

DEPARTMENT OF DEFENSE
HEADQUARTERS DEFENSE COMMISSARY AGENCY
Fort Lee VA 23801-1800

DeCA DIRECTIVE 70-12
September 19, 1997

Administrative reissuance including changes
previously published in the Impulse

RESOURCE MANAGEMENT

INTERSERVICE, AND INTRAGOVERNMENTAL SUPPORT AGREEMENTS (ISA)

BY ORDER OF THE DIRECTOR



Edward S. Jones
Executive Director for Resources

Rosita O. Parkes

Director, Information Technology

AUTHORITY: Defense Commissary Agency Directives Management Program is established in compliance with DoD Directive 5105.55, Defense Commissary Agency (DeCA), November 1990.

MANAGEMENT CONTROL SYSTEM: This directive contains Management Control provisions that are subject to evaluation and testing as required by DeCAD 70-2 and as scheduled in DeCAD 70-3. The Management Control Review Checklist to be used by assessable unit managers to conduct the evaluation and test management controls is at Appendix F.

SUPPLEMENTATION: This directive will not be supplemented. No new forms or form letters may be created citing this directive as the authority without prior HQ DeCA/RM authorization.

HOW TO ORDER COPIES: Stores needing additional copies will submit requirements on DeCA Form 30-21 to Region/RDOIA. Regions will consolidate requirements and order per published schedule.

SUMMARY: This directive describes the administrative procedures to be used within DeCA to standardize internal worldwide processing of agreements to conserve resources.

SUPERSEDES: DeCA Directive 70-12, August 28, 1992

OFFICE OF PRIMARY RESPONSIBILITY (OPR): HQ DeCA/RM

COORDINATORS: HQ DeCA/CC,SS,LL,CI,DO,IG,GC, DeCA REGIONS

DISTRIBUTION: E

TABLE OF CONTENTS

	Para	Page
Purpose	1-1	1-1
References	1-2	1-1
Definitions	1-3	1-1
Policy	1-4	1-1
Responsibilities	1-5	1-1
Procedures	1-6	1-2
Management Control Program.....	1-7	1-4

APPENDIXES

A. Related References	A-1
B. Glossary	B-1
C. Support Agreement Checklist	C-1
D. Funding and Reimbursement Procedures	D-1
E. Example of DD Form 1144, Support Agreement	E-1
F. Management Control Review Checklist	F-1

1-1. **PURPOSE:** This Directive establishes administrative procedures and channels to process Interservice/Intragovernmental Support Agreements. It is applicable to HQ DeCA and all subordinate organizations.

1-2. **REFERENCES:**

- a. DoD Instruction 4000.19, Interservice and Intragovernmental Support , August 9, 1995.
- b. DoD Regulation 1330.17-R, Armed Services Commissary Regulations (ASCR), April 1987 (under Revision).
- c. Related references are listed at Appendix A.

1-3. **DEFINITIONS:** Abbreviations and terms used in this Directive are defined in Appendix B.

1-4. **POLICY:** DeCA participation in the DoD Defense Regional Interservice Support (DRIS) program is crucial to mission accomplishment. Worldwide dispersion of operating organizational elements demand program implementation that will meet DoD requirements. Administrative procedures outlined herein will be followed and all actions expedited to ensure an efficient, effective, and economical system is in place throughout the Agency.

1-5. **RESPONSIBILITIES:**

- a. ***Executive Director for Resources*** shall:
 - (1) Be responsible for the overall establishment and implementation of the DeCA DRIS Program.
 - (2) Appoint an Executive Coordinating Agent (ECA), from assigned **Resources Business Area (RM)** Staff resources, to serve as the DeCA central single point of contact for all policy, coordination and promotional matters concerning the DRIS program.
 - (3) Serve as the DeCA designated official responsible for certifying the availability of funds and approval of funding arrangements contained in agreements.
- b. Executive Coordinating Agent (ECA) shall:
 - (1) Serve as the DeCA functional technician, program manager on all DRIS matters.
 - (2) Develop a standard ISA program that will meet DeCA's needs and administer the program in consonance with DoD requirements.
 - (3) Represent DeCA at DoD DRIS steering committee meetings.

