OPNAV INSTRUCTION 4000.84C

From: Chief of Naval Operations

Subj: SUPPORT AGREEMENTS

Ref: (a) DoD Instruction 4000.19 of 9 August 1995
     (b) DoD 7000.14-R, Department of Defense Financial Management Regulations (FMRs)
     (c) NAVSO P-1000, DON Financial Management Policy Manual 12 Dec 2002
     (d) SECNAV M-5216.5 of Mar 2010

Encl: (1) Instructions for Completing the DD Form 1144 – Support Agreements

1. Purpose. To provide policy and procedures for all Navy activities entering into support agreements with other Navy activities, Department of Defense (DoD) activities, and other Federal agencies and non-federal entities, such as state or local governments, non-profit organizations, and other private entities.

2. Cancellation. OPNAVINST 4000.84B.

3. Background

   a. The policy and procedures within are intended to compliment the guidance provided in references (a) through (d), and assist Navy personnel with the preparation and documentation of all support agreements. This instruction does not apply to supported and supporting component memoranda of agreement (MOA) entered into pursuant to the Initial Guidance for Base Realignment and Closure 2005 Joint Base Implementation (reference (e)), or to Defense Working Capital Fund (DWCF) products or services provided by any DoD component, as outlined by their DWCF charter.
b. Navy activities shall comply with the guidance provided in references (a) through (e), and this policy when negotiating and entering into support agreements. Differences in interpretation of the DoD policy and Navy or other service policies and procedures will be resolved on an individual case basis and at the lowest level possible.

4. Policy

a. Per reference (a), it is the Navy’s policy to cooperate with other DoD components and non-DoD federal agencies in exploring opportunities for improved quality, efficiency, and effectiveness using support agreements and other cooperative initiatives. Navy activities should seek and provide intraservice, interservice, and inter-agency support when it will prove beneficial to the Navy, the DoD, or to any other Federal agency, and can be obtained or provided without jeopardizing the assigned missions or requisite operational capabilities of the receiver or supplier. The policies and procedures outlined in references (a) and (b) apply to all Navy support agreements involving reimbursement that are recurring in nature.

b. Specific Department of the Navy (DON) guidance governing intraservice, interservice, and interagency service support agreements is contained in reference (c), paragraph 075003, and chapter 3, sections I through VII, with a particular emphasis on paragraphs 075200 through 075245. Additional fiscal guidance and applicable memorandums regarding interagency agreements can also be found on the Program Budget Information System at: https://fmbweb1.nmci.navy.mil/policy/noneao.htm. Guidance and procedures for Navy activities negotiating and producing support agreements are contained in references (a) through (e), and this instruction.

c. Echelon 2 commanders, directors of Navy activities, or commanding officers that engage in support agreements shall ensure strict observance of all applicable references and regulations; where necessary, establish amplifying policy and guidance for their respective areas of responsibility; implement appropriate internal controls and oversight measures with respect to support agreements; and provide for regular reviews of active support agreements to ensure they are applicable, functional, and accurate. At a minimum, all active support
agreements shall undergo comprehensive review triennially. Support agreements that involve reimbursement of any nature shall be reviewed annually for financial impacts. All Navy support agreement expiration dates shall not exceed 9 years from the date they are signed by both parties. Support agreements that involve reimbursement of any kind shall be documented on a DD Form 1144 Support Agreement, and any existing support agreement involving reimbursement that is not documented on a DD Form 1144 (e.g., MOA or memorandum of understanding (MOU)) in effect upon reissuance of reference (a) shall be modified to comply with this instruction or terminated no later than 3 years from the date of publication on the DoD Issuances Web site (http://www.dtic.mil/whs/directives/).

d. Support agreement modifications that substantially affect resource requirements and estimated reimbursements should be made in conjunction with the planning, programming, budgeting, and execution process to permit appropriate resource adjustments. With regard to unilateral termination of support agreements, the guidance provided in reference (a) applies.

e. For unilateral terminations involving support agreements between Navy activities, the requesting Navy party is liable for any termination or procurement expenses incurred for up to 1 year following written notification.

