

# Partnerships with other Federal Agencies: The Economy Act



**Partnerships in NRM  
PROSPECT Course**

*"The views, opinions and findings contained in this report are those of the authors(s) and should not be construed as an official Department of the Army position, policy or decision, unless so designated by other official documentation."*



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# Authority

The Economy Act of 1932, as amended, 31 U.S.C. § 1535

- Authorizes agencies to enter into agreements to obtain supplies or services (including construction) from another FEDERAL AGENCY

Determining need and availability:

- What Federal Agencies are located adjacent to or near your Corps lakes?
- What are their areas of expertise that the Corps might want to utilize?



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# Examples of Successful Economy Act Agreements

- Lucky Peak (NWW)/BOR to improve recreation facilities by bringing power to them
- Portland District/BLM – prescribed burning
- MVP Lock 5 and USFS – improved habitat through use of dredging
- Libby Dam (NWS) and USFS – cultural resources support
- USACE and TVA– technical assistance for water resource management, infrastructure, environmental compliance
- W Kerr Scott and NPS – parking lot improvements for OVNHT
- Lake Okeechobee and FWS – iguana control
- Nashville District and APHIS – feral pig management
- Abiquiu Lake and BLM – ecosystem restoration/invasive species removal



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# Lake Okeechobee, Jacksonville District, SAD

## Invasive Reptile Control

- MOA/Interagency Agreement with USDAAPHIS Wildlife services for invasive reptile control
- Five year contract - \$50,000 per year
- Removal and control of iguanas and other invasive reptiles that burrow into dikes and levees, as well as USACE field offices
- Over 1000 removed in first year



# Cordell Hull Lake, Nashville District, LRD

## Feral Swine Control

- MOA with USDAAPHIS Wildlife services for feral swine control at several Tennessee reservoirs
- Response to ineffective swine hunting as a control method (saw an increase in illegal stocking)
- USACE staff conducts site assessments, APHIS sharp-shooters conduct swine removal from helicopters and ground-trapping
- FY 19: 2,678 hogs removed. FY 18: 3,209 hogs removed. All known populations removed from Sumner Co.



# Abiquiu Lake, Albuquerque District, SPA

## Invasive Species Removal



- Interagency Agreement with BLM for removal of Russian olive, Siberian elm, and salt cedar in the Arroyo Jaspe Project area
- Remove, treat with herbicide, and burn minimum of 10 acres, up to 20 acres of vegetation
- USACE pays costs through MIPR and conducts nesting surveys before start of migratory bird season



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# Portland District NWD and Bureau of Land Management Prescribed Burning



- Winter: MOA/Interagency Agreement with BLM. Economy Act funds transfer (Division SES signature)
- Spring: Group planning meeting (Regional air quality permit, approval of annual burn plan, public notification/outreach to neighbors)
- Late Summer: Site walk through 1-2 weeks before burns
- Fall: After action meeting

