



DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
441 G STREET, NW
WASHINGTON, DC 20314-1000

CECW-CO

16 January 2026

MEMORANDUM FOR COMMANDERS, MAJOR SUBORDINATE COMMANDS AND
DISTRICT COMMANDS, CHIEFS, OPERATIONS DIVISIONS

SUBJECT: Memorandum on Section 1112, Services of Volunteers, and Section 1153, Challenge Cost-Sharing Program for the Management of Recreation Facilities, of the Water Resources Development Act of 2024

1. Purpose. The purpose of this memorandum is to provide guidance for Sections 1112 and 1153 of the Water Resources Development Act of 2024 (WRDA 2024). Section 1112 authorizes the Secretary to recognize volunteers' service through awards. Section 1153 authorizes the Secretary to enter into agreements with private nonprofit entities to collect and retain user fees for the use of developed recreation sites and facilities and reinvest collected fees at the civil works project where collected. A copy of WRDA 2024 Sections 1112 and 1153 are enclosed (Enclosures 1 and 2).
2. Applicability. This memorandum applies to all USACE commands having responsibilities for civil works functions.
3. The contents of this document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or departmental policies.
4. References.
 - a. 33 U.S.C. 569c.
 - b. Water Resources Development Act of 2024, Sections 1112 and 1153, P.L. 118-272.
 - c. Water Resources and Development Act of 2016, Section 1155, P.L. 114-322.
 - d. Water Resources Development Act of 1992, Section 225, P.L. 102-580, as amended (33 U.S.C. 2328).
5. Overview. This update to the Partnership and Volunteer Programs is effective immediately and will be incorporated into ER 1130-2-500, "Project Operations – Partners and Support" Chapters 10 -14 when revised.
 - a. Section 1112 provides the authority for the U.S. Army Corps of Engineers (USACE) to spend appropriated funds to purchase recognition items for volunteer service.

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b. Section 1153 expands the authority provided by Section 1155 of WRDA 2016 to allow private nonprofit entities to enter into challenge cost-sharing cooperative management agreements for recreation fee areas. It also fully allows partners in jointly managed areas to use the visitor reservation service provided for by contract or interagency agreement and allows the transfer of user fees received by the reservation service to the non-Federal public or private nonprofit entity pursuant to the challenge cost-sharing cooperative management agreement.

6. Additional Resources. The following appendices provide detailed guidance updates to Chapters 8, 9, 10, 11 and 14 of ER 1130-2-500, dated 10 April 2025.

a. Appendix A: Revised Chapter 8, Cooperating Associations Program

b. Appendix B: Revised Chapter 9, Volunteer Program

c. Appendix C: Revised Chapter 10, Contributions Program

d. Appendix D: Revised Chapter 11, Challenge Partnership Program

e. Appendix E: Revised Chapter 14, Challenge Cost-Sharing Cooperative Management Agreements

7. Point of Contact. My point of contact is Ms. Heather Burke, National Partnership Program Manager, who may be reached at (678) 972-3824.

Encls

STEPHEN. L. HILL, PMP, SES
Director, Operations and Regulatory Programs

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ENCLOSURE 1

WRDA 2024 Section 1112

SEC. 1112. SERVICES OF VOLUNTEERS.

(a) **IN GENERAL.**—The Secretary may recognize a volunteer providing services under the heading “~~Department of Defense—Civil—Department of the Army—Corps of Engineers—Civil—General Provisions~~” in chapter IV of title I of the Supplemental Appropriations Act, 1983 (33 U.S.C. 569c) through an award or other appropriate means, except that such award may not be in the form of a cash award.

(b) **PROCESS.**—The Secretary shall establish a process to carry out subsection (a).

ENCLOSURE 2

WRDA 2024 Section 1153

SEC. 1153. CHALLENGE COST-SHARING PROGRAM FOR MANAGEMENT OF RECREATION FACILITIES.

Section 225 of the Water Resources Development Act of 1992 (33 U.S.C. 2328) is amended—

(1) in subsection (b)—

(A) by striking “To implement” and inserting the following:

“(1) **IN GENERAL.**—To implement”.

