



Almost

✓ Everything
You Need to
Know About
the
Agreements
Process



**A Short
Guide**

March 2007

Introduction

This short document is designed to provide scientists and staff within the Agricultural Research Service (ARS) with a simplified guide to the updated Extramural Agreements (EA) process. As a result of a 2006 business process improvement evaluation, ARS has streamlined the EA process for extramural agreements in an attempt to make the process more efficient, shorten the amount of time necessary to determine and implement new agreements, and to improve our ability to collaborate with key customers and stakeholders. A list of key changes is provided on the facing page.

Within this document, each type of agreement is listed and defined by category (outgoing or giving funds; incoming or receiving funds; no funds exchanged; other agreement types); and simplified flow charts illustrate the new processes.

The intent is not to provide a comprehensive manual for the agreements process, but to give you a simple, easy to understand description of agreements, requirements for each, and how to initiate the process of developing and maintaining each type of agreement. But first, let's take a look at some of the basics.

Terminology

- Incoming Agreement – formerly “Form 425”
- Outgoing Agreement – formerly “Form 550”
- LOI – Letter of Intent (this is new)

One-stop Data Entry

Information common to both Research Documentation and Agreements Management Information System (AIMS) will now be entered at one time into a single data base within the Agriculture Research Information System (ARIS) called Research/Agreements. The information can then be used to generate documents as required.

Approvals

The National Program Staff (NPS) approval threshold for *incoming* agreements has been increased from \$25K to \$50K. Below \$50K only Area Director approval is required. More details are provided in the descriptions of the agreement types in this booklet.

Process time

The overall time needed to obtain ARIS approvals on an incoming or outgoing agreement will be reduced by as much as 50%. Of course this applies to ARIS approvals only—the negotiations on an agreement between the Authorized Departmental Officer (ADO) and Cooperator will not be affected by the new process.

Did you know?

Here are some basics before you begin

- An Authorized Departmental Officer's Designated Representative (ADODR) must occupy a scientific or administrative position classified as Category 1, Research Scientist; Category 4, Service Scientist; or Category 6 (including Area Directors, Center Directors, National Program Leaders, for example).
- First-line management approval is required prior to entering data into ARIS (in other words, discuss your ideas with your unit leader first!)
- An ADODR is not authorized to sign an extramural agreement or negotiate indirect costs or intellectual property rights.
- An agreement has to have programmatic approval (via ARIS) in order to be finalized.
- You must receive a fully executed agreement from your servicing ADO before you can begin work under an incoming agreement or authorize a cooperator to begin work on an outgoing agreement.
- International agreements are finalized at headquarters in Administrative and Financial Management's (AFM) Extramural Agreements Division (EAD). They receive any additional clearances with other Departmental Offices that may be required, so be sure to allow sufficient lead time after ARIS approvals (4-6 weeks) for completion of foreign or international Memorandums of Understanding (MOU)!
- The ADO will appoint the initiator of the agreement as ADODR prior to the award of an agreement.

Assistance-Type Cooperative Agreements

An Assistance-Type Cooperative Agreement (ATCA) is an agreement to transfer something of value to the recipient to stimulate or carry out a public purpose. Substantial involvement is anticipated between Agency and the recipient. Work must be related to the mission of ARS. Competition is required (although there are exceptions).

Grant

A grant is an agreement to transfer something of value (money, property, services, etc.) to the recipient to carry out or stimulate activities that are not for the direct benefit or use of the Federal government or to carry out a public purpose with no substantial involvement anticipated between ARS and the recipient. It must be related to the mission of ARS. Competition is required.

Research Support Agreement

A Research Support Agreement (RSA) is a cost-reimbursable agreement between ARS and State Cooperative Institutions or other colleges and universities, for the acquisition of goods or services, including personal services, to carry out agricultural research, extension, or teaching activities of mutual interest. There is a 4 year limitation on full time recurring requirements and a 10% limitation on reimbursing the cooperator for indirect costs.

Specific Cooperative Agreement

A Specific Cooperative Agreement (SCA) is an agreement between the Agency and another party that describes in detail, a jointly planned, executed, and funded research program or project of mutual interest between the parties where both parties contribute resources. Agreement duration is limited to five years and the 'Cooperators Contribution' must be at least 20% of the total ARS funding provided for the life of the agreement. Reimbursement of indirect costs is prohibited for State Cooperative Institutions and limited to 10% for non-profit organizations.

