

United States Department of Agriculture  
Research, Education, and Economics

**ARS □ NIFA □ ERS □ NASS**

*Policies and Procedures*

**Title:** Memorandum of Understanding

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**Originating Office:** Financial Management and Agreements Division  
Grants and Agreements Management Branch

**This Replaces:** P&P 705.0 dated March 29, 2013

**Distribution:** ARS Headquarters, Business Service Centers, Areas,  
and Locations

This revision adds new terminology to reflect the merge of the Financial Management Division and the Extramural Agreements Division. The MOU template is now located on Axon.

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## 1. Purpose

The purpose of this document is to outline the responsibilities, policies, and procedures for establishing a Memorandum of Understanding (MOU).

## 2. Background

Memorandums of Understanding are primarily used for ceremonial purposes to document a general relationship between the Agricultural Research Service (ARS) and another organization.

The USDA, Office of General Counsel (OGC), determined that the MOU cannot be used to document cooperative relationships between ARS and other participants when the terms of the agreement outline specific duties and responsibilities which commit or exchange ARS resources. The Non-Funded Cooperative Agreement (NFCA) must be utilized to document cooperative relationships between ARS and other participants when these conditions exist.

In 2009, OGC reviewed and approved the general provisions for the MOU, which have been incorporated into the template for the foreign and domestic MOU. Subsequently, in April 2010, OGC advised ARS to remove any reference to statutory authorities in ARS MOUs, therefore, the MOU template has been revised to exclude these references. This template is located at the Grants and Agreements Management Branch Axon web pages and shall be used for all MOUs, domestic and foreign.

## 3. Policy

- An MOU shall be used for ceremonial purposes or if requested by the Cooperator to document, in very broad and general terms, efforts to coordinate on specific projects; there is no commitment or exchange of resources, and duties and/or responsibilities are very broadly defined and shall be non-binding in nature. **Note: If the arrangement requires a significant contribution of non-monetary resources, an NFCA must be utilized.**
- An MOU must be entered and programmatically approved in ARIS/AIMS in sufficient time to allow for all required clearances and approvals to be obtained. A 4-6 week review period is required at minimum.
  - The ARS Principal Investigator (ARS PI) initiating the proposed MOU should forward an advanced copy electronically to the Grants Agreements Management Branch Grants Management Specialist (GAMB GMS) for MOUs with foreign Cooperators, or the Business Service Center Grants Management Specialist (BSC GMS) for domestic MOUs.
- An MOU may be required as part of an agreement action in which funds are exchanged or transferred. In these circumstances, the MOU should not be considered a unique action, but instead as part of the requirements of the agreement. Only one agreement entry should occur in ARIS/AIMS.

- An MOU (foreign or domestic) initiated by ARS and requiring signature by the ARS Administrator or a higher level USDA official must be reviewed and approved prior to signature by the Deputy Director, FMAD.
- All ARS MOUs with foreign organizations must be forwarded to GAMB for review, clearance, and approval by OGC, and the Office of the Administrator before execution.
- MOUs between ARS and foreign/international entities must be cleared by USDA, Foreign Agricultural Service (FAS), as outlined in [Directive 1051-002, International Activities and Agreements of USDA Agencies](#). Additional clearances may be required as determined by FAS and in accordance with Department of State statutory authorities.
- An MOU shall be limited to 5 years in duration.

#### **4. Responsibilities**

- Area Director/Office of National Programs
  - Ensures mission relevancy and adherence to Agency policies and procedures when entering into an MOU.
- ADO (GAMB GMS or BSC GMS)
  - Provides advice and guidance on the MOU policies and procedures.
  - Negotiates awards, administers, suspends, closes out, and/or terminates the MOU.
  - Ensures that the ARS PI has identified the correct programmatic authority ([7 CFR Part 2.65](#)) to enter into the MOU.
  - Maintains pertinent documentation related to ARS MOUs in the E-Green module within ARIS/AIMS.
  - Completes closeout for all expired MOUs.

