DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
(RESEARCH, DEVELOPMENT AND ACQUISITION)
1000 NAVY PENTAGON
WASHINGTON, DC 20350-1000

0 2 JUL 2013

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Department of Defense-Wide Policy for Using the Department of Energy's (DoE) Work for Others (WFO) Program to Access DoE-Owned Research, Development and Production Facilities through Interagency Agreements

The attached Director, Defense Procurement and Acquisition Policy (DPAP) memorandum of May 7, 2013 is forwarded for your information and action, as appropriate. It informs the Department of Defense (DoD) contracting community that each DoD Component is required to enter into and administer all DoD WFO projects performed at DoE facilities in accordance with the Memorandum of Agreement (MOA).

Contracting Officers (COs) shall pay particular attention to the MOA and ensure that the specific requirements in the Administration and Funding paragraphs are met. Further, COs are reminded that, in accordance with FAR 17.502-2, the Economy Act may not be used by an agency to circumvent conditions and limitations imposed on the use of funds. Additional details can be found in the DPAP memorandum.

My point of contact for this is Denise Randolph. She can be reached on (703) 614-9767 or via Denise.Randolph@navy.mil.

Althea H. Coetzee
RDML, SC, USN
Executive Director
DASN(AP)

Attachments:
As stated

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OFFICE OF THE UNDER SECRETARY OF DEFENSE
3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

ACQUISITION,
TECHNOLOGY
AND LOGISTICS

MAY -7 2013

MEMORANDUM FOR COMMANDER, UNITED STATES SPECIAL OPERATIONS COMMAND (ATTN: ACQUISITION EXECUTIVE)
COMMANDER, UNITED STATES TRANSPORTATION COMMAND (ATTN: ACQUISITION EXECUTIVE)
DEPUTY ASSISTANT SECRETARY OF THE ARMY (PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE NAVY (ACQUISITION AND PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE (CONTRACTING)
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Department of Defense - Wide Policy for Using the Department of Energy's Work for Others Program to Access DoE-Owned Research, Development and Production Facilities through Interagency Agreements;

Recently the Department of Defense Inspector General (DoDIG) performed an audit to determine whether the memorandum of agreement (MOA) and corrective action plan (CAP) between DoD and the Department of Energy (DoE) addressed the findings in DoD OIG Report No. D-2011-021, "More DoD Oversight Needed for Purchases Made Through the Department of Energy," December 3, 2010. In response to the audit findings and recommendations and after a review of sections 801 and 805 of the National Defense Authorization Act for Fiscal Year 2013, the Department hereby implements this revised policy effective immediately when entering into Interagency Agreements with the Department of Energy through its Work For Others (WFO) program. This policy is in effect until rescinded.

Each component will enter into and administer all DoD WFO projects performed at DoE facilities in accordance with the attached MOA between DoE and DoD (attachment 1) except as such policies and procedures may be amended by the provisions set forth below, and:

- Sufficient market research has been completed and sufficient documentation exists that demonstrates that the specific DoE location/center is capable of performing the required tasks;
- The description of the supplies and/or services to be provided are specific, definite and certain;
- Either an Economy Act Determination and Findings (D&F) (FAR 17.5, DFARS 217.5) has been properly executed for the requirement or, if the Economy Act is not the authority that DoE will be operating under when executing the requirement, the requirements of DFARS 217.7802(b) have been met and that a Best Interest

Determination/Best Procurement Approach determination (FAR 17.5) has been executed;

- An Interagency Agreement Part B, in the general format prescribed by the Office of Federal Procurement Policy (June 2008) as amended, has been prepared and executed for the requirement. The IA Part B shall affirmatively document all DoD-unique requirements or stipulate that none exists.
- An assessment that the proposed cost/price is reasonable has been performed. At a minimum this will include: an independent government cost estimate prepared by DoD; detailed pricing information (proposal prepared by DoE) that has been reviewed by the cognizant DoD technical project manager/Contracting Officer Representative (COR) to ensure the hours and skill mix proposed are reasonable for the task(s) to be accomplished; an assessment that the quantity and type of materials proposed are necessary and reasonable.
- A qualified DoD technical project manager/COR, meeting Type A COR requirements in accordance with USD(AT&L) memorandum of March 29, 2010, "DoD Standard for Certification of Contracting Officer's Representatives (COR) for Service Acquisitions," has been identified to perform COR functions, including monitoring contractor performance, and reviewing contractor invoices.