Assistance-Type Cooperative Agreements

- 416/417 and Outgoing Agreement information (formerly Form 550A) in ARIS
- Statement of Work (SOW)
- REE Form 455 (budget form required by USDA)
- AD 700 (form for a procurement request)
- ARS must reimburse full indirect cost rate (this is not negotiable)
- Small Business Generator (SBG) fee is assessed at 2.5% of the appropriated funds in the agreement

Grant

- 416/417 and Outgoing Agreement information (formerly Form 550A) in ARIS
- SOW or letter from cooperator requesting funding
- REE Form 455
- AD 700
- ARS must reimburse full indirect cost rate (this is not negotiable)
- SBG fee is assessed at 2.5% of the appropriated funds in the agreement

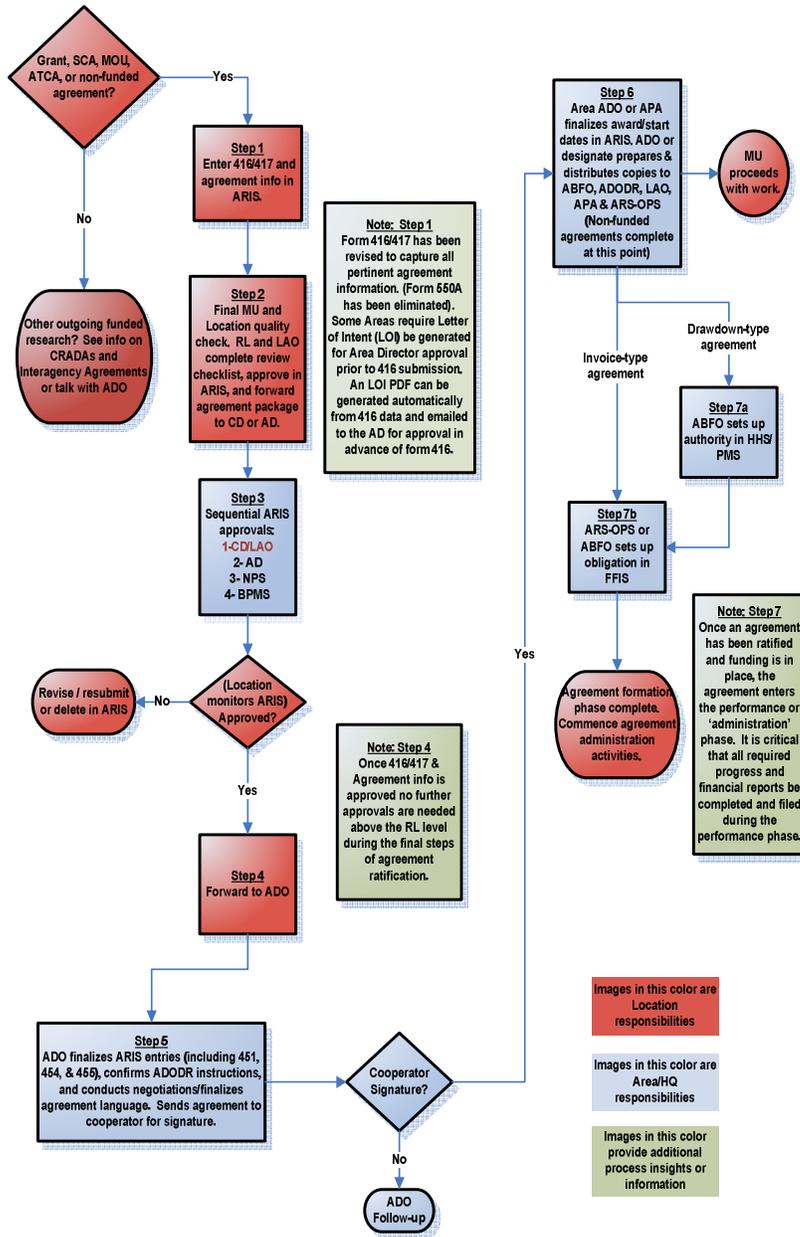
Research Support Agreement

- No information added in ARIS Research Agreements module: See your Location Administrative Officer (LAO) for requirements
- Must be approved in the Annual Research Management Plan System (ARMPS), Extramural Plan
- AD 700
- SOW

Specific Cooperative Agreement

- 416/417 and Outgoing agreement information (formerly Form 550A) in ARIS
- SOW developed with cooperators' input and entered into ARIS
- REE Form 454
- AD 700
- SBG fee is assessed at 2.5% of the appropriated funds in the agreement.

