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REIMBURSABLE AGREEMENTS

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REIMBURSABLE AGREEMENTS

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CHAPTER 1**GENERAL OVERVIEW**0101 INTRODUCTION

010101. This volume establishes financial management policies for Reimbursable Agreements related to (1) administrative procedures; (2) pricing reimbursable agreements; and (3) exceptions and costs. These policies are applicable to all agreements for reimbursable and related activities performed by National Aeronautics and Space Administration (NASA) Headquarters offices and the NASA Centers. NASA enters into “Space Act Agreements” that allow for reimbursable work with other Federal and non-federal entities, for the reimbursable use of NASA facilities, personnel, expertise, or equipment. The terms reimbursable work or work as used throughout this volume include use of NASA facilities, personnel, expertise, materials and supplies and equipment. The term customer is used in this volume to identify the entity receiving services, materials, or support from NASA on a reimbursable basis. NASA Policy Directive (NPD) 1050.1G Authority to Enter into Space Act Agreements and NAI 1050-1, Space Act Agreements Guide, provide the policies and procedures governing the establishment and contents of NASA Space Act Agreements.

0102 AUTHORITY

Federal statutes, presidential directives, Office of Management and Budget (OMB) circulars, as well as NASA directives and guidelines provide authority and guidance for establishing and implementing agreements between NASA and other government entities or the public.

010201. Legislation

A. [National Aeronautics and Space Act of 1958](#) (42 U.S.C. 2451 et. seq.) This Act authorizes NASA “to enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of its work and on such terms as it may deem appropriate, with any agency or instrumentality of the United States, or with any State, Territory, or possession, or with any political subdivision thereof, or with any person, firm, association, corporation, or educational institution” Section 203. Additionally, the Act authorizes NASA “to use, with their consent, the services equipment, personnel, and facilities of Federal and other agencies with or without reimbursement, and on a similar basis to cooperate with other public and private agencies and instrumentalities in the use of services, equipment, and facilities.” In addition, Section 205 of the Act states, “The Administration, under the foreign policy guidance of the President, may engage in a program of international cooperation in work done pursuant to this Act, and in the peaceful application of the results thereof, pursuant to agreements made by the President with the advice and consent of the Senate.” Agreements using these authorities are referred to as Space Act Agreements. The NASA

Space Act Agreements Manual establishes guidelines for entering into Space Act agreements

B. Federal statutes other than the Space Act also authorize and govern reimbursable agreements for certain types of facilities and activities.

1. [Economy Act of 1932, 31 U.S.C. 1535](#) This Act provides authorization for Federal agencies to request and perform interagency reimbursable work. Under the Act, such reimbursable work must be in the best interest of the Government, and goods and services are less expensive or more conveniently provided by Federal agencies than by commercial vendors.

2. [Commercial Space Launch Act, 49 U.S.C. Chapter 701](#)
This statute governs the sale, by NASA, of launch property for fair market value and the sale of launch services for direct cost only. The charge for launch services or reentry services is an amount equal to the direct costs, including the basic pay of Government civilian and contractor personnel, the Government incurred because of acquisition of the services.

3. [Fees and Charges for Government Services and Things of Value, 31 U.S.C. 9701](#) This Act requires that charges be fair; and based on (A) the costs to the Government; (B) the value of the service or thing to the recipient; (C) public policy or interest served; and (D) other relevant factors. User charges are ordinarily deposited into Treasury miscellaneous receipts, but may be retained by NASA where authorized by law. Detailed procedures for user charges are included in the Office of Management and Budget (OMB) Circular A-25.

4. [Land Remote Sensing Policy Act of 1992, 15 U.S.C. 5601-5602](#) This Act prohibits charging depreciation and other costs not specifically attributable to fulfilling users' requests for Landsat 4 through 6 and Landsat 7 data. The Congress has directed in Section 8501(13) states that data shall be made available to all users at the cost of fulfilling user requests.

5. [Commercial Space Competitiveness Act - Use of Government Facilities 15 USC 5807](#) This Act provides authority for NASA to use its space-related facilities on a reimbursable basis to support commercial space activities, and to charge only direct cost.

6. [National Historic Preservation Act, 16 U.S.C.470h-3](#) The National Historic Preservation Act provides Federal Agencies the authority to lease historic property and retain the proceeds to defray the cost of administration, maintenance, repair, and related expenses incurred by the agency with respect to property that is on the National Register.