In order to assess the Department's implementation of this policy and the previous policy, each DoD Component will perform an annual assessment of its compliance with the requirements of this policy and all applicable Interagency Requirements for support obtained under the DoE WFO program. The results of the Component's findings should be submitted annually, beginning for FY 13 to the Director, Defense Procurement and Acquisition Policy (DPAP) not later than the end of the calendar year (i.e. December 31, 2013, for FY 13). Unless otherwise directed, component format for the monthly tracking of obligations and the annual reporting requirement is acceptable.

You are also reminded that in accordance with FAR 17.502-2, "The Economy Act," the Economy Act may not be used by an agency to circumvent conditions and limitations imposed on the use of funds.

The Director, DPAP, has entered into an IA Part A with DoE on behalf of all DoD Components (attachment 2). DoE executed a certification in accordance with the requirements of section 801 of the 2008 NDAA for FY 2013 for requirements procured on behalf of DoD that were accepted after January 16, 2013 (attachment 3).

My point of contact for this is subject is Mr. Michael Canales who can be reached at 703-695-8571 or at Michael.Canales@osd.mil.

Richard Ginman
Director, Defense Procurement
and Acquisition Policy

Attachments:
As stated

MEMORANDUM OF AGREEMENT (MOA)
BETWEEN THE
DEPARTMENT OF DEFENSE AND THE DEPARTMENT OF ENERGY
GOVERNING DEPARTMENT OF DEFENSE FUNDED WORK PERFORMED AT THE DEPARTMENT OF ENERGY LABORATORIES AND FACILITIES

I. PURPOSE

The purpose of this Memorandum of Agreement (MOA) is to define the working relationship between the Department of Defense (DOD) and the Department of Energy (DOE) for the conduct of work undertaken in support of and directly funded by the DOD under the DOE Work for Others (WFO) program.

II. BACKGROUND

A large percentage of the U.S. research support relating to the defense sciences comes from funding originating within the DOD and the effectiveness of DOD's system for supporting this research and development is to a great degree the basis for their preeminence in related scientific areas. For many years DOE laboratories and facilities, through the DOE Work for Others (WFO) program, have undertaken research and development projects performed for and funded by the DOD. These facilities are managed and operated for DOE by universities, industrial concerns, and non-profit organizations under terms of individual contracts, as defined in Federal Acquisition Regulation (FAR) Subpart 17.6. All DOD funded work at the DOE laboratories and facilities will be subject to the terms and conditions of these contracts.

The mechanism used by DOD to place work at a DOE laboratory or facility is through an Interagency Agreement (IAA) and is managed under a program called Work for Others (WFO). The DOE WFO program requirements and practices are established to ensure compliance with Federal laws and regulations, and are promulgated in the Department of Energy Acquisition Regulations (DEAR) and further defined in DOE Order 481.1C, WORK FOR OTHERS (NON-DEPARTMENT OF ENERGY FUNDED WORK).

III. POLICY

The ability of DOD to have access to the unique facilities and special expertise of the DOE laboratories and facilities greatly assists DOD in meeting essential mission requirements and specific program goals and objectives. In addition, DOD WFO funding is vital to and clearly compliments and enhances the Department's own defense related and supporting science research programs at DOE laboratories and facilities.

This MOA is being established to promote and protect this longstanding, productive, and mutually beneficial relationship between DOD and DOE which has allowed each agency to more effectively meet their agency specific and national research mission and objectives.

IV. ADMINISTRATION

Each agency shall administer all WFO projects performed at the DOE laboratories and facilities directly funded by the DOD in accordance with the applicable statutes and regulations, and their standard policies and procedures, except as such policies and procedures may be amended by the provisions set forth below:

A. DOD will provide to DOE a copy of its signed Economy Act Determinations and Findings (D&F) or a Best Procurement Approach Determination for the specific WFO project. This will become a permanent part of the DOE project file.

B. For each WFO project, DOD will define any special or unique information requirements (e.g., progress reports, Enterprise –Wide Contractor Manpower Reporting, etc.). DOE will include associated costs in the DOE cost estimate for the requirements.

C. DOE will ensure that adequate pricing visibility is provided to support DOD's assessment of cost/price reasonableness and apply standard laboratory/facility rates used in pricing both DOE and non-DOE work. DOE will provide a breakout of direct costs while indirect costs will be provided at the summary dollar level only. The following is general list of standard cost elements to be utilized when providing DOD a WFO project proposal/cost estimate. While the cost estimate formats may vary, this level of cost detail is expected in order to provide DOD with sufficient information to ensure DOD has a thorough understanding of the proposed costs and that adequate funding has been secured for the project.