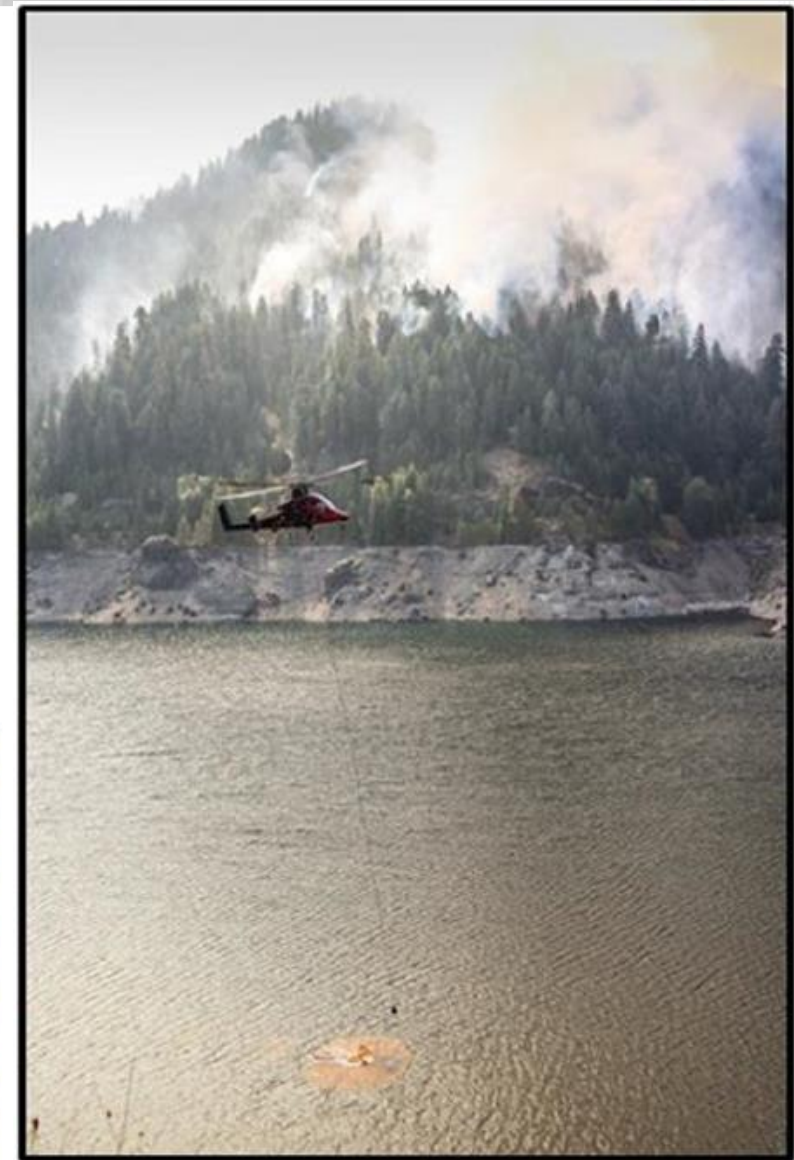


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# Active Engagement Yields Benefits!

- Wildfire coordination
- Recreation enhancements
- Species recovery/habitat restoration



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# Non-Economy Act Transactions

- The Economy Act only applies when more specific statutory authority does not exist
- Examples of Non-Economy Act Orders:
  - Federal Supplies Schedules – authority is 40 U.S.C. 501
  - Government-wide Acquisition Contracts (GWACs) – authority is 40 U.S.C. 11302(e)
- Bottom line: If you have more specific authority for acquiring supplies/services from another federal agency, do not use the Economy Act.



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# When Can You Use The Economy Act?

- An Economy Act order can be used when:
  - 1) funds are available
  - 2) the ordering agency determines that it is in the best interest of the government
  - 3) the ordering agency decides that ordered goods or services cannot be provided as conveniently or cheaply by contract with commercial enterprise.



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# Economy Act Terminology

- Treasury Form FS 7600A - is a binding agreement covering General Terms & Conditions (GT&C) under which support agreements/orders (using 7600B forms) can be established. Equivalent to an MOA.
- G-Invoicing – Government-Invoicing is a Treasury owned system that all Federal agencies must use to process intra-agency and interagency agreements by 30 June 2021.
- Memorandum of Agreement (MOA) is a narrative form "binding agreement" covering the GT&C under which support agreements/orders can be established. These will be phased out for working with DoD and other federal agencies.
- DoD has mandated the use of G-Invoicing to establish new GT&C agreements and any accompanying support agreements/orders that extend to 30 June 2021 or later. Activities may no longer use 1144s for GT&C agreements for support agreements.



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# Economy Act Key Points

- Determination and Findings (D&F) document must be prepared by the ordering agency.
- Performing agency must be able to provide the goods or services in-house or by contract, and parties should verify under Part 8 of the FAR that the responsibility for this good or service is not assigned to another agency of the federal government.
- Authority for the ordering agency to do the work in question must be independently authorized.
- The Economy Act cannot be used for partnerships with non-federal entities and is only used with federal agencies when another more specific transfer authority is not available.
- Some agencies have their own transfer authorities that do not include de-obligation requirements and D&Fs, such as Section 632 of the Foreign Assistance Act, which the Corps may accept under the Chief's Economy Act.



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# Paperwork Needed

- General Terms & Conditions Agreement (GT&C)/Master Agreement
  - FS 7600a must be used. Phasing out MOAs
- Interagency Support Agreement/Order
  - FS 7600b
- Memo of Determinations and Findings (D&F)
- Copy of agreement used (FS 7600a interagency agreement)
- All paperwork must be entered into Treasury Department G-Invoicing system before reimbursable orders can be accepted



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# Contract vs. In-house Economy Act Orders

- Not all Economy Act orders include a contract action.
  - i.e. The servicing agency provides the support in-house.
- Economy Act orders including a contract action (aka: *interagency acquisitions*).
  - Support will either be completed by:
    - Assisted Acquisition – The servicing agency performs acquisition activities on the requesting agency's behalf, such as awarding and administering a contract, task order, or delivery order (this is more common)  
or
    - Direct Acquisition – The requesting agency places an order *directly* against the servicing agency's indefinite-delivery contract.