(4) Coordinate DRIS program matters with Support Agreement Program Managers assigned to DeCA and other DoD Component, Government departments, other federal agencies, contractors and private sector organizations, as necessary.

(5) Ensure program compliance with the Federal Managers' Financial Integrity Act of 1982 as implemented by DeCA Directives 70-2 and 70-3.

(6) Conduct ISA training for DeCA personnel assigned ISA responsibilities.

(7) Conduct an audit review of all ISAs received at HQ DeCA to ensure compliance with DoD Directives and correctness of content.

(8) Ensure dissemination of DoD policies relating to ISAs to the lowest applicable subordinate organization.

(9) Provide assistance to all organizations (internal and external) in the conduct of the DeCA DRIS program.

(10) Coordinates with the Budget branch to provide input to required budget submissions, provide input to request for funding above the estimated amounts, to obtain data on final reimbursement for each fiscal year, and other functions that facilitates the interdependence of each staff section.

c. Region Directors or, in their absence, a designated representative, shall:

(1) Appoint a Support Agreement Manager (SAM) within the region RM staff to administer the program and serve as the point of contact for all matters involving the DRIS program.

(2) Ensure maximum participation in the DRIS program by organizational elements under their supervision.

(3) Personally review, approve, and sign all ISAs forwarded to HQ DeCA.

(4) Resolve contested issues or forward to HQ DeCA/RM if unable to reach solution.

d. DeCA organizations subordinate to the Region Directors shall:

(1) Designate an individual to administer and promote the interservice and intragovernmental support program and serve as the point of contact for the Region SAM on ISA matters.

(2) Assist the Region SAM in conducting negotiations for interservice support.

(3) Assist the Region SAM in preparing necessary support documentation.

(4) Forward unresolvable support issues to Region SAM for resolution.

(5) Assist the Region SAM in reviewing the cost of each ISA every year ; the Region SAM will amend it, if necessary.

1-6. **PROCEDURES:**

a. General. This Directive outlines guidance for DeCA activities (receiver) obtaining base operation support from DoD Components, other Federal Government Departments or Agencies (supplier) through interservice support agreements. It outlines steps to be taken in the decision process and delineates procedures for the actual preparation, review and distribution of DD Form 1144, Support Agreement (Appendix E) including the required support documentation.

b. Establishing Support Agreements:

(1) When it is mutually agreed that interservice support is the most economical means of obtaining the required base operation support and when that support is available, the supplier and receiver (DeCA HQ or Region Headquarters) shall enter into a support agreement after coordinating with the commissary officer as appropriate.

(2) A draft support agreement or memorandum outlining requirements shall be initiated by the DeCA Region Headquarters with input from the commissary officer and submitted to the supplying activity. Estimated reimbursable incremental cost figures based upon historical data shall be mutually agreed upon during negotiations.

c. Conducting Negotiations:

(1) Negotiations shall be directed toward obtaining quality service support and dollar savings.

(2) When a DeCA activity is providing support to the installation on which it is located, or to another receiver, or activity, such as an embassy, a separate agreement shall be negotiated identifying the DeCA activity as the supplier.

(3) Any verbal agreements or written Memorandum of Understanding (MOU) involved shall be incorporated into a formal support agreement using DD Form 1144.

(4) When a mutual understanding cannot be achieved on required support, the agreement shall be prepared, excluding the area of disagreement. The details of the specific situation shall be forwarded by the DeCA Region Headquarters through appropriate command channels for resolution at a higher level. When a final decision on handling the area of disagreement is reached, the initial agreement will be revised or reaccomplished to include the provisions of the decision.

(5) Estimated incremental cost shall be used as the basis for negotiating the support agreement and actual incremental costs for determining the amount of reimbursement.

(6) Estimated reimbursable incremental costs expended by the supplier for each category of support will be accounted for in blocks 7c of DD Form 1144.

(7) **Approval for Discretionary Services:** Prior to the issuance of any Military Interdepartmental Purchase Request (MIPR) for discretionary services which may be obtained from other than host installation sources, the approval of the HQ DeCA Deputy Director to the Director Office for that service must be obtained.

