest Service can be found here [Chapter 70 Match Waiver and Match Reduction Guide](#).

70.32b - Match Waiver Requests

An approved match waiver removes all cooperator match requirements in a partnership agreement unless the legislative authority cited in the agreement requires a minimum match requirement.

Only an authorized official within the Office of the Chief of the Forest Service has the authority to approve a full waiver of a cooperator's match requirement, not otherwise required by statute, for any partnership agreement. Those authorized officials are the Chief of the Forest Service, the Associate Chief of the Forest Service, and the Chief of Staff to the Chief of the Forest Service.

The Chief of the Forest Service has waived minimum match requirements on all partnership agreements awarded to federally recognized tribes. For more information, see section 70.32d, Submitting Match Waivers for Federally Recognized Tribes.

70.32c - Submitting Match Waivers for Partnership Agreements

As stated in section 70.32b, match waiver requests are approved by authorized officials within the Office of the Chief. Instructions on submitting a cooperator match waiver request to the Chief of the Forest Service can be found in the [Match Waiver and Match Reduction Guide](#).

70.32d - Submitting Match Waivers for Federally Recognized Tribes

The Chief has removed the minimum match requirement for all partnership agreements awarded to federally recognized tribes, as defined in 25 U.S.C. 5130 (reclassified from section 479a). All approved match waivers for federally recognized tribes must be recorded and documented. Information on how to record and document match waivers for federally recognized tribes can be found in the [Match Waiver and Match Reduction Guide](#).

70.32e - Match Waiver Requests for Organizations that Serve or Represent Tribal Entities

Authorized officials in the Office of the Chief of the Forest Service can waive the Minimum Match Requirement for partnership agreements with cooperators that directly serve or represent Tribal Entities.

These cooperators may fall into one of two categories, a Tribal Organization or an Organization that serves or represents Tribes. A Tribal Organization, once identified, is then eligible for the match waiver for federally recognized tribes. Refer to [Match Waiver and Match Reduction Guide](#) for direction on Tribal Organization determination.

A list of eligible Tribal Organizations that support Tribes can be found in the [Match Waiver and Match Reduction Guide](#). If an organization does not meet the determination criteria of a Tribal Organization, they are still eligible for a match waiver under section 70.32c, Submitting Match Waivers for Partnership Agreements.

70.33 - Match Reductions and Match Waivers Approved for Master Agreements

Requests for match reductions or match waivers to Master Agreements are allowable and the appropriate Forest Service authority must review and approve these requests. Following the same process for match reductions or match waivers on Stand-Alone agreements, the applicable Forest Service approving official for a request is determined by the minimum match requirement policy in section 70.32b, Match Waiver Request.

Once a match reduction or match waiver request is approved for a Master Agreement, the subsequent Supplemental Project Agreements (SPA) tiered to and executed under the Master Agreement are subject to and must follow the approved waiver or reduction. The subsequent SPAs do not individually need a separate match reduction or match waiver approval.

70.34 - Subawards Under Agreements with Match Reductions or Match Waivers

Any Forest Service cooperator who receives a match reduction or match waiver on their Forest Service partnership agreement must then apply that same match reduction or Waiver to all subawards executed under their Forest Service partnership agreement. Subrecipients shall not be required to provide a match percentage that exceeds the match percentage the Forest Service approved for the cooperator.

70.5 - Definitions

In addition to the definitions found in the FSM 1580, the following definitions specifically relate to this chapter, where appropriate.

Allocable cost. A cost, as recorded on the Agreements Financial Plan (Long, Medium, and Short) forms, associated with an agreement, which in accordance with the relative benefit received by either party for the award, is treated consistently with other costs incurred for the same purpose and in like circumstances, and if it:

1. Is incurred specifically for the award;
2. Benefits both the award and other ancillary work, and the cost may be distributed in reasonable proportion to the benefits received (an example of this type of cost is a piece of equipment that is used for multiple projects); or
3. Necessary to the overall operation of the organization, although a direct relationship to any particular cost objective may not be shown.

Allowable cost. A cost, as recorded on the Agreements Financial Plan (Long, Medium, and Short) forms, associated with an agreement, which meets the criteria for authorized expenditures specific in a cost principle methodology. Generally, it meets the cost principle methodology, and is a cost the parties to an agreement intend to charge, and must be:

1. Reasonable for the performance of the award;
2. Necessary and reasonable for proper and efficient performance and administration of the agreement;
3. Consistently treated as either a direct or indirect cost;
4. Generally, determined in accordance with generally accepted accounting principles (GAAP);
5. Net of all applicable credits (that is, less any future rebates from the purchase of goods or services);
6. Separate from a cost or from a cost-sharing/matching requirement of another Federal award or agreement, unless otherwise permitted by Federal law or regulation;
7. Adequately documented;
8. Authorized or not prohibited by Federal, State, or local laws and regulations;
9. Compliant with limits or exclusions on types or amounts of costs, as set forth in relevant Federal laws, agreement terms and conditions, or other governing regulations (examples of such costs include entertainment, alcohol, and taxes); and,
10. Consistent with the Agency's and cooperator's internal policies, regulations, and procedures that apply to both Federal awards or agreements and other cooperator activities.

Direct costs. Any item of expense incurred by either party specifically for completion of the project and may be attributed to the specific project. Examples include labor (salary and fringe benefits), equipment, travel, supplies, and contracts.

Excess receipts. Retained receipts determined to be excess as part of the annual trust fund balance review of Stewardship Contracting receipts (SSCC). These are receipts that have not been identified to fund a specific project or transferred to another stewardship contracting or stewardship agreements project.