7. [Enhanced-Use Lease \(EUL\) of Real Property Demonstration, 42 U.S.C. 2459j](#) This section of the Space Act gives the Administrator

authority to lease NASA real property to other Federal Agencies and non-federal entities and use the proceeds of the lease agreement to cover the full costs to NASA in connection with the lease. In addition, amounts received in excess of costs associated with the lease shall be available for maintenance, capital revitalization, and improvements of the real property assets of the centers selected for this demonstration program, and shall remain available until expended. The statute limits the use of this authority to no more than two NASA Centers. The Ames Research Center and Kennedy Space Center are NASA's EUL demonstration sites.

C. In addition, various statutes govern financial accounting and reporting for reimbursable work.

1. [Chief Financial Officers Act of 1990, 31 U.S.C. 902](#) This statute requires a biennial review of costs of services provided versus charges imposed.

2. [Custodians of Money, 31 U.S.C. 3302](#) This statute requires all monies to be deposited to Treasury, unless otherwise provided by law.

010202. [Executive Orders and Regulations](#) The following Executive Branch issuances pertain to NASA's operations:

A. [OMB Circular A-11, Preparation, Submission, and Execution of Budget](#) OMB Circular No. A-11 provides guidance on preparing Agency budget submissions and includes instructions on budget execution. This Circular requires an estimate of the amount of reimbursable work the agency expects to perform each fiscal year and the process for requesting the reimbursable spending authority for the monies collected from customers.

B. [OMB Circular A-25, User Charges](#) Reimbursable policy regarding work for other than Federal entities under the authority of 31 U.S.C. 9701 is covered by [OMB Circular A-25 "User Charges."](#) In any case where another OMB Circular provides guidance concerning a specific user charge area, the guidance of that Circular shall be deemed to meet the requirements of this Circular. In cases where another statute authorizes reimbursable work, the provisions of that statute apply

C. [OMB Circular No. A-45 Rental and Construction of Government Quarters](#) This Circular provides policy and direction concerning charges for rental quarters.

D. [OMB Circular No. A-97 Specialized or Technical Services for State and Local Governments](#) As the title states this Circular provides guidance concerning the provision of specialized technical services to State and local governments.

E. [Federal Acquisition Regulation \(FAR\) Part 17.5, Interagency Acquisitions Under the Economy Act](#) and PART 1817.5 of the NASA FAR supplement

The Federal Acquisition Regulation contains requirements and guidance concerning the use of reimbursable agreements between Federal Agencies

F. [14 CFR 1210 Development Work for Industry in NASA Wind Tunnels](#) This regulation sets forth the conditions under which development work for industry can be carried out in NASA wind tunnels.

G. [14 CFR 1215 Tracking a Data Relay Satellite System \(TDRSS\)](#) This regulation sets forth the reimbursement policy for TDRSS usage and has been established to purposely influence users to operate with TDRSS in the most efficient and orderly manner possible.

010203. [NASA Regulations and Directives](#) The following NASA documents provide policy and procedures for the format and content of Space Act Agreements.

A. [NASA Policy Directive \(NPD\) 1050.1](#), Authority to Enter into Space Act Agreements. The Space Act provides authority to enter into Space Act Agreements, and the NPD provides guidance for entering into those agreements.

B. [NAII 1050-1, Space Act Agreements Guide](#) This guide provides guidance and advice on various classes of agreements divided according to type and identity of the parties.

0103 DEFINITIONS

The following definitions apply to the types of reimbursable agreements NASA enters in to with other Federal Agencies, foreign Governments, and private parties.

010301. [Direct Budget Authority](#) Budget Authority is the authority provided by law to incur financial obligations that will result in outlays. The term direct budget authority is used in this Volume to identify the authority NASA receives as the result of Congressionally enacted appropriations and apportionments issued by OMB. As used in this volume, direct budget authority does not include reimbursable budget authority.

010302. [Full Cost](#) The term Full Cost is used in the NASA FMR to identify the fully burdened cost of a program or project. For purposes of reimbursable work, full cost means the direct and indirect resources used to provide the specific work. It does not include Corporate G&A and Institutional Investments. The level of Headquarters expenses resulting from reimbursable agreements generally cannot be clearly identified with a specific customer's work and are so minimal that the collection of corporate charges from individual reimbursable agreements is not warranted.

010303. Incremental Costs Incremental costs are those costs that NASA will incur to perform a specified unit of work that are over and above the costs that NASA is currently incurring. Incremental costs do not include indirect or other costs that NASA will incur if the new work is not performed.