(8) **Legal Services:** The specific approval of the General Counsel, DeCA, is required before legal services may be used from any non-DeCA source, unless the issue has been addressed in another written format which has General Counsel, DoD or the General Counsel, DeCA approval. Currently, legal services in overseas areas are rendered pursuant to HQ DeCA written approval and ISA's. Tort claims and personal property claims are handled by the local installations pursuant to a DoD MOA. Legal Assistance (wills, powers of attorney, etc.) is a service rendered by the military services to personnel authorized by their regulations and is not governed by this directive.

d. Review Support Agreement. DeCA Region Headquarters receiving or providing support will review the support agreement using checklist (Appendix C) to ensure the following critical areas are complete and if incomplete, return to the supplier for completion.

- (1) Ensure complete mailing address of both supplier and receiver is listed.
- (2) Both supplier and receiver major command are listed.
- (3) Each required category of support is listed.
- (4) Basis for reimbursement entered.
- (5) All estimated annual incremental costs for each category of required support incurred by the supplier are listed.
- (6) Is the attachment of Specific Provisions present?
- (7) Does the attachment clearly define the terms and conditions of the agreement?
- (8) Has both supplier and receiver signed the agreement in the appropriate blocks?

e. Funding and Reimbursement Procedures. The funding and reimbursement procedures (Appendix D) shall be provided to the supplier by the DeCA Region Headquarters and attached to the support agreement.

f. Authentication/Approval:

(1) DeCA Region Headquarters in coordination with the commissary officer will review and make recommendation on requests for new or revised installation/base support agreements. Region Headquarters will complete blocks 9c (1)-(5) on DD Form 1144 as appropriate and forward to HQ DeCA, ATTN: **DeCA/RMBP**.

(2) The DeCA Executive Coordinating Agent will audit, coordinate, and make recommendations on requests for new or revised installation/base support agreements.

(3) **Executive Director for Resources**, DeCA, will review and approve the support agreement by completing blocks 9a ,and 9b, on DD Form 1144 as appropriate.

g. DeCA Distribution:

1 - Receiver/Supplier (As Appropriate)

1 - Region

1 - **DeCA/RMBP**

1-7. MANAGEMENT CONTROL PROGRAM:

a. The Management Control Review Checklist (MCRC), at Appendix F, will be completed during the fiscal year specified by DeCAD 70-3, DECA Management Control Plan (MCP).

b. DeCA Region assessable unit managers designated in the MCRC and the MCP are responsible for completing the applicable portions of the checklist and personally signing the statement of the assessable unit manager on the last page.

c. Completion of this checklist will be reflected in the annual assurance statement submitted for the appropriate fiscal year. Weaknesses detected will be addressed in the assurance statement.

d. The MCRC, at Appendix F, will be reproduced locally on authorized reproduction equipment on an as needed basis. Requirement to use this checklist over a period of time does not justify stockage. Funds will not be expended to reproduce and stock the checklist.

RELATED REFERENCES

- a. DoD 7000-14-R, DoD Financial Management Regulation, Volume 11A, Reimbursable Operations, Policy and Procedures-- August 1996.*
- b. DoD 7000-14-R, DoD Financial Management Regulation, Volume 11B, Reimbursable Operations, Policy and Procedures--Defense Business Operations Fund. December 21, 1994.*
- c. DoD 7410.-R, Industrial Fund Operations, April 1982, authorized by DoD Directive 7410, April 1982.*
- d. DoD 4000.25-D, Department of Defense Activity Address Directory (DoDAAD), (Microfiche, reissued quarterly), authorized by DoD Directive 4000.25, November 18, 1983.*
- e. DeCAD 70-2, Internal Management Control Program, **August 2000**.
- f. DeCAD 70-3, Management Control Plan, **October 2000**.

** These references not distributed nor needed below Agency level for program implementation.*

GLOSSARY

a. Abbreviations.

ASCR	Armed Services Commissary Regulation
CDC	Central Distribution Center
DeCA	Defense Commissary Agency
DFAS-CO	Defense Finance and Accounting Service-Columbus
DoD	Department of Defense
DODAAC	Department of Defense Activity Address Code
DRIS	Defense Regional Interservice Support
ECA	Executive Coordinating Agent
HQ	Headquarters
ISA	Interservice and Intragovernmental Support Agreement
MCP	Management Control Plan
MCRC	Management Control Review Checklist
MIPR	Military Interdepartmental Purchase Request
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
OPR	Office of Primary Responsibility
RM	Resources Business Area
SAM	Support Agreement Manager
SFAOE	Subsistence Finance and Accounting Office, Europe

b. Definitions.

