

REIMBURSABLE AGREEMENT REQUIREMENTS 3/25/2003

An outline of items that are helpful to be included within Reimbursable Agreements (RAs) are discussed below. There are a variety of formats that are acceptable ranging from letter formats to formal (contract-like) agreements negotiated by a contracting organization. DOD organizations use a Military Interdepartmental Purchase Request (MIPR). Other forms and formats are used by various other Gov't agencies, i.e. NASA uses a Purchase Order format. OST also has a specific form that they use.

The FAA Order 2500.35C talks to many of the programmatic items that need to be included within an RA and provides a sample FAA format. The FAA's Acquisition Management System (AMS) guidance also has samples. Both of these documents are available at the FAA CFO' and Logistic's websites respectively and contain additional items to consider above those mentioned below. It is strongly suggested that anyone writing a reimbursable agreement review these documents first.

TSA also has a website with financial direction but it doesn't seem to be working right now. It is not known whether guidance on RAs is available on the TSA website at this time. Here is the TSA financial website address. http://tsaweb.tsa.dot.gov/functional_areas/finance/finance.asp

In any case, all guidance indicates the following type information should be included in a Reimbursable Agreement document.

1. An Agreement Number - usually assigned by the *service requesting agency*. This number will be used to record an obligation of the full amount of the RA within the *service requesting agency*' accounting system and will also be used to record the RA as an accounts receivable document within the *service providing agency* accounting system.

2. State a period of service consistent with the appropriation life of the funds being granted

3. Identify the scope of the work, materials, or services to be provided and state delivery timeframes.

4. Program Contacts - identify the Program POCs for both the *Service Requesting* and *Service Providing* agency/organization; include mailing address, email address, phone and fax as needed.

5. Identify Financial Contacts and Billing Arrangements:

a. For the Service Requesting Agency/Organization - state:

- Budget POC, postal address, email address, phone/fax
- Payment Office (Accounting Office) POC postal address, email address, phone/fax
- Identify the fund cite to be charged and Agency Location Code (ALC) of the Service Requesting agency if the IPAC billing system is to be used. (IPAC billings may only be performed between Federal agencies)

Note: Non-Federal entities must make advance payments. Provisions for advance payments should be stated within the RA when applicable.

b. For the Service Provider Agency/Organization - state:

- Budget POC, address, email address, phone/fax
- Billing Office (Accounting Office) POC postal address, email address, phone/fax
- Identify Fund Cite to be reimbursed

Note 1. Unique Project Number Required for each Reimbursable Agreement - The **service providing agency/organization** will also need to establish a unique project number to record future obligations funded by the reimbursable agreement. Reimbursable project numbers should be established by, or at least coordinated with, the **service providing agency** budget office. The reimbursable project number does not need to be stated on the RA document prior to signing, but must be created prior to recording the RA as an accounts receivable document, and prior to executing any purchases, travel, or other obligations funded by the RA. The fund cite to be reimbursed and the project number should be stated on these obligation documents for recording into the **service providing agency'** accounting system. The reimbursable project number must also be established against (linked to) the accounts receivable RA document within the **service providing agency'** accounting system. This "linking" of project number to RA enables automatic billings for costs incurred by the **service providing agency** that are to be funded by the RA.

Note 2. Federal Employee Labor funded through RA's - As the FAA and TSA do not have a labor distribution system which automatically bills the **service requesting agency/organization** for Federal labor charged to a reimbursable project, the Budget POC of the **service providing organization** will need to track any Federal labor costs which are to be billed to the RA. The Budget POC should communicate the billable labor hours/costs to their servicing Billing Office (ACX-32) so that manual billings for labor can be created. It is preferred that these communications be in memo format as the memo will act as official support for the billable costs. A description of the work, material, or services produced by the billable labor hours should be described in the memo along with the commensurate costs.

6. Signatures - Different agencies may have different guidelines as to who has authority to sign a Reimbursable Agreement. For FAA, the allotment holder, Financial Officer, or Contracting Officer may sign. FAA International Agreements need to be signed by the International Office. Specific direction is found in the FAA Order 2500.35C. Other agencies should consult with their CFO to determine the proper signature authority.