# Partnerships with other Federal Agencies: The Economy Act

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## Legislation

- The Economy Act of 1932, as amended, 31 U.S.C. 1535
  - Authorizes the agency to place an order for goods and services with another FEDERAL AGENCY



### Can Be Used

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



## **Economy Act Process**

- Determination and Findings (D&F) document must be prepared by the ordering agency.
- Performing agency must be able to provide the goods or services inhouse 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.
- Funds made available to the performing agency, but not yet obligated by the performing agency, shall be de-obligated and returned to the ordering agency at the end of their period of availability.



## **Economy Act Process**

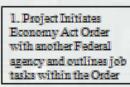
- The Economy Act cannot be used for partnerships with non-federal entities, and is only used with federal agencies when another more specific transfer authority is not available.
- Some agencies have their own transfer authorities that do not include de-obligation requirements and D&Fs, such as Section 632 of the Foreign Assistance Act, which the Corps may accept under the Chief's Economy Act.
- When entering into an Economy Act agreement with a non-DoD entity, the Corps must enter into an agreement by which the ordering agency agrees to pay all costs.



#### Economy Order Flow Chart

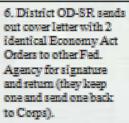
(Example from Portland District: Other District's processes may vary)

Economy Act Orders are used to transfer money between Federal agencies when speciality or exchange services are sought - can be done without Cooperative Agreements. Each agency may have their own requirements - be sure to check.



Signatures of the Order would be by the Operations Project Manager, In the payment section the Project POC address is inserted

3. Prepare D&F or request District to complete



5. NWP-OD-SR receives the Order package, reviews documents, prepares cower letter, routes to Office of Council. Contracting (Grant Specialist & Officer) and F&A then back to Operations.

 Send to District OD-SR Economy Act Order and D&F



7. Upon return of the

sends Project and the

Contracting Grants

Order OD-SR scans and

Specialist a copy of the

signed Order along with

the signed D&F form.

8. The Order may now be executed and coordinated by the Project.

De-Obligating

1-Letter note from other

Fed agency saying it's

2-Project to perform

manual de-obligation.

to close out GOV order

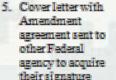
okay to de-obligate and. for how much.

#### Economy Act Amendment

- Amend existing PR&C orif necessary create new one if money inwolwed.
- Neednew D&F form completed.
- Need Amendment agreement form. completed.
- 4. Processing routing to occur through same channels as with original
- Cover letter with. Amendment

If the other Federal agency is performing subcontracting additional approvals may be necessary at Division level

> MIPR Process (at Project)....... L. Print out MIPR or 443 & send to agency to sign disceture. 2. On MIPR setum Project staff then does manual GOV order obligation in CEFMS



For problems and troubleshooting contact NWP-OD-SR at (503) 808-4306



## Paperwork Needed

- 4914R Interagency Support Agreement
- Staffing sheet for D&F
- Memo of Determinations and Findings (D&F)
- CEFMS snapshot page
- Copy of agreement used (MOA/interagency agreement)

#### OR

 Treasury Financial Management Service Form 6-10 7600A and Form 7-10 7600B



U.S. ARMY CORPS OF ENGINEERS INTERAGENCY/SUPPORT AGREEMENT (ER 1140-1-211)  3. PROJECT TITLE			AGREEMENT NO.      INITIAL AGREEMENT     AMENDMENT NO.	
			4. EFFECTIVE DATE	
			5. COMPLETION DATE	
. Name and address of USACE of	RGANIZATION	7. NAME AND ADDR	ESS OF OTHER AG	SENCY
3. SCOPE OF WORK (Additional pages may l	be used as needed)			
. SPECIAL PROVISIONS (Additional pages	may be used as needed)			
<ul> <li>All rates expressing the unit cost of service change for uncontrollable reasons, such notified immediately of such rate change</li> </ul>	as legislation, DoD dire	ctives, and commercial u	tility rate increases. 1	
<ul> <li>This agreement may be cancelled at any cancelled by either party upon giving at</li> </ul>			d. This agreement m	ay also be
c. In case of mobilization or other emerger	ncy, this agreement will	remain in force only with	nin supplier's capabilit	ties.
O. USACE PROJECT OFFICER	TELEPHONE	11. OTHER AGENCY	PPOJECT	TELEPHONE
o. osnoci roscoi ornock	TEEL TIONE	OFFICER	T ROSEOT	TELETIONE .
ADDRESS		ADDRESS		
NC FORM 404 4 D. Son 07		l		

Required form in NWD. Check with your district for procedures.



### **Differences**

- Process differs from district to district
- Inquire with your Grants/Agreements specialist (Often, grants specialists are also contracting specialists)



# 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 habitat assessments and improvements on COE lands