Food and agricultural sciences. Under 7 U.S.C. 3103(8), means basic, applied, and developmental research and extension activities in the food, agricultural, renewable natural resources, forestry, and physical and social sciences, including, but not limited to activities relating to:

1. Animal health, production, and well-being;
2. Plant health and production;
3. Forestry, horticulture, and range management; and
4. Soil and water conservation and improvement.

Indirect costs. Are those items of expenses incurred for a common objective that benefits more than the specific project under discussion and are distributed among many benefiting activities. Usually, they are proposed as a percentage of direct project costs. Examples include building occupancy, equipment usage, procurement, personnel, accounting, and utilities.

In-kind contributions. Are non-cash contributions that do not represent a cost to the cooperator, are not reimbursable by the Forest Service, and may only be used to satisfy cooperator matching requirements. Examples of in-kind contributions are volunteer labor and donated equipment, and materials. In-kind contributions must be valued at current market rates for the goods or services.

Match contribution. Cash, non-cash, or in-kind contributions that a cooperator contributes towards a grant or agreement with the Forest Service.

Match reduction. An approved reduction to the cooperator's minimum match contribution to a Forest Service agreement.

Match waiver. An approved removal of a cooperator's minimum match contribution to a Forest Service partnership agreement (0 percent match contribution).

Minimum match contribution. A required minimum amount of cash, non-cash, or in-kind contributions that a cooperator shall contribute towards a grant or agreement.

Mutual benefit. Reflects a relationship between the Forest Service and the cooperator when the parties have a shared interest in, contribute resources to the accomplishment of, and mutually benefit from (other than from monetary consideration), the objective of the agreement; and the agreement between the parties has aspects of both a procurement contract and cooperative agreement, as those instruments are described in Title 31, United States Code, Subtitle V, chapter 63; and meets the objective of being in the public interest.

Mutual interest. Reflects a relationship between the Forest Service and the cooperator when:

1. Each party has a need for, and an interest in, the jointly agreed upon project goals and deliverables that are expected as a direct result of an agreement;
2. The parties pool their resources to carry out the project goals and to obtain the deliverables under an agreement; and
3. With respect to interest, the parties may have diverse objectives for carrying out the project goals and for the ultimate uses of the deliverables.

Public Benefit Legal Entities. There are several different designations for public benefit legal entities that vary by State law. The below entities may qualify for mutual-interest mutual benefit collaboration with the Forest Service. These entities may be referred to as a Public Benefit Corporation (PBC), Social Purpose Corporation (SPC), Benefit Limited Liability Company (LLC), Low-profit limited liability company (L3C), B Corp Certification, among others.

Reasonable cost. A cost, as recorded on the Agreements Financial Plan (Long, Medium, and Short) forms, associated with an agreement, that, in its nature and amount, does not exceed an amount that a prudent person, under the circumstances prevailing at the time the decision was made, would incur. Other factors to consider are:

1. Whether the cost is of a type generally recognized as ordinary and necessary for the entity's operation or agreement performance;
2. The restraints or requirements imposed by factors such as generally accepted, sound, business practices; arms-length bargaining; Federal and State laws and regulations; and the terms and conditions of the agreement;
3. Market prices or industry standard costs for similar goods and services (that is, is the cooperator offering goods or services for an amount that exceeds what is readily available in the marketplace);
4. Whether individuals concerned acted with prudence under the circumstances, considering their responsibilities to the entity; its members, employees, and clients; the public; and the government; and

5. Significant deviations from established practices of the governmental entity that might unjustifiably increase costs charged to the agreement.

Residual receipts. The receipts generated by a stewardship contract or stewardship agreement when the receipts from goods exceed the cost of services rendered. See also, FSH 2409.19, chapter 60 or FSH 6509.11k, section 54.35.

Retained receipts. The portion of residual receipts that is deposited in the Forest Service account for Stewardship Contracting (SSCC) and retained for transfer to other stewardship contracts or stewardship agreements. The transfer must be approved in advance by the Regional Forester. See also FSH 2409.19, sections 67.1 and 67.3, and FSH 6509.11k, section 54.35.

Stewardship credits. Credits that are earned and established when work listed in the schedule of items has been performed and accepted.

Stewardship project proposal. A written request submitted by forest and grassland Supervisors to the Regional Forester for review and approval for proposed stewardship projects. The request for approval must include appropriate information about the proposed project, such as land management goals of the project, the total value of the project, products to be removed, the value of services to be received, the value of goods to be exchanged for services, contributed funds, or work to be received, and expected residual receipts from the project.

The Regional Forester shall approve or disapprove the project through a formal written reply in correspondence to the Forest or Grassland Supervisor. Only the projects and associated work activities approved by the Regional Forester with completed NEPA analysis are to be included in the stewardship agreement.

Subject invention. Any invention or other intellectual property conceived or first reduced to practice under a Cooperative Research and Development agreement (CRADA) that is patentable or otherwise protectable under Title 35 of the United States Code; under 7 U.S.C. 2321, et seq.; or under the patent laws of a foreign country. Specifically, not included in the definition of Subject Inventions are inventions made outside the scope of the CRADA or prior to the execution of the CRADA.

Teaching and Education. (7 U.S.C. 3103(14)) Formal classroom instruction, laboratory instruction, and practicum experience in the “food and agricultural sciences” and matters relating thereto (such as faculty development, instructional materials and equipment, and innovative teaching methodologies) conducted by colleges and universities offering baccalaureate or higher degrees.

Technical Proposal. A proposal submitted by the cooperator that addresses all land management activities within the Stewardship Project Area.