Executive Director for Resources - A financial manager or other official designated to certify the availability of funds and approval of funding arrangement contained in an agreement.

Effective Date - The date on which support begins and is reflected as the ordinal date in the agreement number. If the date the support will begin is different from the ordinal date, the actual date will be indicated in the block 11 of the DD Form 1144, Support Agreement.

Executive Coordinating Agent - The representative of the headquarters serving as the central single point of contact on all policy, coordination, and promotional matters that relate to the DRIS Program.

Interservice Support - Support provided by one federal agency or subdivision thereof to another federal agency or subdivision thereof when at least one of the participating agencies or subdivisions is the Department of Defense or a DoD Component.

Incremental Cost - Cost directly attributable to receiver (DeCA) using the service. By using the service, DeCA increases the direct cost to the supplier and this increase is identifiable and measurable.

Identifiable - Providing organization can specifically identify the additional direct manpower of non-labor resources used to provide DeCA the support. This includes direct cost only and excludes any indirect or overhead cost.

Support Agreement Manager - The official assigned as the Region single point of contact for DRIS Program matters.

Measurable - Providing organization can discreetly measure both the amount of support provided and the direct cost associated with the amount of support provided.

Memorandum of Agreement or Understanding - The documentation of mutually agreed statement of facts, intentions, procedures, parameters, and policies for future actions and matters of coordination.

Receiver or Receiving Activity - An activity that obtains support from another activity.

Reimbursable Support - Support performed, obtained, or arranged by one activity for another activity for which payment is required from the activity receiving the support.

Supplier or Supplying Activity - Provides support to another activity.

Work-Year - A unit for measuring work. It is the total effort a person is expected to expend in a 12-month period and is quantified by multiplying the appropriate monthly availability factor by 12.

SUPPORT AGREEMENT CHECKLIST

Activity _____ ISA# _____

Name of Individual Completing _____ Date Complete _____

<u>NO.</u>	<u>ITEM</u>	<u>YES</u>	<u>NO</u>
1.	Block 1: Is the agreement number listed?	___	___
2.	Block 2: If there was a previous agreement, is the previous agreement referenced?	___	___
3.	Block 3: Is effective date listed (YYMMDD)?	___	___
4.	Block 4: Is expiration date listed? (May be INDEFINITE)	___	___
5.	Block 5a: Is the complete mailing address of the supplier listed?	___	___
6.	Block 5b: Is the Major Command of the supplying activity listed?	___	___
7.	Block 6a: Is the complete mailing address of the receiver listed?	___	___
8.	Block 6b: Is the Major Command of the receiving activity listed?	___	___
9.	Block 7a: Is the support required by the receiver clearly defined (terms and conditions)?	___	___
10.	Block 7b: Is the methodology for computing the incremental reimbursement cost listed?	___	___
11.	Block 7c: Are all annual estimated incremental costs incurred by supplier entered?	___	___
12.	Blocks 8a, 8b, 8c, 8c(1) thru 8c(5): Has the supplying component completed?	___	___
13.	Blocks 9a and 9b: Has DeCA RM completed?	___	___
		<u>YES</u>	<u>NO</u>

- | | | | |
|-----|--|-----|-----|
| 14. | Blocks 9c(1) thru 9c(5): Has Region Director completed? | ___ | ___ |
| 15. | Block 11b: Is this entry the appropriate organization name and office symbol of the support agreement coordinator for the receiving activity? | ___ | ___ |
| 16. | Block 11c: Is this entry the appropriate organization name and office symbol of the servicing finance and accounting office? | ___ | ___ |
| 17. | Block 12: If required, does the Specific Provisions clearly define the unique requirements? | ___ | ___ |
| 18. | Block 12: Are the specific identifiers for the DeCA receiver facility clearly defined (i.e., Building #, square footage, population, and POC)? | ___ | ___ |