Outgoing Agreements Process and Approval Lines



Trust Fund Cooperative Agreement

A Trust Fund Cooperative Agreement (TFCA) is an agreement that involves cooperative research of mutual interest between the Agency and another party (sponsoring organization). ARS is the performing agency and is paid in advance of performance. TFCA funds are received in advance of ARS performance.

Prior to an award, you need to enter incoming agreement information (formerly Form 425) in ARIS. If funded, you will need the following:

- A Form 416/417 if the agreement total is greater than \$25,000,
- A Statement of Work (SOW) that needs to include a budget*,
- An incoming award document from the sponsoring organization that may include approved budget* (this document is optional!), and
- An award letter.

Reimbursable Cooperative Agreement

A Reimbursable Cooperative Agreement (RCA) is similar to the TFCA except the cooperator pays when billed by ARS for costs incurred in performance of project of mutual interest between the parties. Prior to an award, you need to enter incoming agreement information (formerly Form 425) in ARIS. If funded, you will need the same items as listed above for the TFCA.

Approvals for New TFCA and RCA

These require NPS approval when the agreement is for \$50,000 or more. All new agreements require Area Director approval.

As to amendments, they require NPS approval when you are adding \$50,000 or more, or when you are adding 25% or more over prior approved amount, or when the original agreement was for under \$50,000 and the amendment will put it over that amount. Otherwise, your Area Director is the last level of approval you need.

* ARS indirect costs of 10% (IPSC) may need to be included in the budget – consult your budget office for further guidance.

Master Memorandum of Understanding

A Master Memorandum of Understanding (MMOU) agreement establishes the intent of ARS and another party to cooperate. The MMOU outlines the general principles of cooperation, and describes mutual interest and benefit in broad language. No resources are exchanged, and no specific duties and responsibilities are defined. An MMOU is in place for an indefinite amount of time. This type of agreement is only signed by the ARS Administrator.

Memorandum of Understanding

A Memorandum of Understanding (MOU) is a non-binding agreement between ARS and another party that outlines in broad, general terms, an intent for the parties to coordinate their efforts on specific projects of mutual interest. No specific duties and responsibilities are defined. There is no significant commitment of resources by ARS and no direct transfer of resources from one party to the other.

Non-funded Cooperative Agreement

Non-funded Cooperative Agreement (NFCA) is an agreement between ARS and another party that describes, in detail, a jointly planned and executed research program or project of mutual interest between the parties. Both parties contribute resources and benefit independently in the outcome of the project. There is a maximum five year duration for a NFCA.