Cost Data Elements for each Project

Labor (including labor hours and skill mix)
Materials (including any equipment)
Travel
Other Direct Costs
Laboratory Directed Research and Development (if applicable)
Overhead
Federal Administrative Charge (if applicable)

Using this information, DOD will assess each project's cost proposal, and will ensure each DOD project file contains documentation indicating completion of the DOD assessment of cost/price reasonableness. DOD funding of a project will represent acceptance of cost/price reasonableness of a WFO project.

D. DOD recognizes that DOE operates on a fully reimbursable basis, that standard laboratory/facility rates are not negotiable, and that estimates are subject to change. Changes to cost estimates will be reported and managed through project reporting requirements established for each project by the DOD technical project manager.

E. DOD and DOE agree that oversight roles and requirements will be defined for each WFO project. At a minimum, DOD is responsible for technical project management and will identify in the interagency agreement Part B a qualified (Level I certified) technical project manager/COR for each project. This DOD official shall monitor technical, cost, and schedule performance of the project, and notify the DOE contracting officer of any questioned costs or performance issues. DOD will provide written notification of any changes to project specific designated technical project managers. DOE is responsible for monitoring the performance of the contractor as a whole, and for issue resolution, as needed. This will be accomplished by the DOE Contracting Officer responsible for the DOE laboratory/facility.

F. DOD officials will have access to DOE laboratories and facilities as necessary to review and monitor project scope, scheduling, and funding. DOD will request approval for laboratory/facility access from the WFO project Principal Investigator (PI). The WFO PI shall notify the DOE contracting officer of pending on-site visits.

G. DOE and DOD will jointly develop standardized reporting requirements outside of FPDS-NG and DOE will commence standardized quarterly data reporting to DOD in support of Technical Project Manager functions.

H. DOD and DOE will maintain an open dialog at the action officer level to ensure emerging issues are addressed. In addition, semi-annual meetings at the senior (SES) level will be conducted to review the MOA and the overarching IA Part A.

V. FUNDING

A. The details of the levels and support to be furnished by DOD will be specified in each WFO agreement. This MOA shall not be used or construed to obligate or commit funds or serve as the basis for the transfer of funds. All DOE provided cost data shall be considered business sensitive. DOE will be responsible for marking any other data as such when appropriate.

B. Project-specific information will normally be provided by the individual project Principal Investigators (PI). For more global information, involving multiple DOE facilities, DOD should make such a request through the DOE or NNSA Senior Procurement Executive, as appropriate.

C. In accordance with DOE policy, DOE will exercise funds control at the WFO project level. Upon notification by a DOD technical project manager, DOE will ensure funds provided by DOD are de-obligated and returned to DOD in a timely manner.

VI. AUDIT

In accordance with standard DOE practice, the DOE IG will be responsible for DOE contract audits related to DOD work at the DOE laboratories/facilities, and any DOE IG audit findings will be resolved by DOE with the necessary coordination with DOD. Upon request by DOD, in coordination with the DOE-IG, the DOD-IG will be permitted to access DOE laboratories/facilities to evaluate DOD projects.

VII. RESPONSIBILITIES

As partners, DOD and DOE recognize the need to collaborate on Interagency Acquisition requirements. As individual organizations, each has specific responsibilities in all parts of this plan to ensure that all acquisitions are compliant with statute, regulation and applicable policy. Collectively, the two organizations have the ability and expertise to ensure that all contracting actions are done properly, in compliance with all applicable law, regulation and policy and are conducted in the best interests of the taxpayers. DOE values greatly the support that it provides to DOD and the tremendous additional leverage that DOD requirements add to DOE capabilities. DOD is committed to sound acquisition planning and to providing DOE with clear, specific, definite and certain directions regarding its requirements.

Attached is a Corrective Action Plan that more specifically addresses DOD's and DOE's respective roles and responsibilities in the process. DOD and DOE will collaborate on all action plan items. It is expected that this chart will be modified and updated over time but its changes do not impact the general agreement herein.