## Why does it matter?

- It matters because the authorities that apply and the documentation required are different
  - if there is a contract action involved vs.
  - if it is In-house.



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# Contract Economy Act Order Requirements

- (1) Written Interagency Master Agreement/General Terms & Conditions GT&C Agreement (FS 7600a: equivalent to an MOA)
  - Specifies the authority for the agreement
  - General, fiscal, procurement, other terms by which the parties agree to be bound
  - Must include the range of services, roles and responsibilities for acquisition planning, contract execution, period of the agreement, and the administration and management of the contracts
  
- (2) Support Agreement/Order (FS 7600b)
  - Funding document used to describe the supplies or services needed.
  - Must include clear, detailed description of the supplies or services (often SOW); delivery requirements or period of performance; funds citation; payment provision; authority (Economy Act); additional ordering procedures
  
- (3) Certification of Availability for Purpose
  - A statement by the funds certifying official indicating that the funds cited on the order are properly chargeable for the purposes cited in the order.
  - May be on or attached to the order or on G-Invoicing.



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# Contract Requirements (Cont.)

## (4) Determination & Findings (D&F)

- Purpose is to show the Order is in best interest of government
- Template available from NWD

## (5) Best Procurement Approach Determination

- Show that the use of an interagency acquisition represents the “best procurement approach”

### **Additional requirements if more than \$150,000**

## (6) Non-DoD Certification – AFARS 5117.7802

- Demonstrate that utilizing a non-DoD contract is in the best interests of DoD. Separate and distinct from the Economy Act D&F.

## (7) FAR17.703 Certification from Non-DoD Agency

- Ensure non-DoD agency compliance with Federal & DoD procurement requirements



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# In-House Economy Act Order Requirements

- (1) Written Interagency Master Agreement/General Terms & Conditions GT&C Agreement (FS 7600a: equivalent to MOA)
  - Sets forth the general terms and conditions governing the relationships between the parties.
- (2) Support Agreement/Order
  - Required to use FS 7600b in G-Invoicing system.
- (3) Certification of Availability for Purpose
- (4) Determination & Findings (D&F)



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# Economy Act Orders With Another DoD Agency (Intra-agency Support)

## (1) Written Interagency Master Agreement (FS 7600a)

- Not required, but recommended

## (2) FS 7600b (Support Agreement/Order)

- Required



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# Approval Level

- Agreements that cover more than one MSC: SES at HQUSACE
- Agreements within an MSC: MSC Commander
- Agreements within one District: District Commander if MSC Commander has delegated authority in writing to DE



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# Staff Involved

- **Requestor:** Project manager or employee requesting the services of another Federal agency. Responsible for preparation, negotiation, and execution of the Economy Act Order (SOW, IGE, ID of agency)
- **Budget Analyst:** Requestor's budget section assists with PR&C development, Order obligation, invoice admin, and closeout
- **Office of Counsel:** reviews documents for proper procedure/ adherence to policy and regulations
- **Contracting:** Reviews and signs Economy Act Order documents. Principal review of independent government estimate, market research, labor hours/skill mix, business case analysis
- **Resource Management:** Funds Certifying Officer is responsible for certifying funds are available and properly chargeable
- **Division Chief/SES/DE:** Signs Best Procurement Approach Determination



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MEMORANDUM OF AGREEMENT  
BETWEEN  
THE [ORDERING ACTIVITY]  
AND  
THE DEPARTMENT OF THE ARMY  
**[U.S. ARMY CORPS OF ENGINEERS may also be appropriate depending on the level of  
approval authority and/or other relevant circumstances]**  
FOR  
[INSERT SUBJECT]  
[INSERT AGREEMENT NUMBER]

ARTICLE I - PURPOSE AND AUTHORITY

This Memorandum of Agreement ("MOA") is entered into by and between the U.S. Department of the Army ("DA") and the [ORDERING ACTIVITY] (collectively "the Parties") for the purpose of establishing a mutual framework governing the respective responsibilities of the Parties for the provision of DA **[insert general description of the type of DA assistance; e.g. construction management, environmental restoration or design assistance]** goods and services. This MOA is entered into pursuant to the Economy Act (31 U.S.C. § 1535) **[When necessary, also insert specific statutory authority for the ORDERING ACTIVITY to execute the program/work].**

ARTICLE II - SCOPE

Goods and services which the DA may provide under this MOA include **[insert detailed description of scope of DA goods or services, including brief description of Ordering Agency program/work if appropriate]**, and such other related goods or services as may be agreed upon in the future.