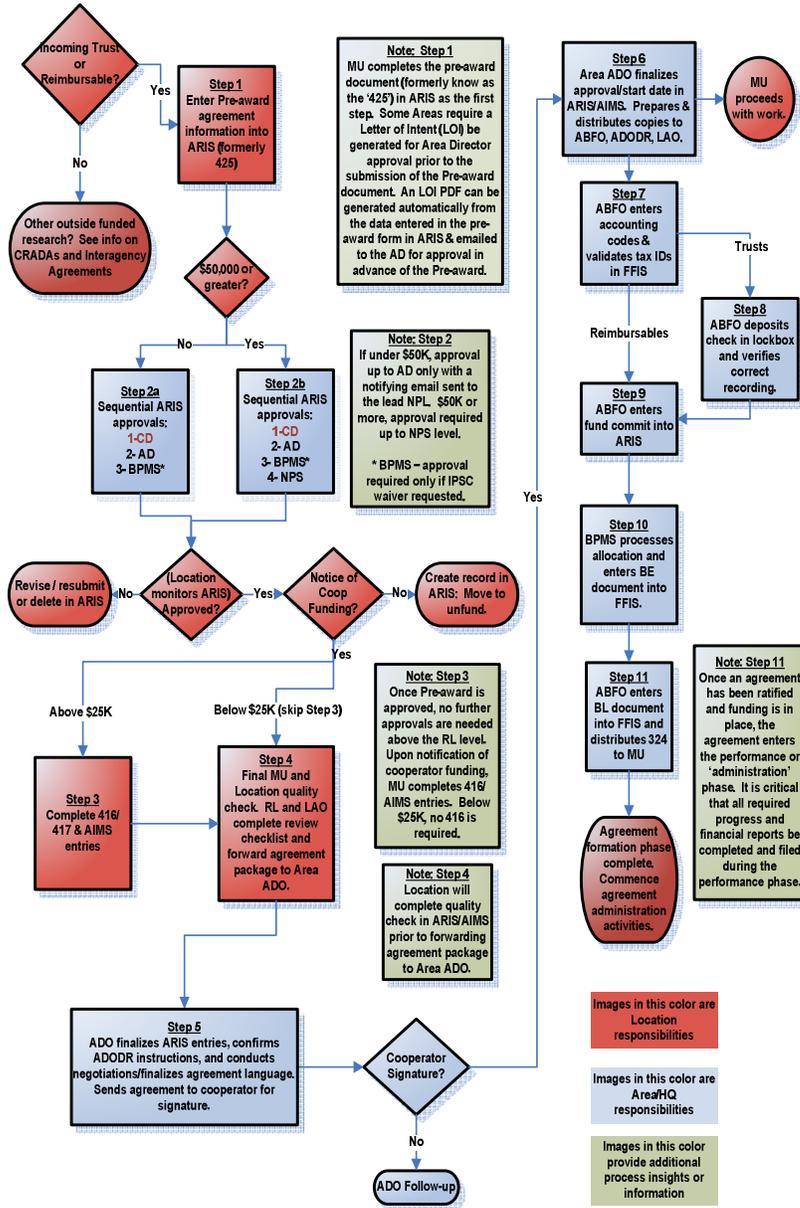
Standard Cooperative Agreement

Standard Cooperative Agreement (StCA) is an agreement to document a cooperative relationship, relative to the use of land, labor, equipment, facilities, livestock, or other resources. Must be related to the mission of ARS. The agreement provides that the cooperator shall be compensated for losses suffered due to damage to owner's property by ARS employees. The Location Administrative Officer may sign this type of agreement with delegated authority.

Requirements of No Fund Agreements

All no funds agreements require a Form 416/417 and Outgoing Agreement Information (formerly Form 550A) in ARIS except the StCA (see you LAO for requirements on that one). All require a SOW. No funding is exchanged in any of these agreements.

Incoming Agreements Process and Approval Lines



Agreements with Other Federal Agencies (Interagency Agreements)

ARS can enter into a reimbursable agreement with another United States Department of Agriculture (USDA) agency or another Federal agency to provide services, supplies, and equipment requested by the ordering/requisitioning agency. Contact your LAO or Area Office for further information on establishing these types of agreements.

Cooperative Research and Development Agreement

A Cooperative Research and Development Agreement (CRADA) is appropriate for a) transfer and/or further development of ARS technology, b) research combining ARS and a Cooperator's intellectual property or technology, and c) discovery and development of new and/or improved products and/or services. CRADAs currently require Incoming Agreement Information (formerly form 425) in ARIS, and if over \$25K, a 416/417. Other agreement information is handled through the Technology Transfer Coordinator (TTC) at the Area Office. Contact your Area TTC for further information.

And after all that work is done

The ADO will appoint the initiator of the agreement as AD-ODR prior to the award of an agreement. Once the agreement has been executed by authorized officials, the ADO will notify the ADODR and provide a copy of the agreement.

Once you initiate an agreement

it must go through several offices for approval at your location, your Area Office, and Headquarters. These approvals are required to ensure the agreement is in the best interest of ARS and is directly related to our research mission. Although this process may appear laborious, it is ARS policy!

Once an agreement is initiated in ARIS, it will probably take up to 30 days of review and processing (a 50% reduction) within ARS **before** it is sent to the cooperator for their review and approval. The number of steps identified in the flow charts has also been reduced by approximately 50% compared to the previous process.

Do you have questions?

There are people at your location, Area Office, and headquarters that can help. Ask your LAO or your Area Agreement Specialist for help and/or a referral.

Or look for additional Information, including webcast training slides, user guide and tutorials on the web at:

www.afm.ars.usda.gov/agreements/index.htm

www.afm.ars.usda.gov/agreements/adodr.htm

Or contact the agreements help desk via e-mail at:

ars-aimshelp@ars.usda.gov