Both DOD and DOE will designate an office/division to function as the agency's point of contact to resolve particular problems or policy matters pertaining to DOD WFO at the DOE laboratories and facilities. These points of contact will consult with and obtain concurrence of affected elements within their organizations in accordance with internal requirements and responsibilities. DOD and DOE have designated the following office/division to serve this purpose:

DOD:

Office of the Under Secretary of Defense
Acquisition, Technology and Logistics
Defense Procurement and
Acquisition Policy/Contract Policy and
International Contracting

DOE:
Office of Management
Office of Procurement and Assistance
Management

NNSA:
National Nuclear Security Administration
Office of Acquisition and Supply
Management

VII. AUTHORITY

This MOA is carried out within the statutory guidelines in the Atomic Energy Act of 1954, as amended, the Economy Act, as amended, and related statutes.

VIII. EFFECTIVE DATE

This MOA shall become effective upon the latter date of the signature of the Director, Defense Procurement and Acquisition Policy, the DOE Senior Procurement Executive of the Office of Procurement Assistance and Management, and the NNSA Senior Procurement Executive of the Office of Acquisition and Supply Management. It shall remain in effect until amended or terminated by either party.

IX. AMENDMENTS

This MOA may be modified or amended only by mutual written agreement between DOD and DOE.

Richard Ginman 5/1/13
Richard Ginman Date
Director, Defense Procurement
and Acquisition Policy

Paul Bosco 2/1/13
Paul Bosco Date
Director
Office of
Acquisition and Project Management
Senior Procurement Executive

for Joseph Waddell 2/1/13
Joseph Waddell Date
Director
Office of Acquisition Management
National Nuclear Security Administration
Senior Procurement Executive

Attachment A: Corrective Action Plan

Action Items	Status
The Department of Defense (DOD) will issue a revised policy memorandum to include requiring DOD Components to verify that DoD customers are receiving and reviewing detailed cost proposals from the DOE.	Complete
The Department of Defense (DOD) will issue a revised policy memorandum to include requiring DOD Components to perform a review to determine whether DoD contracting officers reviewed funding sent to the DoE in excess of $100,000.	Complete
The Department of Defense (DOD) will issue a revised policy memorandum to include clarifying policy to specifically require DOD technical project Managers assigned to Work for Others projects to meet standard contracting officer's representatives requirements.	Complete
The Department of Defense (DOD) will issue a revised policy memorandum includes establishing a quality control process that will enforce the requirement for the DoD components to maintain monthly obligation reports and standardized annual reporting.	Component Annual Reporting to Commence Dec. 2013.
The Department of Energy (DOE) and the Department of Defense (DOD) will revise its Memorandum of Agreement and designate personnel to meet at least Semi-Annually with DOE officials to discuss interagency acquisition, terms of the memorandum of agreement, and effectiveness of the corrective action plan. Results of the meetings will be documented.	Complete (MOA) Meetings On-Going
The Department of Energy (DOE) and the Department of Defense (DOD) will revise its Memorandum of Agreement to request that DOE accounting officials provide quarterly obligation reports of DoD funds provided to DoE.	Quarterly reports to USD(C)/ CFO commenced February 2013.
DOD will coordinate with the Under Secretary of Defense (Comptroller)/Chief Financial Officer, (IPP), to determine whether the Invoice Processing Plan meets DoD's needs to obtain required data for tracking DoD – related Work For Others projects. If the Under Secretary of Defense for Acquisition, Technology, and Logistics, in coordination with the Undersecretary of Defense (Comptroller)/Chief Financial Officer, DoD, determines that the Invoice Processing Platform is inadequate or unavailable for immediate use, they should develop alternatives for gathering data for DoD – related Work For Others Project.	On - Going

Department of Defense and Department of Energy

Interagency Agreement (IA)

PART A – General Terms & Conditions

General:

This document will serve as Part A of Interagency Agreements between the Department of Defense (DoD) and the Department of Energy (DOE) in accordance with and in support of the guidance issued by the Office of Federal Procurement Policy (OFPP) (June 2008) as endorsed by the Department of Defense in October 2008. DoD and DOE have concluded that by using this Part A for individual WFO agreements OFPP Part A guidance requirements have been satisfied. Using this Part A ensures DoD and DOE have established the necessary framework for entering into Interagency Agreements under DOE's Work for Others (WFO) program. Any additional clarification shall be included in the IA Part B executed for individual procurements under this IA or an alternate funding document. All work in support of and directly funded by the DoD under the DOE Work for Others (WFO) program, will be administered in accordance with the signed Memorandum of Agreement (MOA), dated May 1, 2013, between the departments (attached hereto).

