

[Instructions for using this Model Economy Act Agreement template. Insert the requested information any place that is bracketed and bolded. If the bracketed and bolded language contains instructions (including this paragraph), **delete** the instructions before submitting the draft agreement for review or signing the agreement.]

MEMORANDUM OF UNDERSTANDING

BETWEEN

[Name of Requesting Agency]
REQUESTING AGENCY

AND

[Name of Servicing Agency]
SERVICING AGENCY

Agreement No. ____

I. PARTIES AND PURPOSE

This Memorandum of Understanding (MOU) establishes an agreement between the **[name of requesting agency]** and **[name of servicing agency]**, through which **[name of requesting agency]** will pay **[name of servicing agency]** for **[provide a general description of the good/service for which the other party is paying]**.

II. BACKGROUND

[Provide background information which addresses why the goods/services are being requested.]

III. AUTHORITY

The authorities for **[name of requesting agency]** and **[name of servicing agency]** to enter into this agreement are:

(1) the Economy Act, 31 U.S.C. § 1535, which provides that an agency may place an order with a major organizational unit within the same agency or another agency for goods or services if:

- (A) amounts are available;
- (B) the ordering agency decides the order is in the best interest of the United States Government;
- (C) the agency to fill the order is able to provide or get by contract the ordered goods or services; and
- (D) the agency decides ordered goods or services cannot be provided by contract as conveniently or cheaply by a commercial enterprise (payments must be made on the basis of the actual cost of goods or services provided).

(2) **[Include the legal authority under which the [name of requesting agency] is making the purchase for goods/or services, i.e., the programmatic authority to which the purchase is related.]**

(3) **[Include the legal authority under which the [name of servicing agency] is providing requested goods/services.]**

IV. ECONOMY ACT FINDINGS

[Requesting Agency] warrants that sufficient funding amounts are available, that this agreement is in the best interest of the United States Government, and that the services requested cannot be provided by contract as conveniently or cheaply by a commercial enterprise.

Pursuant to 48 C.F.R. 17.505-2, a Determination and Finding Statement (signed by a Contracting Officer or other official designated by the agency to sign) is needed, and must be attached, if this agreement involves an assisted acquisition.

[NOTE: The Commerce Acquisition Manual identifies an “assisted acquisition” as “a type of interagency acquisition where the parties enter into an interagency agreement pursuant to which the servicing agency performs acquisition activities on the requesting agency’s behalf, such as awarding a contract, task order, delivery order, or blanket purchase agreement.” CAM § 1.4.2. Thus, assisted acquisition agreements include contract awards as well as task and delivery orders against existing contracts.]

V. TERMS AND CONDITIONS

This section must include the following information:

- a) clear statement of goods or services to be provided;
- b) delivery requirements;
- c) amount and method of payment (e.g. whether payments will be monthly, quarterly, in advance);
- d) method and frequency of performance reporting (if applicable).

VI. ACCOUNTING DATA

	[Name of Requesting Agency]	[Name of Servicing Agency]
Agency Location Code (ALC)		
Treasury Agency Code		
Treasury Account Symbol (TAS)		
Funding Expiration Date (requesting agency)	/ /	
Business Event Type Code (BETC)		
Business Partner Network Number (BPN)		
Accounting Classification Code Structure (ACCS)		

Amounts will be deobligated to the extent that the servicing agency has not incurred obligations before the end of the period of availability of that appropriation. **[NOTE: your office may ask for advance payment for all of part of the estimated costs of furnishing the supplies or services, or payment may be made after the supplies and services have been furnished. Under no circumstances will the amount paid be more than the actual costs of the goods or services.]**

VII. DURATION OF AGREEMENT AND AMENDMENTS

This agreement will become effective when signed by the parties. The agreement will terminate on **[date]**, but may be amended at any time by mutual written consent of the parties. **[NOTE: Agreements should not exceed the period of availability of the funds.]**

VIII. TERMINATION AND CANCELLATION CLAUSE

Any party may terminate this agreement by providing ____ days written notice to the other party. If the requesting agency cancels the order, the providing agency is authorized to collect costs incurred prior to cancellation of the order plus any termination costs. The total value of the agreement, including termination costs, will not exceed _____.

IX. RESOLUTION OF DISAGREEMENTS

Should disagreements arise on the interpretation of the provisions of this agreement or amendments and/or revisions thereto, that cannot be resolved at the operating level, the area(s) of disagreement shall be stated in writing by each party and presented to the other party for consideration. If agreement or interpretation is not reached within 30 days, the parties shall forward the written presentation of the disagreement to respective higher officials for appropriate resolution.

If a dispute related to funding remains unresolved for more than 30 calendar days after the parties have engaged in an escalation of the dispute, it will be resolved in accordance with instructions provided in the Treasury Financial Manual (TFM) Volume I, Part 2, Chapter 4700, Appendix 10, available at <http://www.fms.treas.gov/tfm/index.html>.

X. CONTACTS

The contacts of each party to this agreement are: **[NOTE: You must include both administrative and technical points of contact.]**

[Name of Requesting Agency's contact person]
[title]
[address]
phone:
fax:
E-mail:

[Name of Servicing Agency's contact person]
[title]
[address]
phone:
fax:
E-mail:

The parties agree that if there is a change regarding the information in this section, the party making the change will notify the other party in writing of such change.

*[signature of person who has authority to
make the Economy Act purchase on behalf of requesting agency]
[typed name]
[typed title]
[typed name of other agency]
[typed address of other agency]*

[date]

*[signature of an official with authority to sign
Economy Act Agreements for incoming funds on behalf of servicing agency]
[typed name]
[typed title]
[typed office at DOC]
U.S. Department of Commerce
[typed address]*

[date]

Attachment

ATTACHMENT

DETERMINATION AND FINDING PURSUANT TO 48 CFR 17.502-2

[Name of Requesting Agency] determines:

_____ that use of an interagency acquisition is in the best interest of the United States Government; and

_____ that the services requested cannot be provided by contract as conveniently or economically by a commercial enterprise; and

[NOTE: place a check next to the item. At least one must apply]

_____ that the acquisition will appropriately be made under an existing contract of the servicing agency, entered into before placement of the order, to meet the requirements of the servicing agency for the same or similar supplies or services.

_____ that the servicing agency has capabilities or expertise to enter into a contract for such supplies or services which is not available within the requesting agency.

_____ that the servicing agency is specifically authorized by law or regulation, i.e., **[set forth the citation for the law or regulation]**, to purchase such supplies or services on behalf of other agencies.

**[name of official of the other party who
has authority to sign this D&F, i.e.,
either a contracting officer or other official
designated by the agency to sign the D&F]**

[title and office]

[address]

[phone, fax, and e-mail]

[name of agency]

Date: _____