(B) in paragraph (1) (as so designated), by striking “non-Federal public and private entities” and inserting “non-Federal public entities and private nonprofit entities”; and

(C) by adding at the end the following:

“(2) **REQUIREMENTS.**—Before entering into an agreement under paragraph (1), the Secretary shall ensure that the non-Federal public entity or private nonprofit entity has the authority and capability—

“(A) to carry out the terms of the agreement; and

“(B) to pay damages, if necessary, in the event of a failure to perform.”;

(2) by striking subsection (c) and inserting the following:

“(c) **USER FEES.**—

“(1) **COLLECTION OF FEES.**—

“(A) **IN GENERAL.**—The Secretary may allow a non-Federal public entity or private nonprofit entity that has entered into an agreement pursuant to subsection (b) to collect user fees for the use of developed recreation sites and facilities, whether developed or constructed by the non-Federal public entity or private nonprofit entity or the Department of the Army.

“(B) **USE OF VISITOR RESERVATION SERVICES.**—

“(i) **IN GENERAL.**—A non-Federal public entity or a private nonprofit entity described in subparagraph (A) may use, to manage fee collections and reservations under this section, any visitor reservation service that the Secretary has provided for by contract or inter-agency agreement, subject to such terms and conditions as the Secretary determines to be appropriate.

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“(ii) TRANSFER.—The Secretary may transfer, or cause to be transferred by another Federal agency, to a non-Federal public entity or a private nonprofit entity described in subparagraph (A) user fees received by the Secretary or other Federal agency under a visitor reservation service described in clause (i) for recreation facilities and natural resources managed by the non-Federal public entity or private nonprofit entity pursuant to a cooperative agreement entered into under subsection (b).

“(2) USE OF FEES.—

“(A) IN GENERAL.—A non-Federal public entity or private nonprofit entity that collects a user fee under paragraph (1)—

“(i) may retain up to 100 percent of the fees collected, as determined by the Secretary; and

“(ii) notwithstanding section 210(b)(4) of the Flood Control Act of 1968 (16 U.S.C. 460d–3(b)(4)), shall use any retained amounts for operation, maintenance, and management activities relating to recreation and natural resources at recreation site at which the fee is collected.

“(B) REQUIREMENTS.—The use by a non-Federal public entity or private nonprofit entity of user fees collected under paragraph (1)—

“(i) shall remain subject to the direction and oversight of the Secretary; and

“(ii) shall not affect any existing third-party property interest, lease, or agreement with the Secretary.

“(3) TERMS AND CONDITIONS.—The authority of a non-Federal public entity or private nonprofit entity under this subsection shall be subject to such terms and conditions as the Secretary determines to be necessary to protect the interests of the United States.”; and

(3) in subsection (d)—

(A) by striking “For purposes” and inserting the following:

“(1) IN GENERAL.—For purposes”; and

(B) by striking “non-Federal public and private entities. Any funds received by the Secretary under this section” and inserting the following: “non-Federal public entities, private nonprofit entities, and other private entities.

“(2) DEPOSIT OF FUNDS.—Any funds received by the Secretary under this subsection”; and

(4) by adding at the end the following:

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“(e) DEFINITIONS.—In this section:

“(1) NON-FEDERAL PUBLIC ENTITY.—The term ‘non-Federal public entity’ means a non-Federal public entity as defined in the memorandum issued by the Corp of Engineers on April 4, 2018, and titled ‘Implementation Guidance for Section 1155, Management of Recreation Facilities, of the Water Resources Development Act (WRDA) of 2016, Public Law 114–322’.

“(2) PRIVATE NONPROFIT ENTITY.—The term ‘private non-profit entity’ means an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of that Code.”.