Nothing in this MOA shall be construed to require the [ORDERING ACTIVITY] to use the DA or to require the DA to provide any goods or services to the [ORDERING ACTIVITY], except as may be set forth in Support Agreements ("SAs").

ARTICLE III - INTERAGENCY COMMUNICATIONS

To provide for consistent and effective communication between the DA and the [ORDERING ACTIVITY], each Party shall appoint a Principal Representative to serve as its central point of contact on matters relating to this MOA. Additional representatives may also be appointed to serve as points of contact on SAs.

ARTICLE IV - SUPPORT AGREEMENTS

In response to requests from the [ORDERING ACTIVITY] for DA assistance under this MOA, the DA and the [ORDERING ACTIVITY] shall conclude mutually agreed upon written SAs. Goods or services shall be provided under this MOA only after an appropriate SA has been



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**UNITED STATES GOVERNMENT  
GENERAL TERMS & CONDITIONS (GT&C)  
FS Form 7600A**



Agreement Between Federal Program Agencies for Intragovernmental Reimbursable, Buy/Sell Activity. In Accordance with TFM Volume 1, Part 2, Chapter 4700, Appendix 8.

[https://www.fiscal.treasury.gov/fs-services/qov/acctg/q\\_invoice/q\\_invoice\\_home.htm](https://www.fiscal.treasury.gov/fs-services/qov/acctg/q_invoice/q_invoice_home.htm)

G-Invoicing Required Fields have an ( \* )

NEW OR MODIFIED GT&C			
*General Terms and Conditions (GT&C) Number		GT&C Number:	
		Modification Number:	
		Status: <input type="text"/>	
AGENCY INFORMATION			
1.		Requesting Agency (Buyer)	Servicing Agency (Seller)
	*Agency Account Name		
	*Agency Location Code (ALC)		
	*ALC Description		
	Group Name		
	Group Description		
	Cost Center		
	Business Unit		
	Department ID		
GT&C INFORMATION			
2.	GT&C Title		
3.	Agency Agreement Tracking Number		
4.	*Agreement Period	Start Date (yyyy/mm/dd):	End Date (yyyy/mm/dd):
5.	Termination Days		
6.	*Agreement Type	<input type="text"/>	
7.	*Advance Payment Indicator	Are Advance Payments allowed for this GT&C? <input type="radio"/> Yes <input type="radio"/> No *If "Yes", the Requesting Agency Advance Payment Authority Title and Citation are required upon creation of an Order against this GT&C.	
8.	*Assisted Acquisition Indicator	Will this GT&C accommodate Assisted Acquisitions? <input type="radio"/> Yes <input type="radio"/> No *If "Yes", the Servicing Agency provides acquisition support in awarding and managing contracts on behalf of the Requesting Agency's requirements for products or services. Lines 17 & 18 below for additional detail.	
ESTIMATED AGREEMENT AMOUNT			
9.	Total Direct Cost Amount		
	Total Overhead Fees and Charges Amount		

Department of Treasury  
FS Form 7600A  
and 7600B  
US Government  
Interagency  
Agreement

**UNITED STATES GOVERNMENT  
ORDER FORM  
FS FORM 7600B**



Agreement Between Federal Program Agencies for Intragovernmental Reimbursable, Buy/Sell Activity. In Accordance with TFM Volume 1, Part 2, Chapter 4700, Appendix 8.