FUNDING AND REIMBURSEMENT PROCEDURES

a. DD Form 448, Military Interdepartmental Purchase Request (MIPR), will be issued by the Region HQs to the servicing installation/base for those services provided the DeCA activity , such services may include:

- (1) Utilities
- (2) Communications
- (3) Laundry and Dry Cleaning
- (4) Printing
- (5) Mail Postage
- (6) Real Property Maintenance
- (7) Refuse Collection and Disposal
- (8) Custodial
- (9) Equipment Maintenance, Repair, and Calibration

b. DD Form 448-2, Acceptance of MIPR, will be forwarded to the Region Hqs by the servicing installation/base Financial Managers.

c. Actual base operation support incremental cost for service rendered, requiring DeCA's reimbursement will be tracked by each installation/base for actual incremental base support costs provided to DeCA activities, at the installation/base level, and bill DeCA monthly for these costs.

d. Based on documentation reflecting the amount of actual incremental cost earned, the installation's/base's servicing Accounting and Finance Office will process SF Form 1080 or NAVCOMPT Form 2277 for the amount of services provided the DeCA activity by the installation/base.

e. SF Form 1080 or NAVCOMPT Form 2277 with supporting documentation, will be forwarded by the installation/base servicing Accounting and Finance Office to the DeCA activity for certification of receipt of services.

f. The DeCA activity will send the certified SF Form 1080 or NAVCOMPT Form 2277 to the region HQs for review and to capture cost data by category of expense. SF Form 1080 or NAVCOMPT Form 2277 will be processed to DFAS-CO or Subsistence Finance and Accounting Office, Europe (SFAOE) for payment of services by the Region Headquarters.

SUPPORT AGREEMENT			
1. AGREEMENT NUMBER <i>(Numbered by Supplier)</i>	2. SUPERSEDED AGREEMENT NO. <i>(If this number is never superseded)</i>	3. EFFECTIVE DATE (FYMMDD)	4. EXPIRATION DATE <i>(May be "Indefinite")</i>
5. SUPPLYING ACTIVITY		6. RECEIVING ACTIVITY	
a. NAME AND ADDRESS		a. NAME AND ADDRESS	
b. MAJOR COMMAND		b. MAJOR COMMAND	
7. SUPPORT PROVIDED BY SUPPLIER			
a. SUPPORT <i>(Specify what, when, where, and how much)</i>		b. BASIS FOR REIMBURSEMENT : ESTIMATED REIMBURSEMENT	
ADDITIONAL SUPPORT REQUIREMENTS ATTACHED: <input type="checkbox"/> YES <input type="checkbox"/> NO			
8. SUPPLYING COMPONENT		9. RECEIVING COMPONENT	
a. CONTROLLER SIGNATURE	b. DATE SIGNED	a. CONTROLLER SIGNATURE	b. DATE SIGNED
10. APPROVING AUTHORITY		11. APPROVING AUTHORITY	
(1) Typed Name		(1) Typed Name	
(2) Organization		(2) Organization	
(3) Telephone number		(3) Telephone number	
(4) Signature		(4) Signature	
(5) Date signed		(5) Date signed	
12. TERMINATION <i>(Contractors and other components is terminated prior to scheduled expiration date.)</i>			
a. APPROVING AUTHORITY SIGNATURE		b. DATE SIGNED	
c. APPROVING AUTHORITY SIGNATURE		d. DATE SIGNED	

<p>11. GENERAL PROVISIONS (Complete blank spaces and add additional general provisions as appropriate: e.g., exceptions to limited provisions, additional parties to this agreement, billing and reimbursement instructions.)</p> <p>a. The receiving component will provide the supplying component projections of requested support. (Significant changes in the receiving component's support requirements should be submitted to the supplying component in a manner that will permit timely modification of resource requirements.)</p> <p>b. It is the responsibility of the supplying component to bring any required or requested change in support to the attention of _____ prior to changing or canceling support.</p> <p>c. The component providing reimbursable support in this agreement will submit statements of costs to: _____</p> <p>d. All rates expressing the unit cost of services provided in this agreement are based on current rates which may be subject to change for uncontrollable reasons, such as legislation, DoD directives, and commercial utility rate increases. The receiver will be notified immediately of such rate changes that must be passed through to the support receivers.</p> <p>e. This agreement may be cancelled at any time by mutual consent of the parties concerned. This agreement may also be cancelled by either party upon giving at least 180 days written notice to the other party.</p> <p>f. In case of mobilization or other emergency, this agreement will remain in force only within supplier's capabilities.</p> <p>ADDITIONAL GENERAL PROVISIONS ATTACHED: <input type="checkbox"/> YES <input type="checkbox"/> NO</p>
<p>12. SPECIFIC PROVISIONS (As appropriate: e.g., location and size of occupied facilities, unique supplier and receiver responsibilities, conditions, requirements, quality standards, and criteria for measurement/reimbursement of unique requirements.)</p> <p>ADDITIONAL SPECIFIC PROVISIONS ATTACHED: <input type="checkbox"/> YES <input type="checkbox"/> NO</p>