5. Procedures

a. The procedures outlined within this instruction are intended to clarify or amplify certain portions of reference (a) as they apply to DON hosts and tenants. Navy activities will provide support in a manner that will not prejudice the availability, quality, quantity, or cost of equivalent intra-agency and inter-agency support. The supplier and receiver must both agree to the level and quality of support provided, if the level and quality differ from what the supplier furnishes to its own component’s organizations. Support agreements documented on a DD Form 1144 are intended to formally document arrangements for providing and receiving reimbursable support. Reimbursable support agreements between DoD components that are signed by both the supplier and the receiver will serve as certification that all provisions of the Economy Act have been met, and they will serve as the determination and findings (D&F) when required. However, support agreements between DoD (including DON) and non-
DoD federal activities shall be supported by a separate D&F, approved at the flag or general officer or senior executive service (SES) level, as required by reference (a). Additional fiscal policy guidance for D&F documents supporting an Economy Act order can be found at the following Web site: https://fmbweb1.nmci.navy.mil/policy/fiscal_policy_for_D&Fs.pdf. Agreements for non-reimbursable support may be documented using a MOA or MOU, and should be prepared following reference (d).

b. Successful support agreement processes require a clear understanding of the supplier’s capabilities and limitations and of the receiver’s requirements and resources. As a general rule, support agreements should incorporate the minimum amount of supporting documentation necessary to clearly define the requirements for both the providing and the receiving entity and ensure that the terms of performance are mutually agreed upon. All support agreements should specify, at a minimum, the types and levels of support to be provided, the reimbursement arrangements, as applicable, and any other matters affecting execution of the agreement. Support agreements shall be prepared and executed per references (a) through (d) and, as directed, by the appropriate Navy echelon 2 commander’s amplifying policy and guidance.

c. The following roles are generally required to execute support agreements at any Navy activity.

(1) Approving Authority. The approving authority is the individual authorized to commit resources for the supplier or receiver on block 8C of the DD 1144. For Navy activities, the authorized approval authority for all support agreements is the commander or director, unless otherwise delegated in writing. Per reference (a), if the support agreement is between the DoD (including DON) and another non-DoD federal activity, the approving authority shall be a flag or general officer or SES.

(2) Support Agreements Manager (SAM). The SAM is the individual designated by the commanding officer of a providing or receiving activity to administer the activity’s support agreements program. The SAM serves as the organizational focal point and coordinates development of support agreements; compiles approved provisions into a final agreement and submits it with source documentation to the comptroller for validation of financial data and to the approval authority for signature;
and maintains a central file of the activity’s support agreements per reference (a). The receiving activity’s SAM performs essentially the same functions, coordinating issues from the perspective of the receiver.

(3) Comptroller. The providing activity’s comptroller plays an integral part in a successful support agreements program, particularly working capital fund (WCF) organizations. The comptroller ensures appropriate billing activities are accomplished; reviews support agreements to validate financial information; and determines funding responsibilities identified in support agreements. The receiving activity’s comptroller performs essentially the same functions from the perspective of the receiver.

d. Changes or updates to support agreement policies may create inconsistencies in interpretation and related procedures. Consequently, implementation of the current instruction may result in changes in the basis of support and require realignment of resources. For Navy activities, any changes in funding responsibilities should be carried out following paragraph 075003 of reference (c) or other applicable fiscal policies.

(1) WCF Tenant Activities. WCF activities, which are tenants on Navy installations, will reimburse the host activity for all identifiable incremental support provided by the host on the same basis as non-WCF tenants.