<https://www.fiscal.treasury.gov/g-invoice/>

G-Invoicing Required Fields have an ( \* )

NEW OR MODIFIED ORDER			
1.	*Order Number	Order Number: Modification Number: Order Status: <input type="text"/>	
2.	*General Terms & Conditions (GT&C) Number (Associated with this Order):		
3.	*Order Date (yyyy-mm-dd):		
PARTNER INFORMATION			
4.	*Assisted Acquisition Indicator	<input type="text"/>	
5.	*Period of Performance	Start Date (yyyy-mm-dd):	End Date (yyyy-mm-dd):
		Requesting Agency (Buyer)	Servicing Agency (Seller)
6.	*Agency Location Code (ALC)		
7.	*Agency Name		
8.	Group Name		
9.	Group Description		
10.	Cost Center		
11.	Business Unit		
12.	Department ID		
13.	Order Tracking Number		
14.	Unique Entity Identifier (UEI)		
15.	Funding Office Code (Buyer Only)		
16.	Funding Agency Code (Buyer Only)		
17.	Comments		
AUTHORITY INFORMATION			
18.	*Statutory Authority Fund Type Code	Select One: <input type="text"/>	
19.	Statutory Authority Fund Type Title		
20.	Statutory Authority Fund Type Citation		
		Requesting Agency (Buyer)	Servicing Agency (Seller)
21.	Program Authority Title		
22.	Program Authority Citation		

## Determination and Findings

### Economy Act Order With Contract Action

*[Use this template if any portion of the work will be provided via contract, unless considered merely incidental. Use the "In-House" D&F Template if contracting is only incidental to the purpose of the transaction.]*

SUBJECT: *[Insert Subject here.]*

#### 1. References:

- a. Memorandum, USACE NWD, CENWD-DE, 13 December 2013, subject: NWD Interim Policy Memorandum #07-12, Processing Economy Act Orders within the U.S. Army Corps of Engineers (USACE) Northwestern Division (NWD).
- b. Federal Acquisition Regulation (FAR), Subpart 17.5, Interagency Acquisitions.
- c. Department of Defense (DoD) Financial Management Regulation (FMR), 7000.14-R, Vol. 11A, Chapter 3, March 2012, subject: Economy Act Orders.
- d. *[Only include this reference if your action is over the Simplified Acquisition Threshold (SAT):* Memorandum, Assistant Secretary of the Army, Acquisition, Logistics and Technology (ASA(AL&T), July 12, 2005, subject: Proper Use of Non-Department of Defense (Non-DoD) Contracts.]

e. *[Only include this reference if your action is over the SAT: FAR Subpart 17.7, Interagency Acquisitions: Acquisitions by Non-Defense Agencies on Behalf of the Department of Defense.]*

2. Authority. The Economy Act (31 U.S.C. 1535) authorizes agencies to enter into agreements to obtain supplies or services (including construction) from another agency and applies when more specific statutory authority does not exist.

3. Purpose. This Determination and Findings (D&F) documents that the use of an Economy Act order to obtain [insert supplies or service obtaining] from [insert non-DoD federal agency] is in the best interests of the Government.

4. Requirement Information:

# D&F Templates from NWD for Contract/ In-House Economy Act Orders

## Determination and Findings

### Economy Act Order In-House

*[Use this template if all of the work will be provided in-house. If any of the work will be contracted out, beyond a mere incidental portion, use the "Contract Action" D&F Template.]*

SUBJECT: *[Insert Subject here.]*

#### 1. References:

- a. Memorandum, USACE NWD, CENWD-DE, 13 December 2013, subject: NWD Interim Policy Memorandum #07-12, Processing Economy Act Orders within the U.S. Army Corps of Engineers (USACE) Northwestern Division (NWD).
- b. Department of Defense Instruction (DoDI) 4000.19, April 25, 2013, subject: Support Agreements.
- c. Department of Defense (DoD) Financial Management Regulation (FMR), 7000.14-R, Vol. 11A, Chapter 3, March 2012, subject: Economy Act Orders.

2. Authority. The Economy Act (31 U.S.C. 1535) authorizes agencies to enter into agreements to obtain supplies or services (including construction) from another agency and applies when more specific statutory authority does not exist.

3. Purpose. This Determination and Findings (D&F) documents that the use of an Economy Act order to obtain [insert supplies or service obtaining] from [insert non-DoD federal agency] is in the best interests of the Government.