MANAGEMENT CONTROL REVIEW CHECKLIST

TASK: **Executive Director for Resources**

SUBTASK: Defense Regional Interservice Support (DRIS)

THIS CHECKLIST: Interservice and Intragovernmental Support Agreement

ORGANIZATION:

ACTION OFFICER:

REVIEWER:

DATE COMPLETED:

ASSESSABLE UNIT: The assessable units are HQ DeCA, and Regions. Each test question is annotated to indicate which organization(s) is (are) responsible for responding to the question(s). Assessable Unit managers responsible for completing this checklist are shown in the DeCA MCP.

EVENT CYCLE 1: Establish administrative procedures consistent with DoD guidelines.

Step 1: Organize the process and assign responsibility.

Risk: Failure to properly organize DRIS implementing guidance and assign responsibility could result in receiving too much support, or duplication of effort, which would adversely affect mission accomplishment.

Control Objective: Develop sound operating procedures and assign responsibilities.

Control Techniques:

1. Publish and distribute operating Directive.
2. Assign responsibilities.

Test Questions:

1. Is the command Directive implementing the DeCA DRIS Program consistent with DoD policies?
(DeCA/RM)

Response: YES ___ NO ___ NA ___

Remarks:*

2.a. Has overall responsibility for program establishment and implementation been assigned? (DeCA/RM)

Response: YES ___ NO ___ NA ___
Remarks:*

b. Has an Executive Coordinating Agent (ECA) been appointed and duties and responsibilities assigned? (DeCA/RM)

Response: YES ___ NO ___ NA ___
Remarks:*

c. Have responsibilities been assigned for organizations below HQ DeCA level? (DeCA/RM and Region)

Response: YES ___ NO ___ NA ___
Remarks:*

Step 2: Establish administration procedures and channels of communication.

Risk: Support agreements will not be administratively correct resulting in delays and needless expenditures of resources.

Control Objectives:

1. Administrative procedures are proper and meet the needs of the supplier and receiver.
2. Proper channels are used to expedite processing of support agreements.

Control Techniques:

1. Delineate in directives administrative procedures to be used at each organizational level.
2. Designate channels through which support agreements must flow.

Test Questions:

1.a. Are the administrative procedures established by the implementing directive sufficient to permit proper processing, coordinating, and submission to the next level of the chain? (DeCA/RM and Region)

Response: YES ___ NO ___ NA ___

Remarks:*

b. Does the audit of completed agreements verify that submissions are correct and free of administrative errors or omissions permitting final action without returning the document for correction or additional information? (DeCA/RM and Region)

Response: YES ___ NO ___ NA ___

Remarks:*

2.a. Have specific channels been designated for submission of support agreements? (DeCA/RM and Region)

Response: YES ___ NO ___ NA ___

Remarks:*

b. Does the review of the completed support agreement verify the proper channels are used and effective? (DeCA/RM and Regions)

Response: YES ___ NO ___ NA ___

Remarks:*

EVENT CYCLE 2: Establishment of need for support and selection of source.

Step 1: Receiving Unit request for support.

Risk: Support is not needed or lesser degree of support would be adequate.

Control Objective: Requested support is limited to only what is actually needed.

Control Technique: Review request for support to ensure evidence of a valid need is present.