A.1. Purpose

This Part of the IA (hereinafter "Part A") describes the terms and conditions that govern the acquisition assistance of interagency agreements between the Department of Defense, hereinafter "the DOD Component" and the Department of Energy WFO.

No fiscal obligations are created through the execution of this Part A. A fiscal obligation arises when the Requesting Agency demonstrates a bona fide need, provides the necessary requirements and funding information to the Servicing Agency and both parties execute a funding document using the IA Part B or an alternate funding document. The funding document used must be compliant with the signed MOA, dated May 1, 2013, between the departments (attached hereto).

A.2. Authority

The parties' authority to enter into this interagency agreement are The Economy Act (31 U.S.C. 1535) and Atomic Energy Act of 1954 as amended (42 U.S.C. 2011, et. seq.), and the Federal Acquisition Regulation (FAR) as promulgated in the Department of Energy Acquisition Regulations (DEAR) and further defined in DOE Order 481.1C, WORK FOR OTHERS (NONDEPARTMENT OF ENERGY FUNDED WORK).

Additional authorities may be cited as necessary.

A.3. Part A Identifier

DE-MA-900000 is the DOE identifier for all Work For Others funded activities.

A.4. Scope

a. All Department of Defense organizations are authorized to obtain assistance from DOE's WFO.

b. Department of Energy, including the National Nuclear Security Administration (NSSA), organizations are authorized to provide assistance as the Servicing Agency. The name of the specific facility performing work under this IA will be specified in the IA Part B or an alternate funding document.

c. Types of products or services that may be acquired include but are not limited to the following:

The Department of Energy (DOE) has major national programs in fundamental scientific research; energy research and development (R&D); and nuclear weapons research, development, and production. Much of the work in these programs is conducted through an extensive network of Government-owned, Contractor-operated (GOCO) laboratories and facilities primarily under performance-based contracts e.g. Management and Operating (M&O) or facilities management contracts. Through the Work for Others (WFO) Program, DOE can make the highly specialized or unique expertise and capabilities of this network available to support the missions of other Federal agencies and non-Federal customer needs on a fully reimbursable basis.

The following types of services or products may be acquired through reimbursable work projects pursuant to this IA and are not all inclusive of the expertise resident in DOE and its laboratories/facilities:

- Highly specialized scientific, technical, analytical, operational, and engineering services, including prototype design, development, training and test/evaluation;
- Research in the physical, biomedical, and environmental sciences, as well as in energy technologies; biological and environmental systems; nuclear and energy research;
- Identification and characterization of hazardous and radioactive contaminants, and chemical processing;
- Other specialized services or products as identified by the Requesting Agency in the IA Part B or an alternative funding document consistent with or complimentary to the mission of the Servicing Agency.

d. Limitations

The following restrictions apply: Restrictions on use of the Servicing Agency resources are contained in the FAR, DEAR and DOE Order 481.1C. The MOA contains further administrative requirements to be followed by all parties as does the Director, Defense Procurement and Acquisition Policy memorandum, dated February xx, 2013 (attached) and the Section 801 Determination dated February xx, 2013 (attached).

A.5. Package Development Process

Work performed by DOE for DoD customers must meet certain criteria as explained in paragraph A.4 Scope above. The following represents a general description of the basic process by which the work package is developed and approved between the DoD, DOE and the DOE contractor. Slight variations in procedural steps may occur however the requirements below must be met when entering into an Interagency Agreements under the WFO program. Discussions typically begin between DoD and DOE via DOE Contractors through a variety of methods including but not limited to the following:

- DOE Contractor's external website
- Technical conferences
- Publications containing DOE Contractor technology
- Historical business relationships
- Word of mouth (satisfied customer communicates DOE Contractor's work to a DoD sponsor)
- Face to face meetings with DoD personnel at DoD's request or DOE Contractor's request

When a connection is established, the DOE Contractor works directly with the potential DoD Sponsor to develop a technical statement of work. These discussions include the work scope and budget which includes labor estimates and other requirements such as materials, equipment and travel necessary to perform the intended effort. Once general agreement is reached on the SOW, the DOE Contractor develops a formal Cost Estimate per the DOE Contractor's cost estimating policy and drafts a formal proposal that is reviewed and approved for submission to the DoD requesting sponsor by the DOE Contractor's appropriate management official(s) and the applicable DOE Federal Field/Site Office. Once approved, the proposal is forwarded to the requesting DoD sponsor. As necessary, negotiations occur at this stage between the DoD sponsor and the DOE Contractor to finalize the proposal package resulting in a final agreed upon project scope of work and budget estimate. The completed proposal package ensures compliance with Federal and DOE Acquisition Regulation, DOE/DOD MOAs or MOUs and agency policies as they relate to DOE's WFO program. The package may also include DOD requested unique terms, conditions and other related requirements that are not in conflict with the terms and conditions of the management and operating contract. The DOE Contracting Officer must approve inclusion of any additional terms and conditions into the agreement.