010304. Interagency Agreements (IAs) Interagency Agreements are agreements between NASA and another Federal agency that document the performance terms and conditions between the parties.

010305. Reimbursable Agreement Price The term Price is used in this FMR Volume to represent the level of reimbursement the customer is required to provide in return for a specified benefit the customer will receive.

010306. Reimbursable Budget Authority Reimbursable budget authority is provided by Congress annually incident to the Agency's request in the President's budget. This is not the same as direct budget authority. By itself reimbursable budget authority does not permit the agency to incur obligations. Instead, reimbursable budget authority is authority to perform work on a reimbursable basis for other entities. Monies collected from the reimbursable customer as payment for the services provided are included in the Agency's total budgetary resources.

010307. Space Act Agreements NASA's Space Act Agreements Manual NAI 1050-1 describes the types of Space Act agreements and contains detailed guidance and advice for entering into Space Act Agreements.

A. Domestic Space Act agreements are agreements between NASA and a non-government U.S. entity.

B. International Space Act agreements are agreements between NASA and a non-U.S. entity. International reimbursable agreements are established and negotiated by NASA Headquarters.

010308. Categories of Reimbursable Agreements

A. Programmatic Reimbursable Agreements Programmatic reimbursable agreements are those that are directly related to an existing NASA program. Some programmatic reimbursable agreements involve collaborative arrangements in which the customer/partner provides funding for some portion if its share of the project.

B. Institutional Reimbursable Agreements Institutional reimbursable agreements are those that are not directly related to an existing NASA program. This is a very broad category of agreements that includes research and test services, facilities type services such as host tenant agreements, and any other reimbursable agreements that are not directly related to an existing NASA program. A full cost Estimated Price Report must be prepared for institutional reimbursable agreements unless otherwise provided in this volume.

1. Host-Tenant Agreements A host-tenant agreement is an agreement between NASA and another Government agency that provides for the use of NASA facilities, institutional services, or for provision of support services, including but not limited to guards, automated data processing (ADP) personnel, or other support to the non-NASA customer. A host-tenant agreement is a type of interagency agreement (IA) or Space Act agreement that establishes the formal relationship between NASA and the non-NASA party. These agreements define the relationship between the parties, delineate the general policies and responsibilities, specify responsibilities for identifying requirements and delivering services, establish the basis for reimbursement by the tenant to NASA, and recognize the non-NASA party as a tenant with long-term requirements that will be described by an extended plan (frequently five years) and annual updates. Exhibits that provide information on the specific facilities and services that NASA will provide may support the agreement and how the tenant will reimburse NASA for them. For a Government tenant, funding documents will explain reimbursement procedures. Pricing requirements are identified in Section 040105.E. of this Volume.

2. Intergovernmental Personnel Act Agreements The Intergovernmental Personnel Act (IPA) (5 U.S.C. 3371-3376) permits Federal Agencies to enter into agreements governing the assignment of personnel to or from, state, and local governments, institutions of higher learning, Indian Tribal governments and other eligible organizations on a temporary basis. The Office of Personnel Management has issued implementing regulations (5 CFR part 334) and NASA has issued procedural requirements in NPR 3300.1A. Reimbursement is limited to basic pay, supplemental pay, fringe benefits, and travel and relocation expenses. NASA Centers are not required to prepare EPRs and develop a full cost Reimbursable Agreement for IPA agreements. NASA Centers may charge an administrative fee to cover the cost associated with processing this type of reimbursement.

3. Travel-only Agreements. Under travel-only agreements another party agrees to reimburse NASA for travel expenses incurred by a NASA employee. These agreements are used when the NASA employee is making a presentation or other appearance that is approved in accordance with 41 C.F.R. ch. 304, NPD 9701.1, and NPD 1385.2G. They are called "travel-only" agreements because they involve reimbursement for only the actual travel expenses and are not to be utilized for the provision of products and/or services. Travel-only agreements permit reimbursement for expenses incurred by the traveler normally incidental to travel, including, but not limited to, transportation, accommodations, registration fees, automobile rental, meals, and other directly related expenses that the traveler incurs. Travel only agreements shall not include payment for the cost of the time the traveler spends traveling, or while away from his/her home site, or for any services that person provides. The individual is not allowed any supplementation of his/her salary in "travel only" agreements. NASA Centers are not required to prepare Estimated Price Reports and develop a full cost Reimbursable Agreement for travel-only agreements.