APPENDIX E: REVISED CHAPTER 14 Challenge Cost-Sharing Cooperative Management Agreements

Chapter 14 Challenge Cost-Sharing Cooperative Management Agreements

14–1. Purpose

This chapter establishes the policy and procedures for Section 1155 of WRDA 2016, as further amended by Section 1153 of WRDA 2024, authorizing the Secretary to enter into cooperative agreements with non-federal public entities and private nonprofit entities under Section 225 of WRDA 1992, as amended (33 USC 2328), which may include the collection and retention of user fees for the use of developed recreation sites and facilities, whether developed or constructed by such entities or the DA, and reinvestment of collected fees at the site at which the fees are collected. Sections 1155 and 1153 further authorized participating non-federal public entities and private nonprofit entities, hereafter, 'eligible entities' as further defined under paragraph 14-2.a.(4) of this chapter, to use any visitor reservation service that the Secretary of the Army has provided for by contract or interagency agreement.

14–2. Policy

a. Cost sharing. USACE may share the cost of managing recreation facilities and natural resources at USACE water development projects by entering into an agreement with eligible entities to provide for operation and management of recreation facilities and resources where such facilities are being maintained at complete federal expense.

(1) These agreements are NOT cooperative agreements as that term is used in the FGCAA (31 USC 6301--6308) and are not otherwise subject to the FGCAA, nor are they subject to the DoDGARs published in Chapter I, Subchapter C of Title 32, CFR, including the requirement for execution by a certified grants officer. Although 33 USC 2328 uses the term "cooperative agreement," the principal purpose of the agreements authorized under that section is not to transfer a thing of value from USACE to an eligible entity and the agreements do not otherwise involve a type of transaction covered by the FGCAA or the DoDGARs.

(2) Under 33 USC 2328 there is no fixed rate of cost share. Percentages are determined by mutual agreement between USACE and the partners. The roles of each entity are also flexible, and agreements may involve multiple partners. The expectation and goal are that the savings and benefits to the government should be greater than or at least equal to the loss of revenue to the treasury.

(3) Agreements under this chapter are different from Project Partnership Agreements or PCAs.

(4) Eligible entities that may enter into agreements for the management of recreation facilities under this authority fall into two categories:

(a) *Non-federal public entities.* These are limited to state, county, municipality, or local governments; public institutions of higher education; and Indian Tribes.

(b) *Private nonprofit entities.* These entities are described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of that Code.

(5) Areas, facilities and natural resources in project site areas (PSAs) on USACE fee-title land or any land on which USACE fully operates and maintains PSAs, including Tribal lands operated by USACE, are eligible for co-management under this authority.

b. *Competition.* Competitive procedures will be used to encourage participation by a broad base of the most highly qualified eligible entities to co-manage and operate USACE recreation areas. These procedures will include competition among as many eligible entities as possible using a published or widely disseminated notice. Competitive procedures must include, at a minimum:

(1) *Notice to eligible entities.* The notice may be publicly disseminated by the District Commander with unlimited distribution, or, when specialized expertise is required, limited to at least two eligible entities. All notices will be posted on the NRM Gateway or other public website. Multiple eligible entities may submit a joint proposal to work together to co-manage and operate one or more PSAs.

(a) The synopsis for each notice must provide complete instructions on where to obtain the notice and should have an electronic link to the internet location at which the notice is posted. The notice will clearly explain the process to submit proposals, list all information and documentation that proposals must contain, and provide the evaluation method and selection criteria.

(b) Notices must be posted for a minimum of 10 calendar days.

(2) *Evaluation.* To qualify to enter into an agreement under this authority, an applicant must, at a minimum, be a non-federal public entity or private nonprofit entity as defined in paragraph 14–2a(4); and have the management capability and adequate financial and technical resources to execute the program of activities envisioned under the agreement. A satisfactory record of executing recreation programs or natural resource management activities, as well as USACE past experience with the eligible

entity should be a consideration factor.

(3) *Selection.* The OPM will review evaluations and make a recommendation to the District Commander according to the evaluation method and selection criteria provided in the notice. The District Commander is the final partner selection approval authority and may accept the OPM's recommendation or conduct their own evaluation and selection based on the criteria provided in the notice. The OPM or District Commander may decline any proposal that could adversely affect the operation and beneficial use of the project, violates existing laws or regulations, or reflects unfavorably on USACE and the United States Army.

c. Challenge Cost Sharing Cooperative Management (CCSCM) Agreement.

