



**DEPARTMENT OF THE ARMY**  
**U.S. ARMY CORPS OF ENGINEERS**  
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**WASHINGTON, D.C. 20314-1000**

CECC-ZA

17 April 2018

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Documenting Reimbursable Orders from Department of Defense (DoD) Components under the Economy Act

1. References:

- a. 31 U.S.C. § 1535, Agency Agreements (“The Economy Act”).
- b. 31 U.S.C. § 1501, Documentary Evidence Requirement for Government Obligations (“The Recording Statute”).
- c. DD Form 1144, November 2001, Support Agreement.
- d. DD Form 448, June 1972, Military Interdepartmental Purchase Request (MIPR).
- e. Federal Acquisition Regulation 17.500, Interagency Acquisitions.
- f. Department of Defense Financial Management Regulation, DoD 7000.14-R (DoD FMR), Vol. 11A, Reimbursable Operations Policy, Chapter 3, para. 0303, “Initiating an Economy Act Order,” and para. 0305, “Ordering and Payment Procedures.”
- g. Department of Defense Instruction (DoDI) 4000.19, Support Agreements.

2. The purpose of this memorandum is to summarize briefly the required minimum documentation of reimbursable orders from a DoD requesting activity to the U.S. Army Corps of Engineers (USACE or Corps), as the servicing activity, under the Economy Act.<sup>1</sup> Reference 1.a. CEMP-ZA Directorate Policy Memorandum, “Adherence to Mission Assignments and Alignment of Acquisitions with Missions,” dated May 20, 2013, references this requirement at paragraph 4.a.(2). This memorandum provides additional detail concerning the requirement, with a view to simplify the required documentation and enhance consistency in documentation among USACE field activities.

3. The Economy Act and the Recording Statute require reimbursable orders to consist of a binding written agreement between the requesting and servicing activities executed before the

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<sup>1</sup> For reimbursable work orders accepted under a legal authority other than the Economy Act, USACE field activities will follow the procedures outlined in the authority itself, as well as those procedures provided in DoD FMR vol. 11A, ch. 18, “Non-Economy Act Orders.” Military construction (MILCON) is not reimbursable work; USACE performs MILCON under the authority of 10 U.S.C. § 2851.

end of the funds period of availability. References 1.a. and 1.b. USACE and the DoD requesting activity prepare a DD Form 1144, Support Agreement (Reference 1.c.), to cover prospective undertakings under the Economy Act. The requesting activity sends USACE a MIPR (Reference 1.d.) or multiple MIPRs over the course of the funds period of availability, with each MIPR referencing the DD Form 1144. USACE cannot begin to provide support until both parties have signed the DD Form 1144 and until USACE has accepted a MIPR from the requesting activity. The DD Form 1144 and the MIPR(s) serve as the binding Economy Act order.

4. The DD Form 1144 and MIPR(s) together must contain all of the required information for Economy Act orders, as specified on the forms (specific support to be provided by the servicing activity, often referred to as the “scope of work,” cost estimates, certification of funds, Determination and Findings (D&F) if it is not completed on a separate document<sup>2</sup> in accordance with Reference 1.e. and Supplements, etc.) and in accordance with Reference 1.f. If a Memorandum of Agreement (MOA) between USACE and the DoD requesting activity has not been executed, then the DD Form 1144 must also include all of the Economy Act terms and conditions contained in the USACE model MOA. The DD Form 1144 must be signed by the field-level activity commander (the “head” of the supporting activity, pursuant to the financial regulations). Reference 1.f. Unless and until the Army promulgates its own internal procedures governing intra-Army support under the Economy Act, the same documentation requirements apply to all support to all DoD activities under the Economy Act.

5. While USACE Project Managers (PMs) may prepare the DD Form 1144 for the field-level commander of the servicing USACE activity (an O-5 and higher) to approve, the responsible Contracting Officer and Resource Management (RM) officer must advise the commander in writing on whether the requirements for an Economy Act order have been met. In signing the DD Form 1144, the field-level activity commander approves the Economy Act order, to include all work funded by each subsequent MIPR received under that DD Form 1144. The field-level activity commander’s signature on the DD Form 1144 certifies that the requirements of the Economy Act, the DoD FMR, and the FAR and its Supplements (if applicable) have been met by USACE. Reference 1.g. at encl. 3, para. 2.b.(4). After both parties have signed the DD Form 1144, the acceptance of the MIPR(s) “perfects” the Economy Act order.

6. If the DoD requesting activity would like USACE to perform work in addition to, or to increase its level of effort in, the capabilities expressly identified on a DD Form 1144, then USACE and the DoD requesting activity must prepare and sign a modification of the current DD Form 1144 or execute a new DD Form 1144. The modified or new DD Form 1144 meets the requirements that the head of the requesting activity determines that the new work or increased support is in the best interest of the government, and that the head of the servicing activity determines that capabilities exist to render the new or increased support without jeopardizing assigned missions. Reference 1.f. If the DoD requesting activity would like USACE to continue to perform the same work identified on a DD Form 1144 after the period of availability of funds

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<sup>2</sup> When performing a contract action on behalf of another activity under the Economy Act, completion of a written D&F is always required. DFAS-IN Regulation 37-1 states that “[e]ach Economy Act order shall be supported by a D&F” (ch. 12, para. 121002). The Army Federal Acquisition Regulation Supplement (AFARS) also states that “[t]he Economy Act D&F is required for both direct and assisted acquisitions, in addition to the determination of best procurement approach” (5117.501-1(c)). These determinations are separate and distinct from the required determinations performed by the head of the requesting and servicing activities in Reference 1.f. at para. 030303.

to be obligated ends, then USACE and the DoD requesting activity must execute a modification of the current DD Form 1144 or execute a new DD Form 1144.

7. As a practical matter, a USACE field-level servicing activity (i.e., a center or district), when operating within its own geographic boundaries or by mission assignment authority as designated by HQUSACE, may document its support for a DoD requesting activity using a DD Form 1144 and MIPRs, but work requiring approval outside of the center or district may require an umbrella Memorandum of Agreement (MOA) in accordance with Reference 1.g. An MOA documents specific terms and responsibilities that the requesting and servicing activities agree upon in writing. This requirement would differentiate local installation from enterprise-level support missions (e.g., support to MEDCOM via Medical Support Teams). The former support may involve small “one-off” projects executed near the end of the fiscal year while the latter may involve ongoing programmatic support over several years, which would be subject to enterprise business rules and practices. Specifically, USACE field-level servicing activities with mission assignments or with requests for support that cross other servicing activities’ areas of responsibility already must adhere to the policies and procedures regarding mission and area of responsibility assignments provided in ER 1140-3-1 and the CEMP-ZA Directorate Policy Memorandum, “Adherence to Mission Assignments and Alignment of Acquisitions with Missions,” dated May 20, 2013. An MOA signed at the Major Subordinate Command or HQUSACE level would facilitate unity of effort across the USACE enterprise. This memorandum intends to simplify the overlapping rules and regulations governing this process.

8. If you have any questions concerning this review, please contact the undersigned via telephone at (202) 761-0018, or via email at david.r.cooper@usace.army.mil.

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