The ADO (GAMB GMS or BSC GMS) performs the following in sequential order:

- Verifies the eligibility of the proposed Cooperator and ensures that the Cooperator is not listed in the Debarred or Suspended listing in SAM.gov.
- Verifies the presence of mutuality of interest between ARS and the Cooperator.
- Ensures the MOU is initiated and approved in ARIS/AIMS ([ARIS/AIMS Manual, Chapter 4D, Extramural/Outgoing Agreements](#)).
- Ensures all required clearances have been obtained for MOUs with foreign Cooperators.

- Ensures distribution of the fully executed MOU to the Cooperator and the ARS PI.
- Ensures that all pertinent documentation has been entered in the E-Green module within ARIS/AIMS.
- ARS PI
  - Must be fully cognizant of Extramural Agreement responsibilities delegated to the ARS PI. For more information, see [P&P 701.0, Selection, Appointment, and Responsibilities of the ARS PI](#).
  - Develops the statement of work for the MOU, using very broad and general terms. Keeps ARS Line Management fully informed of the MOU development or administration activities as appropriate.
  - Identifies the correct programmatic authority ([7 CFR Part 2.65](#)) to enter into the MOU.
  - Ensures the MOU is initiated and approved in ARIS/AIMS ([ARIS/AIMS Manual, Chapter 4D, Extramural/Outgoing Agreements](#)).
  - Assists the ADO with closeout requirements.
- Deputy Director, FMAD
  - Reviews and approves all MOUs initiated by ARS and executed by the ARS Administrator and/or higher level USDA official.
  - Reviews and approves all MOUs entered into between ARS and foreign organizations.
  - Coordinates the review and approval of MOUs by the USDA, OGC, for legal interpretation.
  - Coordinates the review of MOUs between ARS and foreign governments with USDA, FAS, to obtain Departmental clearances as required.

## 5. Authorities

ARS must have statutory (programmatic) authority to participate in the project as outlined in [7 CFR Part 2.65 - Delegations of Authority by the Secretary of Agriculture and General Officers of the Department](#).

## 6. Definitions

A comprehensive listing of grants and agreements terminology is available at the [Grants and Agreements Management Branch home page](#) on Axon.

## 7. Procedures

### General

1. The ARS PI, with the assistance of the ADO, negotiates and drafts the terms of the MOU. The MOU shall follow the standard template located on Axon. The template outlines the minimum amount of information required for the MOU.
2. The MOU is entered and programmatically approved in ARIS/AIMS.
3. The ARS PI is required to complete Form [SEB-102, Conflict of Interest Certification](#), prior to the award of all incoming and outgoing, funded or non-funded, extramural agreements with non-Federal agencies (see ARS Bulletin 12-702). The completed SEB-102 form will be uploaded into, and maintained in, ARIS in the “Dealings/Ethics” tab for extramural research projects conducted with non-Federal partners/cooperators.
4. All communications, negotiations, discussions, conferences, or correspondence regarding the terms of the proposed MOU must be documented and uploaded to the official file in the E-Green module within ARIS/AIMS.

### Foreign MOUs

Pursuant to Departmental Regulation [1051-002, International Activities and Agreements of USDA Agencies](#), MOUs with foreign entities require review and clearance by OGC and FAS to ensure compliance with U.S. policy goals. In addition to the general procedures listed above, MOUs entered into with a foreign/international entity must be forwarded to GAMB for coordination of these requirements.

## 8. Eligibility

ARS may enter into an MOU to further research, extension, or teaching programs, and exchanges in the food and agricultural sciences with the following entities, foreign or domestic: State Agricultural Experiment Stations; State Cooperative Extension Services; colleges and universities; other research or education institutions and organizations; Federal and private agencies and organizations; and/or individuals.

## 9. Prohibitions

Use of an MOU for the following purposes is strictly **prohibited**:

- To acquire goods, services, or personnel.
- To document the use or disposal of real or personal property, including short- or long-term leases.

- For construction modifications, alterations, or capital improvements of any type to Federal or non-Federally owned property or facilities. Consult your BSC Realty Specialist for assistance.
- To document performance of services/tasks by ARS employees for another party.

## **10. Closeout**

The ADO is required to promptly close expired MOUs as prescribed in [P&P 703.0, Closeout Procedures for Extramural Agreements](#).

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