72 - Authorities and their General Requirements

72.1 - Cooperative Funds and Deposits Act of December 12, 1975, Public Law 94-148, as Amended by Appropriation Language

72.11 - General Requirements

1. Purpose. This authority is used when the Forest Service enters into cooperatively performed, mutually beneficial Forest Service projects with non-Federal parties in four specific areas: cooperative pollution abatement; cooperative manpower, job training, and development programs; development of publications of cooperative environmental education and forest history materials; and forestry protection.
 - a. Cooperative pollution abatement. This section of the Act authorizes the Forest Service and the cooperator to cooperatively construct, operate, and maintain certain facilities relating to pollution abatement such as sanitary landfills, garbage burn plants, recycling facilities, and water and sewer systems. Cooperator facilities may be constructed on National Forest System lands under a special use permit or easement, or on the cooperator's land. In either case, specify in the agreement that title to the facility vests in the cooperator and that the Forest Service has the right to use the facility. The agreement may also include pre-construction work such as engineering studies and design.

Under this authority, the Forest Service must ensure that all agreements include requirements that facilities must be constructed and operated in compliance with applicable environmental laws, regulations, and orders.

- b. Cooperative Manpower, Job training, and Development programs. This section of the Act authorizes the Forest Service to cooperate with other parties to do projects benefiting Forest Service programs where the primary purpose is to provide a work environment, that is, to host another entity's trainees in order to accomplish the goals of their existing manpower and job training programs. The use of this section is appropriate only where the other party has a specific job training program currently in place and the parties to the agreement share in costs. Ensure that the cooperator contributes all or a portion of their administrative expenses, and trainee and Supervisor salary and benefits. The other party should provide direct supervision to the trainees with the Forest Service retaining oversight of the project. In addition to sharing the costs of salary and benefits, the parties may contribute other costs such as materials, equipment, lodging, and so forth.

This section of the Act further requires that there be a mutual interest and that the Forest Service hosts the other party's program, in other words, the Forest Service may not use the Act to solely enhance Forest Service employment or recruitment programs.

- 1) Forest Service Mutual Interest. Ensure that the mutual interest criterion is met for the Forest Service by getting work accomplished that benefits the public lands and supporting an existing job training/development program.
- 2) Cooperator Mutual Interest. The mutual interest criterion is met for the cooperator by obtaining meaningful on-the-job work experience for the trainees.

If another entity, such as an institute of higher learning, a public or private employment agency, Tribal organization, State, county, or other local job training/development department has an existing manpower and/or job training/development program for which the Forest Service may provide appropriate projects and oversight, the groundwork for a proper agreement is present.

- c. Development of publications of cooperative environmental education and forest history materials. This section of the Act authorizes the Forest Service to cooperate with outside entities, including interpretative associations (see FSM 2390 for more information on interpretative associations), in the development, distribution, and publication of environmental education and forest history materials, including books, pamphlets, brochures, computer programs, interpretative signs, audiovisual productions, and maps. Maps must specifically promote environmental education or forest history. See FSM 7140 for more information on map sales.
 - d. Forestry protection. This section of the Act authorizes the Forest Service to cooperate with other parties to accomplish forestry protection activities.
2. Cooperators. The agreement may be with any non-Federal cooperator.
 3. Mutual Interest/Mutual Benefit. The Forest Service and cooperator shall share mutual interests and mutual benefits. Both elements must be present.
 4. Funding/Contributions. The Forest Service may provide its share of the costs from any funds that are otherwise available for carrying out the purposes of the agreement. In all instances, the Forest Service and the cooperator(s) shall contribute resources to perform the work. The cooperator's contributions may include cash, real or personal property, services, and/or in-kind contributions, such as volunteer labor. The cooperator may not use funds from other Federal agencies for its contribution to the Forest Service unless specifically provided by the Federal statute authorizing these funds. The cooperator should itemize funding from other Federal agencies in the financial plan.
 5. Matching Contributions. There is no set formula for determining the amount each party contributes, though cooperator contributions should be calculated and commensurate with benefits gained. Match contributions should be negotiated for each agreement on

its own merits, refer to section 70.3 Match Contributions Policy for more information on a match reduction or match waiver. The cooperator may satisfy the matching requirement by providing cash, real or personal property, services, and/or in-kind contributions, such as volunteer labor.).

Any subsequent modification(s) should maintain the cooperator's previously negotiated match.

6. Advance and Reimbursable Payments. The Forest Service may provide reimbursable or advance payments to its cooperators. Cooperator cash advances are limited to the minimum amount needed to perform anticipated activities or no more than is needed for a 30-day period, whichever is less. The timing and amount of cash advances should be kept as close as is administratively feasible to the actual disbursements by the cooperator for direct program costs and proportionate share of any allowable indirect costs.
7. Applicability of Contracting. Under this Act, those regulations governing Federal assistance and the Federal Acquisition Regulations (FAR) do not apply when the cooperator performs work with its own resources. Note: This authority must not be used to acquire equipment. When a cooperator contributes funds for a portion of the contract, then the resulting contract must be based on a competitive process, and:
 - a. Applicability of FAR. If the cooperator's contribution is cash and the Forest Service procures the services or supplies using those funds, the FAR applies.
 - b. Cooperator Contracts. When the work is not jointly performed and the cooperator contemplates contracting all or part of the work, the cooperator must provide a substantial cash contribution toward the cost of the contract.
 - c. Applicability of Federal Wage Requirements. When the cooperator awards the contract and Federal funding is contributed, Federal wage provisions may apply. If Federal funding is used on a construction contract that exceeds \$2,000, then Davis-Bacon wage rates apply. If Federal funding is used for a service contract over \$2,500, then Service Contract Act applies.
8. Employee Status. Cooperators and their employees may be considered Federal employees for the purposes of tort and worker's compensation, only when the Forest Service supervises their work.
9. Equipment. When the Forest Service intends to provide equipment for the cooperator's use, it is preferable to use Government furnished property. The loan of equipment is documented on the appropriate Property form and returned to the Forest Service upon completion of the project. The Forest Service shall retain title to any equipment

purchased under an agreement using Federal funds but may choose to transfer the equipment to the cooperator on completion of the project. The transfer must be accomplished through the Property system. The appropriate provisions from chapter 90 must be included in the agreement to document any equipment loan or purchase.