Test Questions:

1. Has the need for support been directed by higher authority and is it based on consideration of mission effectiveness? (DeCA/RM and Region)

Response: YES ___ NO ___ NA ___

Remarks:*

2. Were all the needs of the receiver included in the request for support to the supplier? (DeCA/RM and Regions)

Response: YES ___ NO ___ NA ___

Remarks:*

Step 2: Selecting the source.

Risk: Support will be provided by a commercial entity without the benefit of a contract or competition. Profits and lack of competition would result in greater cost to the Government.

Control Objective: The supplier and receiver of support are authorized to supply to, or receive support from, DoD Components through the medium of support agreements.

Control Techniques:

1. Ensure the supplier or receiver are DoD Components, or Components of non-DoD Federal Departments, Agencies, Bureaus, or offices funded wholly by congressionally appropriated funds or an industrial fund.

2. Doubtful cases are referred to the DeCA General Counsel for determination of legality.

Test Questions:

1.a. Does the selected supplier or receiver qualify as an authorized entity that can provide or receive support by means of a Federal Support Agreement? *(DeCA/RM and Region)*

Response: YES ___ NO ___ NA ___

Remarks:*

b. Are controls in effect to prevent nonappropriated funded instrumentalities (NAFI) from becoming a supplier except where authorized overseas or under competitive Federal Acquisition Regulations?
(DeCA/RM)

Response: YES ___ NO ___ NA ___

Remarks:*

2.a. Does the DeCA General Counsel review doubtful cases and determine the legality of the agreement?
(DeCA/RM)

Response: YES ___ NO ___ NA ___

Remarks:*

b. Are measures taken to prevent non-Federal Government Activities with close Federal Government ties by membership, title, sponsorship, affiliation, or commonality of purpose from receiving support except as authorized by law or other regulation? *(DeCA/RM and Region)*

Response: YES ___ NO ___ NA ___

Remarks:*

EVENT CYCLE 3: Establishing Support Agreement and conducting negotiations.

Step 1: Establishing Support Agreements

Risk: Support agreement is not the most economical means to obtain the support necessary to meet mis-

sion requirements.

Control Objective: Support agreements are used only when the receiver is incapable of providing self support by means of unavailability of proper resources.

Control Techniques:

1. Support agreements are entered into only upon mutual determination of the supplier and receiver, or as directed by higher authority.
2. Draft support agreement or a memorandum outlining requirements is submitted to the supplier by the DeCA HQS or Region SAM prior to conducting negotiations.

Test Questions:

1. Did the supplier and the DeCA HQS or Region SAM agree that the support agreement is the most economical means of obtaining the required support? (DeCA/RM and Region)

Response: YES ___ NO ___ NA ___

Remarks:*

2. Was a draft of requirements provided to the commissary - level receiver prior to conducting negotiations? (Region)

Response: YES ___ NO ___ NA ___

Remarks:*

- 3.. Was draft of requirements provided to the supplier prior to conducting negotiations? (DeCA/RM and Region)

Response: YES ___ NO ___ NA ___

Remarks:*

Step 2: Conducting Negotiations.

Risk: All support requirements will not be met and cost of support could be in error.

Control Objectives:

1. Negotiations are directed toward dollar savings.
2. Mutual understanding and agreement are reached verbally prior to initiating the administrative process.

Control Techniques:

1. Estimated incremental cost figures are agreed upon during negotiation.
2. Mutual agreement between the supplier and HQS DeCA or Region SAM are obtained before either commit resources to the administrative process.

Test Questions:

1. Did the supplier and HQS DeCA or Region SAM agree to estimated incremental cost based on prior history? *(DeCA/RM and Region)*

Response: YES ___ NO ___ NA ___

Remarks:*

2. Did the supplier and DeCA HQS or Region SAM mutually agree on the content of the proposed agreement and the capability of the supplier to provide the support and the receiver to reimburse the supplier for support received? *(DeCA/RM and Region)*

Response: YES ___ NO ___ NA ___

Remarks:*

EVENT CYCLE 4: Cost the value of support by functional category.

Step 1: Determine what resources can be made available by receiver.

Risk: Receiver could request support that current resource authorizations were previously allocated to the receiver to meet requirements.