The DoD sponsor completes a "determination" (FAR 17.502) or "Determination and Findings" (FAR 17.502-2)(D&F) creates an Interagency Agreement (IA) Part B based on the DoD and DOE MOU and IA Part A. A copy of the Interagency Agreement Part B and the "determination" or the "D&F" are forwarded to DOE for formal submission to the DOE Contracting Officer for final approval.

A.6. Period of Agreement

The terms and conditions described in this IA Part A become effective when signed by authorized officials of both DoD and DOE and remain effective until amended in accordance with Section A.9 or terminated in accordance with Section A.10 of this agreement.

A.7. Roles & Responsibilities of DOE WFO & Requesting DOD Component

The effective management and use of interagency agreements is a shared responsibility of the Requesting Agency and the Servicing Agency. The over-arching roles and responsibilities are addressed in Part VII of the MOA. In addition, the Director, Defense Procurement and Acquisition Policy issued a policy memorandum, dated May 1, 2013 entitled "Doing Business with the Department of Energy . Further, DoD and DOE agree to the following more procedurally focused roles and responsibilities which are derived from the applicable portions of the Checklist in Appendix 1 of the *Interagency Acquisition* guidance issued by the Office of Federal Procurement Policy (June 2008).

1. Determine needs and develop requirements document

a. DOD Component

i. Establish that a requirement exists.

ii. Determine that obtaining assistance through DOE WFO is the best procurement approach for the Government.

iii. Prepare a statement of work (SOW), statement of objectives (SOO), or performance work statement (PWS), that includes a specific, definite, and clear description of a bona fide need in the fiscal year that the funds are available for new obligations. The need must be adequately documented, but may be concise. A solution need not be specified in order to establish a bona fide need.

b. DOE WFO

i. Assist the Requesting DOD Component, as needed, in refining the requirements document package, including the description of key project objectives, project requirements, and performance expectations.

2. Prepare, or finalize, statement of work (SOW) and/or specifications

a. Requesting DOD Component

i. Work with the DOE WFO to prepare and finalize a mutually acceptable Statement of Work.

b. Servicing Agency (DoE)

i. Assist the Requesting DoD Component in the preparation of a mutually acceptable Statement of Work.

ii. Sample Format for the model cost detail in the SOW is as follows:

DOD WFO Budget Estimate*	FY13	FY14	FY15	FY16
Total Direct Labor Costs: (break-out by position title below)	$	$	$	$
Labor Category/FY Hours:	FY13	FY14	FY15	FY16
Scientist III [# of hours by FY]				
Technician I [# of hours by FY]				
Engineer II [# of hours by FY]				
Materials Costs *(including equipment)*				
Subcontract Costs *(for services)*				
Travel Costs *(list trips, # of travelers, etc.)*				
Other Direct Costs				
Laboratory Directed Research and Development Costs**				
Overhead Costs *(summary level)*				
Federal Administrative Charge *(if applicable)****				
Total Estimated Project Cost	$	$	$	$

* DOE intends to provide assistance to DOD via contracts with its various facilities. All work will be performed in accordance with those contracts, and shall be on a full cost recovery basis. Appropriations law necessitates that DOE or its contractors perform this work on a best effort basis.

** LDRD is the DOE Laboratory Directed Research and Development charge. The LDRD is a normal component of DOE overhead charges to both DOE programs and reimbursable work performed for other federal agencies. It is shown above as a component of the overall subtotal charge to the

project. The FY 2002 Energy and Water Development Appropriations Conference Report (HR 107-258) requires DOE to notify federal sponsors that the Department charges LDRD.

*** FAC is the Federal Administrative Charge that is mandated by Section 3137 of the Strom Thurmond National Defense Authorization Act of 1999 (Public Law 105-261).