10. Conferences. The Forest Service is authorized to enter into agreements to develop conferences jointly where (all of the following elements are required):

- a. The theme of the conference relates to environmental education, forest history, or other natural resource activities;
- b. An objective of the conference is to disseminate and share information to the public, for example through a publication of the meeting proceeding for professional papers; and
- c. The Forest Service pays for only allowable actual expenditures, reduced by cooperator program income (such as, from conference registration fees), if any.

11. Publications, Audiovisual, and Electronic Media Productions.

- a. Publications. The Forest Service is authorized under the Act to cooperatively develop publications, audiovisual productions, and electronic media relating to environmental education and forest history.

In any agreement for a publication, determine ownership of the work first. Where the Forest Service and/or other Federal agencies contribute at least 50 percent of the total costs, including in-kind contributions, to develop a publication to camera-ready copy, the work is owned by the Forest Service (Federal Government).

- b. Audiovisual Productions. Audiovisual productions require specific approval and contracting procedures depending upon the determination of ownership of the production. Determination of ownership is based on the party's' contributions to the production.

- 1) Productions Owned by the Federal Government. Where the Forest Service and/or other Federal agencies contribute at least 50 percent of the total costs, including in-kind contributions, to develop an audiovisual production, it is owned by the Forest Service (Federal Government).

Audiovisual productions that are determined to be owned by the Forest Service are subject to U.S. Department of Agriculture (USDA) approvals. Forest Service audiovisual productions concerning issues that are strictly regional in nature are permitted without USDA approval. (USDA Departmental Regulation 1490-001)

- 2) Productions Owned by Cooperators. Audiovisual productions that are determined to be owned by the cooperator are not subject to USDA approvals and the Government-wide audiovisual contracting system. Obtain a copy of the cooperator's video production and retain the right to duplicate the video for Government purposes. Follow Government procurement procedures for duplicating videos used for Government purposes.
 - c. Electronic Media. Use of electronic media is permissible. See FSH 1600, Information Services for requirements.
12. Printing. The Cooperative Funds and Deposits Act does not provide an exemption from the requirements of Title 44, United States Code, section 501, government printing, binding, and blank-book work to be done at the Government Printing Office (GPO), or Office of Management and Budget (OMB) Government-wide audiovisual contracting procedures. While some flexibility is permissible as specified in paragraphs a-c, in no case shall the Forest Service authorize the development and publication of documents or the production of videos that could be sold and distributed for profit by the cooperator or its designee.
- a. Forest Service Publications. Ensure that publications determined to be owned by the Forest Service are printed by the GPO. The use of an agreement does not preclude the need for GPO, USDA, and/or Office of Communications printing and format approvals, or the use of GPO formats when the document should be printed at the GPO. It is inappropriate for Forest Service employees to assume full responsibility for development of publications and transfer only the printing and distribution to a cooperator.
 - b. Cooperator Publications. Where the publication is determined to be owned by the cooperator (that is, the cooperator contributes more than 50 percent of the total costs of development), there are three possibilities for printing the document:
 - 1) If the total cost of printing the publication is paid with Forest Service funds and/or other Federal funds, the publication must be printed through GPO.
 - 2) If the total cost of printing the publication is paid with cooperator funds, apart from any other Federal contributions the cooperator may have solicited, and the cooperator wants to obtain printing services, it may do so. However, encourage the cooperator to select a printer through competitive procedures. Domestic commercial printers selected must not subcontract the work to foreign entities.

- 3) When joint funding is used for the printing of a publication, the following parameters apply:
 - a) If the cooperator funds 50 percent or more of the total printing costs, it may use in-house printing capability (using its own employees, and not a printing/publishing company on retainer) or a commercial printer selected through competitive procedures. Domestic commercial printers shall not subcontract the work to foreign entities.
 - b) If the cooperator funds less than 50 percent of the total printing costs, the publication must be printed through the GPO, unless the Forest Service makes alternative arrangements with GPO.
13. Copyrights. Agreements involving publications and audiovisual productions may permit the cooperator to copyright material they created. However, materials produced by Federal employees as part of their official duties are in the public domain and may not be copyrighted. Cooperators should be made aware of this legal requirement ahead of time.
14. Forest Service Insignia. The Forest Service insignia may appear on cooperator publications and videos. However, its use is only permissible when the publication/video acknowledges the Forest Service's cooperation in the effort and such acknowledgement is included in a non-conspicuous place so that the product is clearly depicted as cooperator owned; for example, on the inside cover. Additionally, the use of the Forest Service insignia must be coordinated with the Office of Communications. Cooperator acknowledgement is permissible in Government publications and videos. However, ensure that Government publications and videos clearly appear to have Forest Service ownership.

72.2 - Wyden Amendment

72.21 - General Requirements

1. Purpose. Wyden based Participating Agreements are the instruments used when the Forest Service enters into cooperatively performed work related to:
 - a. The protection, restoration, and enhancement of fish and wildlife habitat, and other natural or cultural resources on public or private lands;
 - b. The reduction of risk for natural disaster where public safety is threatened; or
 - c. A combination of both.

All agreements citing this authority must provide a benefit to natural or cultural resources on national forests lands within the watershed.