Control Objective: Reimbursement for support provided by the supplier does not duplicate resources already provided to the receiver

Control Technique: During review process of the support agreement at all organizational levels above the receiver, screen completed DD Form 1144 and attachments for areas of support for which receiver has been authorized resources to perform.

Test Questions:

1. Has the receiver requested only that essential support beyond his/her resource authorizations?
(DeCA/RM and Region)

Response: YES ___ NO ___ NA ___

Remarks:*

2. When a support function is turned over to a supplier, does the receiver determine what, if any, resources are to be transferred to the supplier (e.g. manpower, funds, budget base transfer, real property, and supplies and equipment)? (DeCA/RM and Region)

Response: YES ___ NO ___ NA ___

Remarks:*

Step 2: Compute supplier's net identifiable costs for support.

Risk: The supplier will gain reimbursement greater than actual costs.

Control Objective: Only net identifiable costs are included in reimbursables and nonreimbursables.

Control Techniques:

1. Substantiate reimbursables and nonreimbursables costs using actual incremental cost history.
2. Prove that increases were caused by increased work volume or new support.

Test Questions:

1.a. Have the values of support categories in terms of work-years, been costed reasonably for the net identifiable increase in cost to the supplier? (DeCA/RM and Region)

Response: YES ___ NO ___ NA ___

Remarks:*

b. Have reasonable, standard cost factors been maintained by the receiving organization for proving that the supplier furnished reimbursable and nonreimbursable costs for support? (DeCA/RM and Region)

Response: YES ___ NO ___ NA ___

Remarks:*

c. Was DoD 7000-14-R, DoD Financial Management Regulation, Volume 11A, Reimbursable Operations, Policy and Procedures, August 1996 and DoD 7000-14-R, DoD Financial Management Regulation, Volume 11B, Reimbursable Operations, Policy and Procedures--Defense Business Operations Fund, December 21, 1994 used for determining certain components of costs and factors to be used in calculating reimbursable and nonreimbursable dollar amounts? (DeCA/RM)

Response: YES ___ NO ___ NA ___

Remarks:*

EVENT CYCLE 5: Complete and process the DD Form 1144, Support Agreement.

Step: Use instructions and procedures in DoDI 4000.19 and DeCAD 70-12, to complete the DD Form 1144.

Risks:

1. All categories of support and costs will not be reflected in the support agreement.
2. Identification of the organization involved will be incomplete resulting in improper, or delayed, reimbursement actions.

Control Objective: Complete the DD Form 1144 and attachments correctly to prevent delays or errors in processing the agreement.

Control Technique: Correctly apply the instructions for completing the DD Form 1144 to ensure the supplier has complied with DoDI 4000.19.

Test Questions:

1. Were all applicable blocks on DD Form 1144, correctly completed by the supplier as required by DoDI 4000.19? (DeCA/RM and Region)

Response: YES ___ NO ___ NA ___

Remarks:*

2. Was the checklist for completing the critical blocks on the DD Form 1144, published in DeCAD 70-12, used by the HQS DeCA and Region receiver to ensure correctness of the agreement? (DeCA/RM and Region)

Response: YES ___ NO ___ NA ___

Remarks:*

3. Were copies of any MOAs or MOUs affecting the support agreement attached to the completed DD Form 1144? (DeCA/RM and Region)

Response: YES ___ NO ___ NA ___

Remarks:*

4. Were all issues resolved before Blocks 9 C(1) through C(5) as appropriate, DD Form 1144, was approved and signed by the Region Director? (REGION)

Response: YES ___ NO ___ NA ___

Remarks:*

* Explain rationale for YES responses or provide cross-references where rationale can be found. For NO response, cross-reference to where corrective action plans can be found. If response is NA, explain rationale.

I attest that the above-listed management controls provide reasonable assurance that DeCA resources are

adequately safeguarded. I am satisfied that if the above controls are fully operational, the management controls for this subtask throughout DeCA are adequate.

Executive Director for Resources
FUNCTIONAL PROPONENT

I have reviewed the subtask within my organization and have supplemented the prescribed management control review checklist when warranted by unique environmental circumstances. The controls prescribed in this checklist, as amended, are in place and operational for my organization (except for the weaknesses described in the attached plan, which includes schedules for correcting the weaknesses).

ASSESSABLE UNIT MANAGER
(Signature)