3. Prepare a funding document

a. Requesting Agency (DoD)

i. Prepare an IA Part B or an alternate funding document and engage with the Servicing Agency as needed. Provide: (i) description of the products or services required to be provided by the Servicing Agency that is adequate to demonstrate a bona fide need and can be recorded as an obligation (31 U.S.C. 1501, 1502), (ii) information on performance or delivery requirements along with projected milestones, including period of performance end date, (iii) data required for the proper transfer and obligation of funds, i.e., funds expiration for obligation date,
(iv) information on any agency-unique restrictions or limitations applicable to the funding being provided, (v) Agency Locator Code (ALC) for U.S. Treasury Inter-governmental Payment and Collection System (IPAC) billing or printed invoices to be mailed and, (vi) include DOE/NNSA provided unique site-specific WFO project/proposal identifier/number.

ii. For all funding documents executed under this IA, assign a financial point of contact who is a "certifying official" as that term is used in 31 U.S.C. § 3528. The funds certifying official shall:

A. Timely execute all financial documents required for a valid funding request to show funding meets purpose, time and amount; and

B. Ensure funds are certified and legally available for the specified assistance.

C. Ensure that the requesting agency has executed and provided to the Servicing Agency an Economy Act Determination and Findings.

iii. Requesting Agency shall provide on the IA Part B or an alternate funding document, a written statement confirming that:

A. The Requesting Agency has determined that entering into an agreement with DOE/NNSA is in compliance with the requirements of the Economy Act of 1932, as amended (31 U.S.C. 1535), or other applicable authorizations [e.g., Executive Order (E.O.) 12333];

B. The Requesting Agency has determined that entering into an agreement with DOE/NNSA is in compliance with competition requirements in Federal Acquisition Regulation (FAR) Part 6, section 6.002, Limitations; and

C. To the best of the Requesting Agency's knowledge, the work will not place DOE/NNSA and their contractors in direct competition with the domestic private sector.

b. Servicing Agency (DoE)

i. Work with the Requesting Agency as needed to prepare a Part B or alternate funding document that will include the DOE/NNSA provided unique, site-specific project/proposal identifier/number.

ii. Prior to acceptance ensure the IA Part B or an alternate funding document identifies proper funding information, including the type of funds to be used, their period of availability, and a funds citation and identifies the funds certifying official.

iii. Assist the Requesting Agency in its compliance with the bona fide needs rule by:

A. Managing funds according to the Requesting Agency's guidance;

B. Recording transactions in a timely fashion; and

C. Implementing and exercising controls to ensure compliance with all applicable statutory and regulatory fiscal requirements as specified in the funding document.

4. Comply with law, regulation and policies

a. Requesting Agency (DoD)

i. Inform the Servicing Agency of any applicable statutes, regulations and directives that are unique to the Requesting Agency (e.g., funding restrictions) that are required in execution.

ii. Provide information on security requirements, e.g. classification guidance, applicable to the work identified in the SOW.

iii. Notify the Servicing Agency of required data collection and reporting requirements.

b. Servicing Agency (DoE)

i. Ensure the Requesting Agency-unique laws or restrictions and data collection and reporting requirements that have been identified by the Requesting Agency are considered in the development of the IA Part B or an alternate funding document.

ii. When not in conflict with the Servicing Agency's laws, regulations and contract terms and conditions negotiate with the Requesting Agency to satisfy such requirements and identify any costs associated with said compliance.

5. Conduct inspection, acceptance, and surveillance

a. Requesting Agency (DoD)

i. Ensure deliverables are received and quality is acceptable.

ii. Perform duties in a timely manner. Advise the Servicing Agency Contracting Official immediately of any circumstances that affect performance, including failures to comply with technical requirements or to show a commitment to customer satisfaction.

b. Servicing Agency (DoE)

i. Provide support to Requesting Agency personnel who have been appointed to perform oversight responsibilities related to inspection, acceptance, and surveillance and reporting in a timely manner.

ii. Take appropriate and timely actions to address performance problems.

6. Determine when modifications are required to the IA Part B or the Alternate Funding Document

a. Requesting Agency (DoD)

i. Work with the Servicing Agency to determine if a modification to work scope and/or funding is required.

ii. Modify the IA Part B or the alternate funding document to reflect required changes.

b. Servicing Agency (DoE)

i. Work with Requesting Agency to determine if modification to the work scope and/or funding is required.

ii. Work with Requesting Agency to modify the IA Part B or the alternate funding document to reflect required changes.