(1) *Requirement for a written agreement.* Once an eligible entity has been selected, a Challenge Cost Sharing Cooperative Management Agreement (CCSCM) Agreement is required to establish the terms, conditions, administration, and responsibilities of USACE and the CCSCM partner(s).

(2) *Use of model agreement.* All agreements under this authority must follow the model template available on the NRM Gateway. The model specifies areas where the parties have discretion to determine their respective operation and management responsibilities and contributions through negotiation. Any substantive deviations from all other provisions of the model must be approved by the Director of Operations and Regulatory, HQUSACE.

(3) *Approval authority.* District Commanders are responsible for the approval of CCSCM Agreements that involve water resources projects in their District. This authority cannot be further delegated.

(4) *Survey.* Prior to executing the CCSCM Agreement, USACE should provide the eligible entity a survey listing all government property.

(5) *Term.* CCSCM Agreements are limited to an initial term of ten years, plus the allowance of an additional 5 option years without the need for further competition. The parties must execute option years within thirty days of the termination date of the initial term or previous option period. If a partner desires to continue a partnership relationship beyond the maximum term set forth in a CCSCM Agreement, the partner must re-compete for the opportunity.

d. Partner Operations Plan.

(1) Prior to a partner providing or USACE accepting any goods or services under a CCSCM Agreement, the parties must develop a mutually agreed-on Partner Operations Plan (POP) that outlines the respective operations, maintenance,

administration, and development activities to be undertaken by the CCSCM partner and USACE.

(2) POPs must be updated annually with a two-year plan of operations by the parties. POPs may be modified at any time by mutual written agreement of the parties. POPs and any modifications thereto must be approved in writing by the designated partner representative and the MSC Operations Chief, who will coordinate with HQUSACE Natural Resources Branch for concurrence before enactment.

(3) The POP sets forth the full extent of a CCSCM partner's authorities and responsibilities at the site. Unless otherwise authorized by law, POPs will not include partner activities that USACE could not perform on its own under existing authorities. Partner activities must be described in sufficient detail to ensure a mutual understanding of the parties regarding the parameters of the partner's authorities and responsibilities. Proposed partner construction activities must be consistent with the project master plan and will be supported by a detailed scope of work and construction drawings. Proposed partner equipment acquisitions will be supported by an explanation of the intended use of the equipment and will describe the equipment by model and/or series number, if available.

(4) Background investigations for non-partner personnel, contractors, or volunteers are required according to the same guidelines provided under the USACE Volunteer Program in Chapter 9. Services from persons who have been convicted of a violent crime, sexual crime, arson, crime with a weapon, sale or intent to distribute illegal drugs, or are an organized crime figure will not be accepted.

(5) During the term of the CCSCM Agreement, the OPM will notify the CCSCM partner of any updates to the existing project master plan affecting the premises and provide the partner an opportunity to comment.

e. Budget.

(1) The CCSCM partner must submit a proposed two-year budget as part of the POP for initial review to the OPM, who will coordinate with the MSC Operations Chief for final approval. This budget proposal will also be coordinated with District, MSC, and HQUSACE Business Line Managers before official enactment. It is mandatory to coordinate these two-year budget/operation plans with Business Line Managers to understand budget implications to appropriations for the subsequent fiscal years.

(2) Partner budgets must provide cost estimates for all partner activities listed in a POP for a given year and all anticipated partner personnel and overhead expenses for the year. The MSC Operations Chief has the sole discretion to approve adjustments of budgeted amounts for each partner activity/expense. Once the MSC Operations Chief

approves an annual budget or modification, the budgeted amounts cited therein for each partner activity/expense serve as the maximum limits for partner expenditures on that activity/expense and may not be exceeded without the prior written approval of the MSC Operations Chief.

f. Fees and fiscal management.