2. Cooperators. Agreements for watershed restoration and enhancement may be awarded either:
 - a. Directly with a willing landowner, or
 - b. Indirectly through an agreement with a State, local, or tribal government or other public entity, educational institution, or private nonprofit organization.
3. Mutual Benefit. Mutual benefit is required.
4. Funding/Contributions. The Forest Service may provide its share of the costs from any funds that are otherwise available for carrying out the purposes of the agreement. For example, a unit must have wildlife funds to complete a wildlife project, fire funds for a fire project, and so forth.

In all instances, the Forest Service and the cooperator(s) shall contribute resources to perform the work, share mutual interests, and benefit in the same qualitative way. The cooperator's contributions may include cash, real or personal property, services, and/or in-kind contributions, such as volunteer labor. The cooperator may not use funds from other Federal agencies for its contribution to the Forest Service unless specifically provided by the Federal statute authorizing those funds. The cooperator should itemize funding from other Federal agencies in the financial plan.

5. Matching Contributions. There is no set formula for determining the amount each party contributes, though cooperator contributions should be calculated and commensurate with benefits gained. There is no minimum matching requirement.

The cooperator may provide cash, real or personal property, services, and/or in-kind contributions, such as volunteer labor as a match.

6. Advance and Reimbursable Payments. The Forest Service may provide reimbursable or advance payments for watershed restoration or enhancement. Cooperator cash advances are limited to the minimum amount needed to perform anticipated activities or no more than is needed for a 30-day period, whichever is less. The timing and amount of cash advances should be kept as close as is administratively feasible to the actual disbursements by the cooperator for direct program costs and proportionate share of any allowable indirect costs.
7. Applicability of Contracting. The Forest Service may procure goods and services on behalf of the cooperator. Any contract awarded is subject to Federal Acquisition

Regulations. For example, there may be situations where the cooperator is an absentee landowner and prefers that the Forest Service procure the needed services for restoration work. For procurements, contact a Forest Service contracting officer for guidance.

8. Employee Status. This authority does not provide conveyance of Federal employee status towards cooperator's employees and, therefore, does not provide tort and worker's compensation coverage under such circumstances.
9. Equipment. When the Forest Service intends to provide equipment for the cooperator's use, it is preferable to use Government furnished property. The loan of equipment is documented on the appropriate Property form and returned to the Forest Service upon completion of the project. The Forest Service shall retain title to any equipment purchased under an agreement using Federal funds but may choose to transfer the equipment to the cooperator on completion of the project. The transfer must be accomplished through the Property system. The appropriate provisions from chapter 90 must be included in the agreement to document any equipment loan or purchase.
10. Publications, Audiovisual, and Electronic Media Productions. If these activities are contemplated, then both Wyden and the Cooperative Funds and Deposits Act should be cited, meeting the requirements for both authorities.
11. Printing. If these activities are contemplated, then both Wyden and the Cooperative Funds and Deposits Act should be cited, meeting the requirements for both authorities.
12. Copyright. If these activities are contemplated, then both Wyden and the Cooperative Funds and Deposits Act should be cited, meeting the requirements for both authorities.
13. Additional requirements:
 - a. Projects must comply with all applicable Federal, State, and local laws and regulations, policies, and requirements; for example, NEPA, Clean Water Act, Endangered Species Act, and so forth.
 - b. Ensure that any expenditure pursuant to the agreement is determined to be in the public interest.
 - c. Property improvements to cooperator lands may become the property of the cooperator. Maintenance should be addressed in the agreement. Typically, maintenance is the responsibility of the landowner.

72.3 - Interior and Related Appropriations Act of 1992 (Challenge Cost-share)

72.31 - General Requirements

1. Purpose. Challenge Cost-share Agreements (CS) are the instruments used when the Forest Service cooperatively develops, plans, and implements projects with other parties that are mutually beneficial to the parties and that enhance Forest Service activities.
2. Cooperators. The Forest Service may enter into agreements with public and private agencies, organizations, institutions, and individuals.
3. Mutual Interest/Mutual Benefit. The Forest Service and the cooperator(s) shall share mutual interests and benefit in the same qualitative way from the objective of the agreement.
4. Funding/Contributions. The Forest Service and cooperators shall contribute resources to perform the work, share a mutual interest, and benefit in the same qualitative way. All appropriations available to accomplish Forest Service activities may be used. The cooperator's contributions may include cash, real or personal property, services, and/or in-kind contributions, such as volunteer labor. The cooperator may not use funds from other Federal agencies for its contribution to the Forest Service unless specifically provided by the Federal statute authorizing these funds.

The cooperator should itemize funding from other Federal agencies in the financial plan. Appropriated funds may not be used for permanent improvements to private property unless specifically authorized by law (FSM 6511.18c).

5. Matching Contributions. There is no set formula for determining the amount each party contributes, though cooperator contributions should be calculated and commensurate with benefits gained. Match contributions should be negotiated for each agreement on its own merits, refer to section 70.3 Match Contributions Policy for more information on a match reduction or match waiver. The cooperator may satisfy the matching requirement by providing cash, real or personal property, services, and/or in-kind contributions, such as volunteer labor.

Any subsequent modification(s) should maintain the cooperator's previously negotiated match.