7. Review and approve invoices and make payment

a. Requesting Agency (DoD)

i. Review invoices for services.

ii. Raise identified problems/issues regarding invoices immediately to the Servicing Agency Contracting Official for resolution.

b. Servicing Agency (DoE)

i. DOE will provide invoices for services

ii. Resolve identified problems/issues with invoices in a timely manner.

8. Perform project closeout

a. Requesting Agency (DoD)

i. Support project close-out functions, to include providing appropriate funding to satisfy settlement agreements and/or claims.

ii. Take appropriate actions to retrieve unexpended balances.

b. Servicing Agency (DoE)

i. Close out the IA Part B upon ensuring that all project requirements and administrative actions have been completed.

ii. Return unused balance of the funds to the Requesting Agency in a timely manner.

The IA Part B or alternative funding document will include any additional assignment/clarification of roles and responsibilities.

A.8. Billing & Payment

The Requesting Agency will pay the Servicing Agency for costs of each WFO project. The Servicing Agency will bill monthly for costs incurred in the performance of work described in the statement of work – preferably via the U.S. Treasury Inter-governmental Payment and Collection System (IPAC) - or with printed invoices. For agreements involving Requesting Agencies who do not utilize IPAC, or who request non-IPAC invoices, monthly invoices will be printed and mailed by the Servicing Agency and paid by the Requesting Agency in a timely manner.

A.9. Review of Part A

The parties agree to review jointly the terms and conditions in the IA Part A. Appropriate changes will be made by amendment to this agreement executed in accordance with Section A.9.

A.10. Amendments

Any material changes to the terms and conditions in the IA Part A shall be made in writing and approved by both agencies.

A.11. IA Termination

An IA Part A may be terminated upon thirty (30) calendar days with written notice by either party. If the IA Part A is terminated, any implementing IA Part B or alternative funding document may also be cancelled. The agencies shall agree to the terms of the termination. All costs attributable to the close out and the disposition of awarded and pending actions shall be borne by the Requesting Agency.

A.12. Interpretation of IA

If the Servicing Agency and Requesting Agency are unable to agree about a material aspect of either the IA Part A or the IA Part B or alternative funding document, the parties agree to engage in an effort to reach mutual agreement in the proper interpretation of the IA, including amendments, as necessary, by escalating the dispute within their respective organizations.

A.13. Contract Disputes and Protests

If a dispute related to funding remains unresolved for more than sixty (60) calendar days after the parties have engaged in an escalation of the dispute, the parties agree to refer the matter to their respective Agency Senior Procurement Executives for review and resolution.

A.14. System Certification/Approval

a. **Requesting Agency (DoD)**

The Requesting Agency will accept the system certifications and management systems compliance with US government policies that are done by the Servicing Agency in

accordance with US statutes and regulations. The Requesting Agency will not require supplemental certifications.

b. Servicing Agency

The Servicing Agency has ensured that the contractor maintains acceptable management controls of accounting, cost estimating, and purchasing systems to meet government standards and has approved these systems as required. In addition, the Servicing Agency shall approve the contractor's disclosure statement.

The Servicing Agency has established requirements in the DOE facility that meet standard FAR and DEAR dictates. DOE implements these requirements in these contracts and manages execution by the DOE performance-based contractor. DOE validates and performs rigorous oversight through its management system of contractor performance. DOE, through its management structure, ensures that the performance- based contractor meets or exceeds defined standards and has installed:

1. DOE-approved reimbursable work policies and procedures;
2. An accounting system that is consistent with US government accounting criteria;
3. A validated cost estimating system;
4. A government-approved procurement system;
5. A disclosure notice consistent with the Cost Accounting Standards Board requirements

A.15. Signatures

REQUESTING AGENCY OFFICIAL:

Signature: _____ Date: 5/1/13
Name: Richard Ginman
Title: Director, Defense Procurement and Acquisition Policy
Agency: Department of Defense

SERVICING AGENCY OFFICIALS:

Signature: _____ Date: 4/22/13
Name: Paul Bosco
Title: Director, Office of Acquisition and Project Management
Senior Procurement Executive
Agency: Department of Energy

Signature: _____ Date: 4/18/13
Name: Joseph Waddell
Title: Director, Office of Acquisition Management
National Nuclear Security Administration
Senior Procurement Executive
Agency: Department of Energy