

# 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
  - 3) 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 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.
- 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

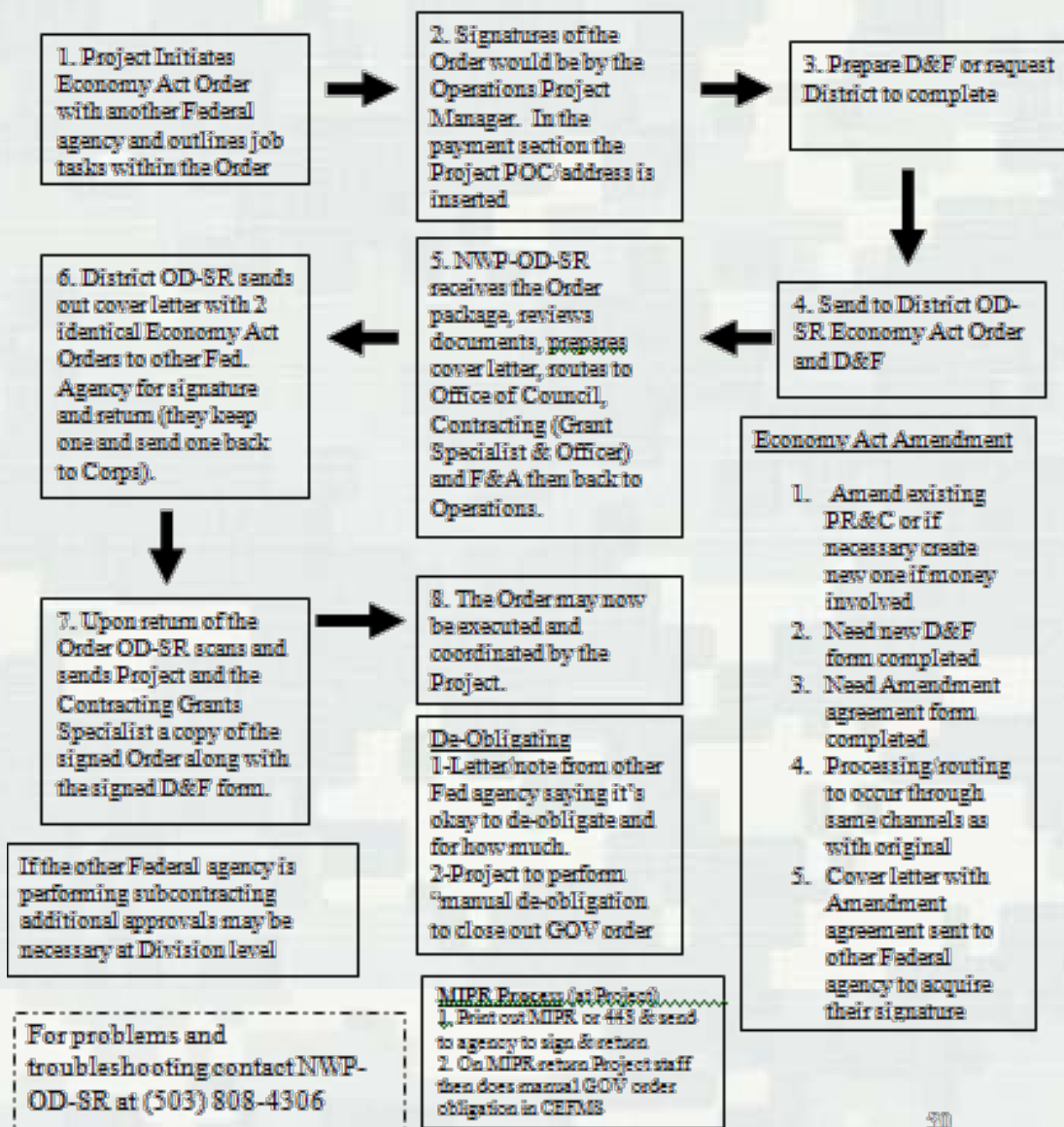
- The Economy Act cannot be used for partnerships with non-federal entities, and is only used with federal agencies when another more specific transfer authority is not available.
- Some agencies have their own transfer authorities that do not include de-obligation requirements and D&Fs, such as Section 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.



# 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



<b>U.S. ARMY CORPS OF ENGINEERS INTERAGENCY/SUPPORT AGREEMENT</b> <i>(ER 1140-1-211)</i>		1. AGREEMENT NO.	
		2. <input type="checkbox"/> INITIAL AGREEMENT <input type="checkbox"/> AMENDMENT NO. _____	
3. PROJECT TITLE		4. EFFECTIVE DATE	
		5. COMPLETION DATE	
6. NAME AND ADDRESS OF USACE ORGANIZATION		7. NAME AND ADDRESS OF OTHER AGENCY	
8. SCOPE OF WORK <i>(Additional pages may be used as needed)</i>			
9. SPECIAL PROVISIONS <i>(Additional pages may be used as needed)</i>			
<p>a. All rates expressing the unit cost of services provided in this agreement are based on current rates which may be subject to change for uncontrollable reasons, such as legislation, DoD directives, and commercial utility rate increases. The receiver will be notified immediately of such rate changes that must be passed through to the support receivers.</p> <p>b. This agreement may be cancelled at any time by mutual consent of the parties concerned. This agreement may also be cancelled by either party upon giving at least 60 days written notice to the other party.</p> <p>c. In case of mobilization or other emergency, this agreement will remain in force only within supplier's capabilities.</p>			
10. USACE PROJECT OFFICER	TELEPHONE	11. OTHER AGENCY PROJECT OFFICER	TELEPHONE
ADDRESS		ADDRESS	

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



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# 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