(1) Under a CCSCM Agreement, a CCSCM partner may collect “Recreation Use Fees” and “Special Use Permit Fees” as those fee types are defined under ER 1130-2-555 or superseding guidance and retain up to 100 percent of collected fees for the operation, maintenance, and management activities relating to recreation and natural resources at the recreation site at which the fees were collected, whether such sites or facilities were developed by the partner or by USACE.

(2) The CCSCM partner may charge fees only according to guidance in ER 1130-2-550 or superseding guidance using the USACE fee schedule. This includes but is not limited to fees for use of campsites, swimming beaches, shelters, and boat launching ramps. Applicable requirements under ER 1130-2-550 include, but are not limited to, limitations on fee rates and items for which fees may be charged; the biennial submission of fee schedules to the District Chief of Operations for approval; and submission of Special Use Permits to the OPM for approval. Within thirty days of executing a CCSCM Agreement, the applicable District and/or project offices will provide training to partner personnel regarding the applicable requirements of ER 1130-2-550.

(3) The CCSCM partner is required to accept all America the Beautiful Interagency Passes (hereinafter “Interagency Passes”), the USACE Annual Day Use Passes, and discounts at the co-managed PSA as specified in ER 1130-2-550 or superseding guidance. Other discounts or passes will not be accepted. CCSCM partners may be authorized to sell Interagency Passes under the requirements set forth in ER 1130-2-550. However, under no circumstances will a CCSCM partner be authorized to retain revenues from the sale of Interagency Passes. CCSCM partners must remit all revenues from Interagency Passes to the project office for deposit in the appropriate special account in the U.S. Treasury as required under ER 1130-2-550.

(4) The CCSCM partner may charge fees for outdoor recreation related equipment and services provided for visitor use according to the guidelines set forth in ER 1130-2-550. Examples include firewood, ice, laundry machine use, shower use, dump station use, parking, and equipment rentals such as rent-a-tents or kayaks.

(5) It is the direct responsibility of the CCSCM partner to safeguard public monies from the time of collection until deposited.

(6) With the exception of revenues from the sale of Interagency Passes, fees collected by a CCSCM partner under this authority are retained on site and are not deposited into the Treasury. All monies received must be used by the CCSCM partner for the administration, maintenance, operation, and development of the co-managed PSA according to an approved POP and within the funding limits of an approved annual budget.

(7) As permitted in POPs and annual budgets, CCSCM partners may use collected fees to fund contractors and partner staff who contribute to the operation, maintenance, administration or development of the co-managed sites, whether term, temporary, seasonal, or permanent.

(8) The CCSCM partner must comply with the OMB allowable cost principles set forth in OMB Circular A-87 (Cost Principles for State, Local, and Indian Tribal Governments). In the event of a dispute over the CCSCM partner's use of user fee receipts, to include debt collection actions, the CCSCM partner will be held to these allowable cost standards and other limitations as set forth in a CCSCM Agreement, POP, and annual budget.

(9) The CCSCM partner will provide an annual statement of receipts and expenditures for initial review to the OPM, who will coordinate with the District Commander. The OPM will also provide this annual statement of receipts and expenditures to the District, MSC, and HQUSACE Business Line Managers. The District Commander will have the right to perform audits or require the CCSCM partner, using partner-collected user fees, to audit the records and accounts of the partner according to auditing standards and procedures promulgated by the American Institute of Certified Public Accountants or by the state, and furnish the results of such audits to the District Commander.

(10) The goal and expectation of this partnership is that the CCSCM partner will make capital investments according to the CW project budget proposals related to maintenance using revenue collected at the site. Cost savings realized by USACE should be invested in other areas at the CW project to the maximum extent possible but may be used for investment at the jointly managed areas if necessary.

g. Reservation Service. To promote consistency in operations, the CCSCM partner is encouraged to use, to the maximum extent practicable, any visitor reservation service that USACE has provided for by contract or interagency agreement to manage fee collections and reservations

h. Construction and equipment. CCSCM partners may construct facilities and acquire equipment that USACE would otherwise be authorized to construct/acquire for the O&M of the co-managed areas.