(2) Common-Service and Cross-Service Support. Within DON, certain functions have been determined to be common support functions. These functions are identified in paragraph 075123 of reference (c). Common support functions, when provided by the host activity, are provided to tenants on a non-reimbursable basis. Other functions are designated as administrative base support functions. These functions are usually provided to all tenants on a non-reimbursable basis. However, in some cases a tenant may have an unusual requirement, which causes the host to incur an additional out-of-pocket cost specifically for the administrative base support provided to that tenant. If the additional cost is significant and can be segregated by the host on a meaningful basis without proration, the additional cost may be charged to the tenant activity. All support functions not identified specifically in reference (c) are subject to
reimbursement by the tenant activities on the basis set forth in reference (a) or, as modified, by any portion of reference (e).

(3) Additional Navy-Specific Guidance. Navy host activities should follow the DON guidance in determining which services should be reimbursed by tenants. Navy activities that are tenants on non-Navy installations should also use the DON guidance as a starting point for negotiations with host activities. Final determinations of what support will be reimbursable, and at what levels, will rely heavily on negotiations keyed to the particular circumstances at the local level, using the principles outlined in paragraph 4. The goal, as always, is to ensure the provision of needed services on a fair and equitable basis. Except for the categories specifically identified below, the determination of whether or not a base support service is reimbursable shall be made following the criteria in reference (a).

(a) Facilities Maintenance and Repair. Host activities are responsible for costs incurred for the preservation of facilities in the real property inventory of the host as described in paragraph 075121 of reference (c). Routine cyclical preventive maintenance of real property remains the responsibility of the activity holding the maintenance unit identification code (MUIC). Per paragraph 075121 of reference (c), the host is responsible for these costs unless the tenant is identified as the MUIC.

(b) Civilian Personnel Services. Human resource offices in the DON are mission funded by the applicable budget submitting office (BSO) to provide civilian personnel services. These services are not customarily reimbursable by tenant activities as indicated in reference (a), unless the tenant is a WCF activity. WCF tenants should reimburse the host activity for the incremental cost of civilian personnel services.

(c) Education Services. Education services provided by family service centers or similar organizations are mission funded and, therefore, not reimbursable.

(d) Military Personnel (MILPERS). Personnel support activities and detachments which provide MILPERS support are mission funded and, therefore, non-reimbursable. Support to non-Navy MILPERS activities is considered reimbursable.
e. The negotiation process is initiated for all new support agreements and for their revisions, reviews, and terminations, when the supplier’s SAM receives a request from the receiving activity SAM. This request may consist of a draft support agreement and or letter of requirements, or a letter requesting a review or termination of an existing support agreement. For potential new and revised support agreements, the receiving activity must specify support requirements by support category in sufficient detail to enable the supplier to evaluate capability and cost. The negotiation process typically includes the following actions:

(1) The supplier’s SAM reviews the request, determines appropriate actions required, submits the request to the affected functional managers, and develops a milestone plan for the negotiation process.

(2) The functional managers review the request to determine their capability to provide the requested support; to determine the impact on their missions; and to identify costs and resources to provide the support. This effort requires coordination with the comptroller’s office.

(3) The supplier’s SAM, working with the functional managers, develops a draft support agreement that includes specific provisions relating to the support and total staffing requirements and funding obligations associated with the requested support.

(4) The supplier’s SAM submits the draft agreement to the receiving activity for review and coordination.

(5) The receiving activity reviews the agreement, identifies any changes required, and determines if the support agreement will provide the most economical method of acquiring the support.

(6) The supplier’s SAM initiates renegotiations for any functional areas or specific provisions not acceptable to the receiver. Any differences that cannot be resolved at the local level are elevated through the appropriate chains of command. Differences that cannot be resolved by the BSO will be elevated to the appropriate Navy functional manager (e.g., Deputy Chief of Naval Operations, Fleet Readiness and Logistics (CNO (N4)))
for transportation issues; Deputy Chief of Naval Operations, Information Dominance (CNO (N2/N6)) for information management issues; etc.).

(7) The supplier’s SAM prepares the final support agreement with all attachments and submits it to the comptroller for final review of financial data; the receiving activity for final review and signature; and finally, the supplier’s approval authority for signature.