4. Requirement Information:

a. Description of services/supplies: *[Describe the supplies or services needed, to include the delivery schedule/period of performance and price.]*

b. Servicing Agency: *[Insert the name of the non-DoD agency that will be providing the support.]*

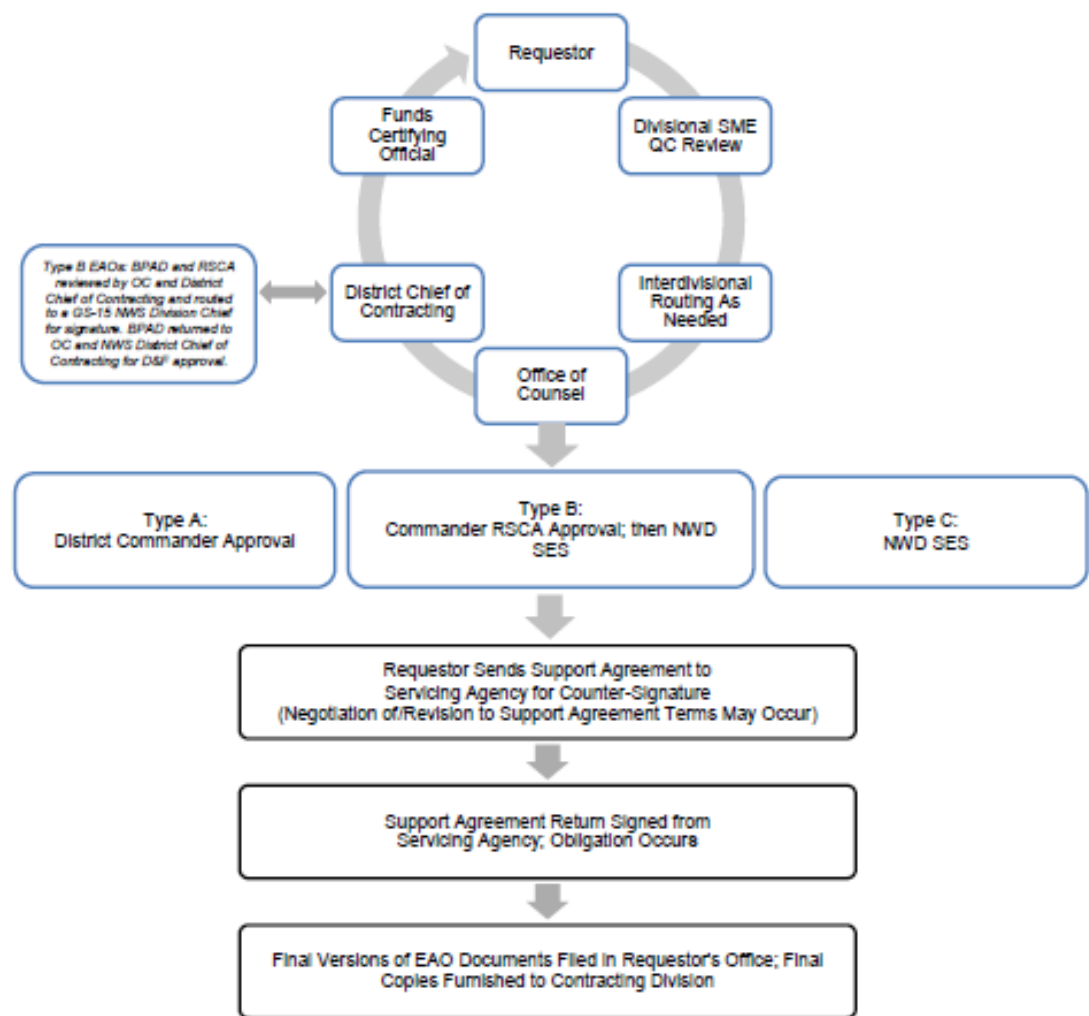
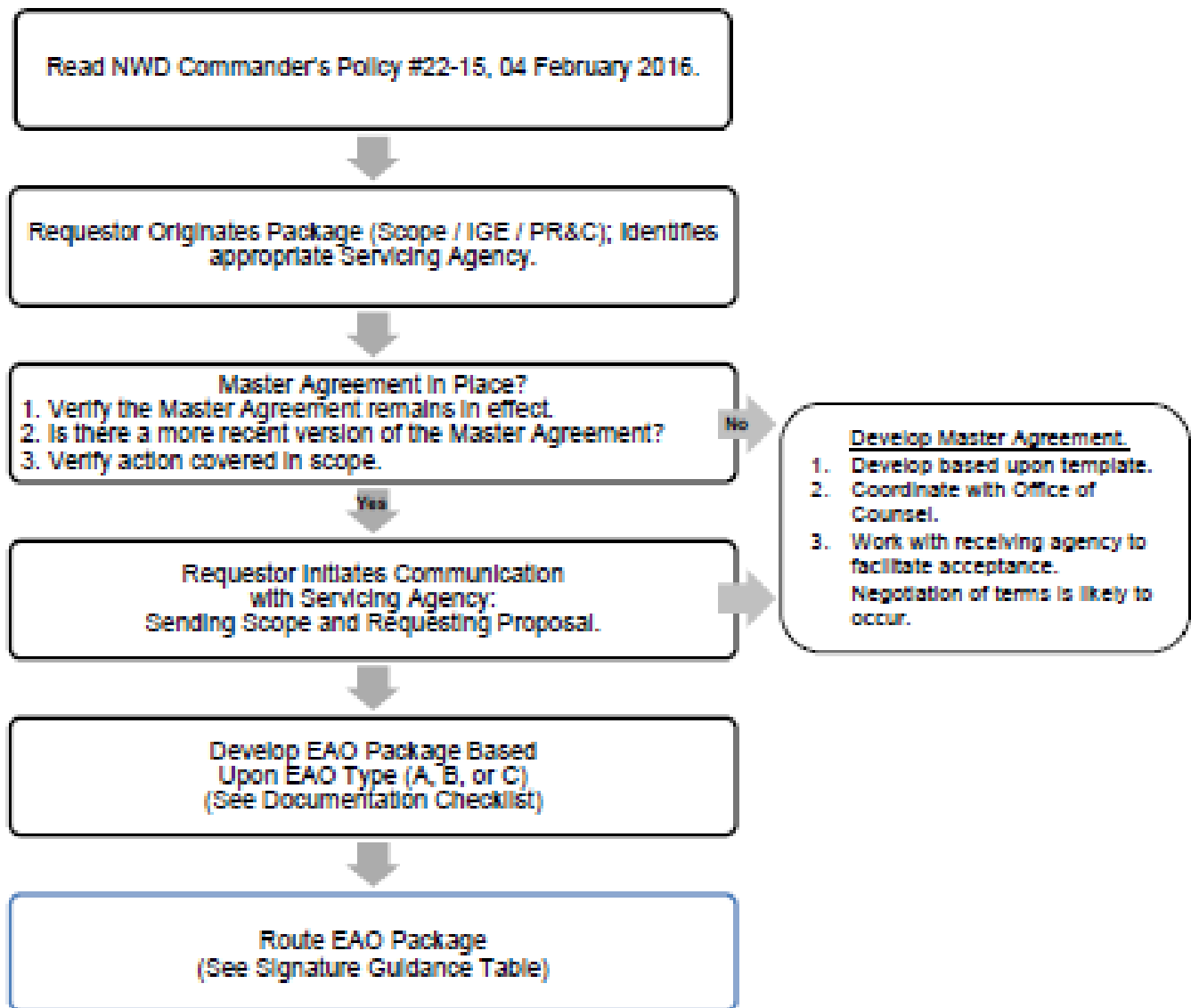
c. Requesting Agency: *[Insert the name of the USACE district needing the support.]*