6. Advance and Reimbursable Payments. Only reimbursable payments are allowed. Advance payments are not permitted.

7. Applicability of Contracting. Under Challenge Cost-share authority, regulations governing Federal financial assistance, that is, grants and cooperative agreements, and the Federal Acquisition Regulations (FAR) do not apply when the cooperator performs work with its own resources. This authority must not be used to acquire equipment. When a cooperator's contributes funds for a portion of a contract, then the resulting contract must be let on a competitive basis, and:
 - a. Applicability of FAR. If the cooperator's contribution is cash and the Forest Service procures the services or supplies using those funds, then the FAR applies.
 - b. Cooperator Contracts. When the work is not jointly performed and the cooperator contemplates contracting all or part of the work, the cooperator shall provide a substantial cash contribution toward the cost of the contract.
 - c. Applicability of Federal Wage Requirements. When the cooperator awards the contract and Federal funding is contributed, Federal wage provisions may apply. If Federal funding is used on a construction contract that exceeds \$2,000, then Davis-Bacon wage rates apply. If Federal funding is used for a service contract over \$2,500, then Service Contract Act applies.
8. Employee Status. Challenge Cost-share authority does not authorize conveyance of Federal employee status on the cooperator's employees or participants for the purpose of tort and worker's compensation coverage. Challenge Cost-share authority does not authorize conveyance of Federal employee status on a cooperator's volunteers, except as provided when a cooperator meets criteria at FSM 1830. See FSM 1830 for additional direction.
9. Equipment. When the Forest Service intends to provide equipment for the cooperator's use, it is preferable to use Government furnished property. The loan of equipment is documented on the appropriate Property form and returned to the Forest Service upon completion of the project. The Forest Service shall retain title to any equipment purchased under an agreement using Federal funds but may choose to transfer the equipment to the cooperator on completion of the project. The transfer must be accomplished through the Property system. The appropriate provisions from chapter 90 of this handbook must be included in the agreement to document any equipment loan or purchase.
10. Conferences. The Forest Service is authorized to enter into CS agreements to develop conferences where (all of the following elements are required):
 - a. The Forest Service takes the lead on the conference;
 - b. The cooperator has an interest in the objective of the conference, assists in jointly developing the conference, and cost-shares expenses; and

- c. The objective of the conference is to benefit Forest Service activities with an identified benefit to the cooperator.

While there may be an end product, such as a publication, it is not the primary intent.

11. Publications, Audiovisual, and Electronic Media Productions.

- a. Publications. Challenge Cost-share authority does not preclude the applicability of Government Printing Office regulations when Federal dollars are used for printing, regardless of whether the printing is accomplished by the cooperator by contract or in-house. The Forest Service may not authorize the development and publication of documents that intend to be sold and distributed for profit by the cooperator or its designee.
- b. Audiovisual Productions. Audiovisual productions require specific approval and contracting procedures depending upon determination of ownership of the audiovisual production. Product ownership must be based on the parties' contributions to the production. Where the Forest Service and/or other Federal agencies contribute 50 percent or more of the total costs, including in-kind contributions to develop an audiovisual production, it is owned by the Federal government.
 - 1) Productions Owned by the Federal Government. Audiovisual productions that are owned by the Forest Service are subject to USDA approvals (see, USDA Departmental Regulation 1490-001). Forest Service audiovisual productions concerning issues that are strictly regional in nature are permitted without USDA approval.
 - 2) Productions Owned by Cooperators. Cooperator audiovisual productions are not subject to USDA approvals and the Government wide audiovisual contracting system. However, obtain a copy of the cooperator's video production and retain the right to duplicate the video for Government purposes. Duplication of the video for Forest Service purposes shall be accomplished using Government procurement procedures.
- c. Electronic Media. Use of electronic media is permissible. See FSH 1600, Information Services for requirements.

12. Printing. Challenge Cost-share authority does not preclude the applicability of Government Printing Office (GPO) regulations when Federal dollars are used for printing, regardless of whether the printing is accomplished by the cooperator, by contract, or in-house.

13. Copyrights. Agreements involving publications and audiovisual productions may permit the cooperator to copyright material they created. However, materials produced by Federal employees as part of their official duties are in the public domain and may not be copyrighted. Cooperators should be made aware of this legal requirement ahead of time.
14. Forest Service Insignia. The Forest Service insignia may appear on cooperator publications and videos, but consistent only with an acknowledgement of Forest Service cooperation in the effort and in a non-conspicuous place so product is clearly depicted as cooperator-owned; for example, on the inside cover. Use of the Forest Service insignia must be coordinated with the Office of Communications. Cooperator acknowledgement is permissible in Government publications and videos. However, ensure that Government publications and videos clearly appear to have Forest Service ownership.

72.4 - National Agricultural Research, Extension, and Teaching Policy Act of 1977

This Act authorizes the Forest Service to use:

1. Joint Venture (JV) Agreements. JVs may be entered into with any entity or individual for agricultural research activities, provided the objectives of the agreement serve the “mutual interest” of the parties. Additionally, JVs may be used with universities and colleges offering baccalaureate or higher degrees (4 year) for agricultural teaching activities, when the parties benefit in the same qualitative way from the objective of the agreement, and all parties to the agreement contribute resources to the accomplishment of those objectives (7 U.S.C. 3318(b)). Competition for these awards is discretionary.
2. International Joint Venture Agreements. International JVs 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 “mutual interest” of the parties. International JVs may also be used with universities and colleges offering baccalaureate or higher degrees (4 year) for agricultural teaching activities, when the parties benefit in the same qualitative way from the objective of the agreement, and all parties to the agreement contribute resources to the accomplishment of those objectives (7 U.S.C. 3318(b)). Competition for these awards is discretionary.
3. Cost Reimbursable Agreements. Title 7, United States Code, section 3319a of the Act authorizes the Forest Service to procure certain goods or services through a cost reimbursable agreement with State cooperative institutions, colleges and/or universities, to conduct agricultural research, or teaching activities of mutual interest.

The National Agricultural Research, Extension, and Teaching Policy Act of 1977 specifically includes extension services; however, because the Forest Service does not provide extension services the term “extension” has been omitted from these directives, except from the Act’s title.