(1) All proposed construction activities and equipment acquisitions must be included in the POP and be approved by the USACE OPM before construction starts or acquisition of equipment occurs.

(2) All CCSCM partner-constructed facilities and acquired equipment will be considered property of USACE and will remain property of USACE following termination of the CCSCM Agreement, unless the CCSCM partner can demonstrate to the OPM's satisfaction that no USACE funding, Recreation Use Fees, or Special Use Permit Fee receipts were used to construct/acquire the facility/equipment. In other words, the partner must demonstrate that it constructed/acquired the item in question using its own extraneous funding sources.

i. Use of property. USACE may provide equipment, materials, or supplies purchased for USACE O&M purposes to the CCSCM partner to operate and maintain a co-managed area. Any non-expendable property will be considered on loan to the partner, documented on a property receipt and must be returned to USACE in working condition with reasonable wear and tear at termination of the CCSCM Agreement.

(1) Personnel of the CCSCM partner may be authorized to operate, for official use only, government-owned or leased vehicles, vessels, or other equipment if deemed appropriate and beneficial. Partner personnel must have the proper training, license, and/or experience according to USACE operator permit policies before operating a government-owned or leased vehicle, vessel, or equipment. Partner personnel who are assigned to operate machinery or equipment (such as chain saws, power shop tools, or specialized equipment) must be provided with a job hazard analysis and demonstrate proficiency in the operation of that equipment and an understanding of safety requirements to the satisfaction of USACE employees overseeing such work.

(2) The CCSCM partner may contribute funds, including cash, materials, personal property, equipment, or services as a portion of the CCSCM Agreement.

j. Protection of property. The CCSCM partner will be responsible for any damage that may be caused to property of USACE by the activities of the partner, including actions by the partner's employees, agents, contractors, volunteers, or their invitees, and will exercise due diligence in the protection of all property located on the premises against fire or damage from any and all other causes.

k. Safety. USACE will provide the information, support, and training necessary to ensure that all CCSCM partner activities follow USACE safety standards, EM 385-1-1. The CCSCM partner is responsible for conducting its activities in compliance with, and ensuring that its personnel otherwise comply with, all USACE safety requirements.

l. Contracts. The CCSCM partner may procure and manage contracts for

services such as janitorial, mowing, gate attendant, law enforcement, or other services required under the CCSCM Agreement and POPs. Such contracts, and any disputes or liabilities arising therefrom, will be the sole responsibility of the CCSCM partner. The CCSCM partner will maintain a contract administration system that ensures the contractors perform according to the terms, conditions, and specifications of their contracts.

m. No requirement for a real estate instrument. CCSCM Agreements do not require a partner to receive an outgrant or other form of real estate interest to accomplish the objectives under a CCSCM Agreement. All responsibilities and obligations of the parties should be set forth in the CCSCM Agreement. Any extraneous arrangements such as concessions outgrants will be handled as separate transactions according to existing regulations and guidance.

n. Real estate interests. USACE reserves the right to grant real estate interests affecting any part of the co-managed areas to third parties. USACE may solicit input from the partner, but it is the sole responsibility of USACE to administer requests, make awards, and manage grants of real estate interests in the co-managed area. If a partner desires to receive a real estate interest from USACE to perform activities beyond the scope of a CCSCM Agreement, Districts and project offices will handle such requests according to existing USACE regulations and policies and will afford the partner no deference or advantage as a result of a CCSCM Agreement.

o. Partner recognition and publicity. Recognition consistent with standards of ethical conduct is encouraged as a way to express appreciation to partners and publicly acknowledge support that has been received. Partners should be advised to keep USACE apprised of any publicity that they initiate. All publicity will be a joint effort by the partner and USACE, to include mutual agreement of any publicity materials. Procedures for appropriate types of recognition and publicity are provided in Chapter 10.

p. In the event the CCSCM Agreement is terminated, the areas that were co-managed will be assessed in accordance with applicable guidance to determine if they can be operated without increasing overall O&M costs, or for consideration for closure or alternative operational changes.