(8) The supplier’s SAM then distributes copies of the support agreement.

f. All support agreements should clarify the procedures associated with providing the requested support. The nature and extent of these specific provisions will vary with the individual circumstances arising from the kinds of support provided. The following general guidance is provided for those instances where echelon 2 or 3 commanders have not published amplifying policy or guidance, and it is intended to provide activity-level personnel with the flexibility to tailor their support agreements to reflect local considerations.

(1) Specific provisions may be identified when support requirements cannot readily be addressed by reference to existing directives or standard operating procedures. In such cases, the functional manager should, as part of the negotiation process, ensure the stipulated provisions accurately describe the support provided. However, support agreements should not be used in lieu of generating or updating applicable instructions, directives, or operating procedures.

(2) Specific provisions must clearly define the terms and conditions of the support agreement including, as appropriate, special instructions or requirements, standards of performance with criteria for measuring performance, and a cost breakout. The format should provide the basis used to estimate the actual annual costs of the support provided (DD Form 1144, blocks 7b and 7c). Depending on the services requested, specific provisions for each category of support for each agreement may be different. Standard statements may not always be acceptable to both parties. The following checklist is provided to assist the providing activity’s functional managers and SAMs in developing specific provisions.
(a) Review the receiver’s request to extract workload requirements, including any special requirements.

(b) Review functional regulations and directives to identify services that can or cannot be provided.

(c) Review the supplier’s and receiver’s mission statements and planning documents to determine availability of support, especially if the support is to continue during wartime.

(d) Prepare a list of functions the supplier’s organization can support based on current capabilities. Ensure this list identifies applicable references and programmed capabilities.

(e) Compare current and programmed capabilities against requested services.

(f) Prepare a draft of available services and determine the impact of providing these services on mission accomplishment.

(g) Identify for each available service what can be provided and what procedures the receiver must follow to acquire the service.

(h) Identify applicable regulations, directives, standard operating procedures, and other relevant information as appropriate for the services to be provided. Most functional directives provide standards of performance and performance measures. In such cases, the applicable documents should be referenced rather than reiterating this information in the specific provisions.

(i) Coordinate the proposed specific provisions with the receiver’s SAM and functional representatives.

(j) Review any changes proposed by the receiver.

(k) Prepare the final package, ensuring that it identifies all the specific services to be provided; specifies procedures to request these services; identifies any special
instructions or requirements; incorporates standards of performance or references functional directives as appropriate; and is consistent with other existing support agreements.

6. Records Management. Records created as a result of this instruction, regardless of media and format, shall be managed per Secretary of the Navy Manual 5210.1 of January 2012.


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INSTRUCTIONS FOR COMPLETING THE DD FORM 1144 – SUPPORT AGREEMENTS

Block 1: The agreement number is assigned by the supplying activity’s SAM. Any suitable numbering system that assigns a discrete number to each separate support agreement may be used.

Blocks 2 and 3: Self-explanatory.

Block 4: The expiration date will not exceed 9 years per reference (a). However it may be less if applicable echelon 2 and 3 commander’s policy or guidance stipulating a shorter period has been promulgated.

Blocks 5a and 6a: Self-explanatory.

Blocks 5b and 6b: Insert the name of BSO.

Block 7a: Enter the title of the support category as listed in enclosure (6) of reference (a). Given the general nature of many of the definitions of support categories in DoD Instruction 4000.19 of 9 August 1995, SAMS will also need to enter the title of the specific element of support being provided.

Block 7b: Enter the basis for reimbursement established in concert with the comptroller and the functional manager.

Block 7c: Enter estimated annual costs.

Block 8: Unless otherwise restricted by the chain of command, signatures should be made at the lowest organizational level within the supplying or receiving command authorized to make binding commitments affecting the provision of support, resources and funding on behalf of that command.

Block 9 and 10: See instructions for block 8.

Blocks 11a-f: Self-explanatory. Additional general provisions may be added as required.
Block 12: This portion of the support agreement defines the specific terms and conditions of the agreement including, more precise definitions of the categories of support being provided, breakdowns of costs, special or unique considerations for certain categories of support and standards of performance and criteria for measuring performance.