72.41 - General Requirements for Joint Venture Agreements

1. Purpose. Use of this authority is limited to agricultural research and teaching activities (FSM 1580.12). Teaching activities include formal classroom instruction, laboratory instruction, and matters related thereto (for example, faculty and curriculum development, instructional materials and equipment, and innovative teaching methodologies). Such awards may be used to assist in the development of renewable natural resources and forestry curriculum at universities and colleges for the benefit of attending students as well as for training for Government employees. The Forest Service shall not enter into JVs solely for the purpose of a Forest Service employee continuing education.
2. Cooperators. The Forest Service may enter into these agreements with any entity or individual performing research activities. However, the Forest Service may only partner with universities and colleges offering baccalaureate or higher degrees (4 year) for teaching activities.
3. Mutual Interest/Mutual Benefit. The Forest Service and its cooperator(s) shall share mutual interests and benefit in the same qualitative way from the objective of the agreement.
4. Funding/Contributions. The JV may be used to further teaching activities using any appropriated funds (including State and Private Forestry, Research and Development, and National Forest System) available. Research related activities require funds specifically appropriated for Research and Development.
5. Matching Contributions. Under the statute, all parties shall contribute resources to the accomplishment of the agriculture research, extension, or teaching activities to be performed. Match contributions should be negotiated for each agreement on its own merits, refer to section 70.3, Match Contributions Policy for more information on a match reduction or match waiver. The cooperator may satisfy the matching requirement by providing cash, real or personal property, services, and/or in-kind contributions, such as volunteer labor.

Any subsequent modification(s) should maintain the cooperator’s previously negotiated match.

6. Advance and Reimbursable Payments. Reimbursable payments are encouraged; however, no indirect costs must be reimbursed in JVs with State cooperative institutions (FSM 6511.18a). Advance payments are permitted; however, the cooperator shall justify the need for advance payments. Advances should be limited to the minimum amount needed or no more than is needed for a 30-day period, whichever is less.
7. Applicability of Contracting. If the cooperator performs work with its own resources, then the Federal Acquisition Regulations (FAR) does not apply. However, the Forest Service should ensure that cooperator contracts are awarded on a competitive basis. The cooperator shall follow their written procurement procedures. In the absence of written procurement procedures, the cooperator shall obtain a minimum of three price quotations.
8. Applicability of FAR. The FAR applies only when the cooperator's contribution is in cash and the Forest Service procures services or supplies using such funds.
9. Cooperator Contracts. When the work is not jointly performed and the cooperator contemplates contracting all or part of the work, the cooperator shall provide a substantial cash contribution toward the cost of the contract.
10. Applicability of Federal Wage Requirements. When the cooperator awards the contract and Federal funding is contributed, Federal wage provisions may apply. If Federal funding is used on a construction contract that exceeds \$2,000, then Davis-Bacon wage rates apply. If Federal funding is used for a service contract over \$2,500, then Service Contract Act applies.
11. Employee Status. Federal employee status may not be granted to the JV cooperator's employees, participants and volunteers for the purpose of workers' compensation, tort pursuant to the Federal Tort Claims Act, and/or personal property damage or loss coverage by the Forest Service. For additional direction see FSM 1830.
12. Equipment. When the Forest Service intends to provide equipment for the cooperator's use, it is preferable to use Government furnished property. The loan of equipment is documented on the appropriate Property form and returned to the Forest Service upon completion of the project. The Forest Service shall retain title to any equipment purchased under an agreement using Federal funds but may choose to transfer the equipment to the cooperator on completion of the project. The transfer must be accomplished through the Property system. The appropriate provisions from chapter 90 of this handbook must be included in the agreement to document any equipment loan or purchase.

13. Conferences. The Forest Service is authorized to enter into JVs to develop conferences jointly where (all of the following elements are required):

- a. The theme of the conference relates to agricultural research or teaching activities, and
- b. The Forest Service pays for only allowable actual expenditures, reduced by cooperator program income.

14. Publications, Audiovisual, and Electronic Media Productions.

- a. Publications. The development and publication of documents that could be sold and distributed for profit by the cooperator or its designee must not be authorized.
- b. Audiovisual Productions. Determine ownership based on the party's contributions to the production. Where the Forest Service and/or other Federal agencies contribute at least 50 percent of the total costs, including in-kind contributions, to develop an audiovisual production, it is owned by the Forest Service (Federal Government).

Forest Service audiovisual productions topics that are strictly regional in nature are permitted without USDA approval. Audiovisual productions that are determined to be owned by the cooperator are not subject to USDA approvals and the government wide audiovisual contracting system. Obtain a copy of the cooperator's video production and retain the right to duplicate the video for Government purposes. Use Government procurement procedures to duplicate the video for Forest Service purposes. See FSM 1640 for more information.

- c. Electronic Media. Use of electronic media is permissible. See FSM 1600, Information Services for requirements.

15. Printing. Title 7, United States Code, section 3318b does not preclude the applicability of Government Printing Office regulations when Federal dollars are used for printing, regardless of whether the printing is accomplished by the cooperator, by contract, or in-house.

16. Copyrights. Agreements involving publications or audiovisual productions may permit the cooperator to copyright material they created, but not text, photographs, or materials created by Forest Service employees on Government time and/or composed on Government equipment. In all cases, reserve the right to reproduce the work and authorize others to use it for Government purposes.

17. Forest Service Insignia. The Forest Service insignia may appear on cooperator publications and videos, but consistent only with an acknowledgement of the Forest Service's cooperation in the effort and in a non-conspicuous place, for example, on the

inside cover. Cooperator acknowledgement is permissible in Government publications and videos. However, Government publications and videos must clearly appear to have Forest Service ownership.