5. The proposed use of an interagency transaction is in the best interest of the Government considering the following factors:

a. Funding is available to pay for the support. *[Either indicate what type of funds are being*



**NWS Economy Act Order Flowchart  
For USACE as Requesting Agency**





## 8.1: Economy Act Order Documentation Checklist

### CORE QUESTIONS:

1. Is there more specific statutory authority<sup>1</sup> than the Economy Act Order with which to order this work? Yes  No

*If you answered Yes, then you must utilize the other statutory authority and may not utilize an Economy Act Order. If you answered No, move to question 2. If you are unsure, check with the Office of Counsel. The Requestor and Office of Counsel will more than likely need to discuss any authority question with the Servicing Agency.*

2. Will this work be completed by a  DoD or  Non-DoD agency?

*If you answered DoD, then column A documentation applies. If you answered Non-DoD, then move to question 3.*

3. Is the Servicing Agency (i.e., agency you are doing the Economy Act Order with) carrying out any type of contract action to complete this work (Will the Servicing Agency rely on any resources other than its own employees or on-hand? For example, will the Servicing Agency contract out asbestos abatement or other specific portion(s) of the service)? Yes  No

*If you answered Yes, then column B documentation applies. If you answered No, then column C documentation applies.*

<u>A</u> DoD	<u>B</u> Non-DoD Contracting	<u>C</u> Non-DoD In-House
<input type="checkbox"/> Master Agreement <input type="checkbox"/> Support Agreement, containing the Scope of Work <input type="checkbox"/> PR&C <input type="checkbox"/> Servicing Agency Proposal (with line-item cost breakdown) <input type="checkbox"/> Technical Assessment <input type="checkbox"/> Determination & Findings (if DD 1144 is not utilized for Support Agreement)	<input type="checkbox"/> Master Agreement <input type="checkbox"/> Support Agreement, containing the Scope of Work <input type="checkbox"/> PR&C <input type="checkbox"/> Independent Government Estimate <input type="checkbox"/> Servicing Agency Proposal (with line-item cost breakdown) <input type="checkbox"/> Technical Assessment <input type="checkbox"/> Determination & Findings <input type="checkbox"/> Best Procurement Approach Determination <input type="checkbox"/> Request for Service Contract Approval (RSCA) for SES Approval <i>If over Simplified Acquisition Threshold (SAT):</i> <input type="checkbox"/> Non-DoD Certification per FAR 17.703(a) or Waiver per FAR 17.703(e)	<input type="checkbox"/> Master Agreement <input type="checkbox"/> Support Agreement, containing the Scope of Work <input type="checkbox"/> PR&C <input type="checkbox"/> Servicing Agency Proposal (with line-item cost breakdown) <input type="checkbox"/> Technical Assessment <input type="checkbox"/> Determination & Findings



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## 8.2: Signature Guidance Table

	Requestor	Requestor's Supervisor	Requestor's Division Chief	Office of Counsel	Contracting Officer	Funds Certifying Official	PPMD Chief	NWS Commander	NWD SES
Master Agreement	-	-	-	R	R	-	-		S
Support Agreement (Order with a non-DoD Agency)	-	-	-	R	R	R	-	-	S
Support Agreement (Order with a DoD Agency)	-	-	-	R	R	R	R	S	-
Independent Government Estimate Under the SAT	S	S	-	-	-	-	-	-	-
Independent Government Estimate Over the SAT	S	R/S	S	-	-	-	-	-	-
Technical Analysis	S	S	-	-	R	-	-	-	-
Determination and Findings	-	-	-	S	S	S	-	-	S
Best Procurement Approach	-	-	-	S	S	-	S	-	R
Request for Service Contract Approval Under \$100K	-	-	S	R	-	-	-	-	-
Request for Service Contract Approval Over \$100K	-	-	-	R	-	-	R	S	S

- Review and Signature Required = S
- Review Required = R
- SAT is the Simplified Acquisition Threshold as defined by FAR 2.101. The SAT is currently \$250,000.
- Internal processes outside of this SOP may require additional reviewers, such as Project Managers or Section Chiefs.



# Economy Act Forms



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Natural Resources Management Gateway

to the future . . .

Home Visitors Lake Discovery Recreation Env Compliance Env Stewardship Partners  
News/Events People Forums Learning GETS Tools New Postings Submit Index/Search ?

## Economy Act Sample Templates

- [FS Form 7600a US Government General Terms & Conditions- Agreement between Federal Program Agencies for Intragovernmental Reimbursable, Buy/Sell Activity \(Sep 2020\)](#)
- [FS Form 7600a Instructions \(Sep 2020\)](#)
- [FS 7600B- US Government Order Form- Agreement between Federal Program Agencies for Intragovernmental Reimbursable, Buy/Sell Activity \(Sep 2020\)](#)
- [FS Form 7600B Instructions \(Sep 2020\)](#)
- [NWD Economy Act D&F Templates](#)
- [NWD Economy Act Determination of Best Procurement Approach templates](#)
- [NWS Economy Act Order Documentation Checklist](#)
- [Model Economy Act MOA Template- USACE as servicing agency with non-DOD agencies, 05 Aug 2020](#)
- [Model Economy Act MOA Template- USACE as servicing agency with DOD activities, 30 Sep 2020](#)
- [Appendix of the GT&C- USACE as servicing agency with non-DOD agencies, 05 Aug 2020](#)
- [Appendix of the GT&C- USACE as servicing agency with DOD activities, 30 Sep 2020](#)
- [POD: Sample Delegation of Authority Memo from MSC Commander, March 2020](#)

Partnerships  
Economy Act



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# Patience

- Some districts / divisions have specific guidance on how to accomplish this process – CHECK WITH YOUR SUPPORT STAFF (OC/RM/CT)
- This can be a slow process due to routing and review requirements
  - Do not get frustrated
  - It is worth the effort if the job needs to be done and expertise only exists or is more economical using the Federal Government



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