18. Other Requirements. Joint ventures may be initiated by either party.

SEB-102: The Forest Service Program Manager shall complete an SEB-102 and submit to the Grants Management Specialist for the official file. The Grants Management Specialist cannot approve a JVA as required by FSM 1580, section 1580.41f, paragraph 2 until they have this form.

72.6 - Stewardship End-Results Contracting (Stewardship Agreement)

Section 323 of Public Law 108-7 (16 U.S.C. 2104 Note, as revised February 28, 2003, to reflect sec. 323 of J.J. Res. 2 as enrolled), the Consolidated Appropriations Resolution, 2003, amending Public Law 105-277.

72.61 - General Requirements

1. Purpose. The general purpose of Stewardship Agreements (SA) is to achieve land management goals for National Forest System (NFS) lands while meeting local and rural community needs. Stewardship agreements are tools that can be used to accomplish landscape restoration objectives. The development of Stewardship Agreements must be a collaborative effort between the G&A specialist, program manager, timber staff, the regional stewardship coordinator and the anticipated partner to achieve a successfully negotiated agreement and a successfully implemented program. Appropriate uses for stewardship contracts and stewardship agreements include those listed in the Stewardship Contracting Handbook, FSH 2409.19, section 61.2, exhibit 02.
2. Cooperators. The Forest Service may enter into stewardship agreements with any entity that has the ability to either perform the work or contract it out, including Tribes and non-profit organizations.
3. Mutual Interest/Mutual Benefit. The Forest Service and the cooperator shall share mutual interests and benefit in the same qualitative way from the objective of the agreement.
4. Funding/Contributions. Stewardship related activities require funds appropriated for work on National Forest System lands. In all instances, the Forest Service and the cooperator(s) shall contribute resources to perform the work, share mutual interests, and benefit in the same qualitative way. The cooperator's contributions may include cash, real or personal property, services, and/or in-kind contributions, such as volunteer labor. The cooperator may not use funds from other Federal agencies for its contribution to the Forest Service unless specifically provided by the Federal statute

authorizing those funds. The cooperator should itemize funding from other Federal agencies in the financial plan.

5. Matching Contributions. There is no matching requirement under this statute.
6. Advance and Reimbursable Payments. Reimbursable payments are encouraged for Forest Service appropriated funds. Advance payments are permitted on a case-by-case basis; however, the cooperator must justify the need for advance payments. Advances should be limited to the minimum amount needed or no more than is needed for a 30-day period, whichever is less and must be liquidated before further payment may be made. Keep the timing and amount of cash advances as close as is administratively feasible to the actual disbursements by the cooperator for direct program costs and proportionate share of any allowable indirect costs.
7. Applicability of Contracting. The SPA shall document which party shall award and administer contracts under this agreement.
 - a. Applicability of FAR. If the cooperator's contribution is cash and the Forest Service procures the services or supplies using those funds, the FAR applies. If the cooperator performs work with their resources, then the FAR does not apply.
 - b. Cooperator Contracts. The Forest Service should ensure that the cooperator's contracts are awarded on a competitive basis. The cooperator must follow their written procurement procedures. In the absence of written procurement procedures, the cooperator must obtain a minimum of three price quotations.
 - c. Applicability of Federal Wage Requirements. When the cooperator awards the contract and Federal funding is contributed, Federal wage provisions may apply. If federal funding is used on a construction contract that exceeds \$2,000 then Davis-Bacon wage rates apply. If Federal funding is used for a service contract over \$2,500 then Service Contract Act applies.
8. Employee Status. Federal employee status may not be granted to the cooperator's employees for the purpose of tort and workmen's compensation coverage.
9. Equipment. When the Forest Service intends to provide equipment for the cooperator's use, it is preferable to use Government furnished property. The loan of equipment is documented on the appropriate Property form and returned to the Forest Service upon completion of the project. The Forest Service shall retain title to any equipment purchased under an agreement using Federal funds but may choose to transfer the equipment to the cooperator on completion of the project. The transfer must be accomplished through the Property system. The appropriate provisions from chapter 90

of this handbook must be included in the agreement to document any equipment loan or purchase.

10. Additional requirements:

- a. Projects must comply with all applicable Federal, State, and local laws and regulations, policies, and requirements; for example, NEPA, Clean Water Act, Endangered Species Act, and so forth; and,
- b. Ensure that any expenditure pursuant to the agreement is determined to be in the public interest.
- c. Title Passage: Scaled. All right, title, and interest in and to any included timber must remain with the Forest Service until it has been cut, scaled, and removed from the Stewardship Project Area or other authorized cutting area, and paid for, at which time title then vests with the cooperator. Timber cut under cash deposit or acceptable payment guarantee must be considered paid for. Title to any included timber that has been cut, scaled and paid for, but not removed from the project area or other authorized cutting area by the cooperator on or prior to the termination date, remains with the Forest Service.
- d. Tree Measurement. All right, title, and interest in and to any included timber must remain with the Forest Service until it has been measured, removed from the Stewardship Project Area or other authorized cutting area, and paid for, at which time title vests with the cooperator. Timber cut under cash deposit or acceptable payment guarantee must be considered paid for. Title to any included timber that has been measured and paid for, but not removed from the Stewardship Project Area or other authorized cutting area by the cooperator on or prior to the termination date, remains with the Forest Service.
- e. Advance Deposits: The cooperator agrees to make advanced deposits in advance of cutting. These deposits may be in the form of cash, acceptable payment bond, earned stewardship credit or any combination thereof. Advanced deposits must be in such amounts as to maintain an unobligated balance sufficient enough to cover the value of timber to be cut. The Forest Service and the cooperator shall agree on a systematic approach to provide sufficient advanced deposits.