4. “Pass-Thru” Reimbursements Pass-thru reimbursements represent agreements where NASA allows another party to obtain services from a NASA contract as a convenience to the other party. In such cases, the Center is not providing any type of product, service, or use of facilities other than the processing of the contract. For example, a NASA Center may accept funding from another party for the other party’s share of a utility bill when service for both parties has been established under a single utilities contract. The Centers are not required to prepare an Estimated Price Report and develop a full cost reimbursable agreement for pass-thru reimbursements. NASA Centers may charge an administrative fee to cover the cost associated with processing this type of reimbursement.

0104 ROLES AND RESPONSIBILITIES

010401. NASA Agency Chief Financial Officer (CFO) shall:

A. Develop, issue, and interpret financial management policies for reimbursable agreements.

B. Maintain financial records and related reports, including Agency-wide reports of reimbursable obligations, costs, accounts receivable, and collections during the year.

C. Request and receive apportionments of reimbursable authority from the Office of Management and Budget.

D. Review supporting documentation and issue reimbursable resources authority (NF 506A-R) to Centers.

E. Implement internal controls necessary to prevent over-obligation of reimbursable funds.

F. Ensure that WBS codes are assigned to reimbursable agreements in accordance with NASA policy for numbering programs and projects.

010402. Agency Associate Administrators for the Mission Areas

A. Shall perform the following for Headquarters-negotiated reimbursable agreements:

1. Prepare Headquarters-negotiated reimbursable agreements, prepare or obtain EPRs from performing organizations, and obtain necessary concurrences, including the Headquarters Office of the Chief Financial Officer (OCFO).

2. Execute the agreement and authorize the work.

3. Monitor the financial status of Headquarters-negotiated reimbursable agreements and take action as needed to ensure that NASA receives the proper level of reimbursement.

4. Arrange necessary approvals or terminations.

B. Shall identify and provide funding to cover all proposed waived cost that the Mission Directorate believes should be funded by one of the Mission Directorate's programs.

010403. Assistant Administrator for External Relations The Assistant Administrator for External Relations (or designee) is responsible for negotiating, amending, executing, and terminating International Space Act Agreements.

010404. NASA Headquarters Director for Headquarters Operations The Director for Headquarters Operations is responsible for:

A. Reviewing and concurring with Headquarters-negotiated reimbursable agreements and Estimated Price Reports (EPRs).

B. Verifying that all Headquarters accepted reimbursable agreements are assigned a WBS identity.

C. Securing and documenting exceptions to full cost and advance requirements for Headquarters-negotiated agreements.

D. Performing closeout of Headquarters negotiated agreements.

010405. NASA Center Directors and the NASA Management Office-Jet Propulsion Laboratory are responsible for:

A. Negotiation, execution, amendment, and termination of reimbursable agreements for their respective Center.

010406. Center Chief Financial Officers (CFOs) (and for Headquarters negotiated reimbursable agreements, the Headquarters Director for Operations) shall:

A. Ensure that market surveys are conducted for each area of reimbursable work or services the Center provides that are also available from non-NASA sources.

B. Review and approve or non-concur with all Center negotiated reimbursable agreements and EPRs including the amount and funding source, if needed, of all price adjustments or waived costs.

C. Verify that all agreements, or separately funded orders under multiple order agreement(s), are assigned a WBS.

D. Maintain financial control over each agreement and generate all financial reports.

E. Implement internal controls necessary to prevent over-obligation of reimbursable funds.

F. Properly document approved waivers of advance payment requirements.

G. Ensure the program office has obtained any NASA program funding that was negotiated as part of a programmatic reimbursable agreement.

H. Ensure obligations and costs related to reimbursable agreements are clearly charged to proper reimbursable funding and to correct WBSs.

I. Maintain complete financial records of all reimbursable agreements including estimated costs, waived cost and the reason for the waiver, actual costs, estimated customer reimbursement, and actual customer reimbursement.

010407. Agreement Manager The Agreement Manager responsible for managing development of a reimbursable agreement shall:

A. Prepare Center-negotiated reimbursable agreements and EPRs, and obtain required concurrences including that of the Center CFO.

B. Ensure there is justification for any waivers of advance payment requirements.

C. Coordinate with the Center CFO to develop the WBS at the customer order level where the customer issues individual orders under one agreement.

010408. Center Reimbursable Agreement Project Manager shall:

A. Perform agreed-upon work as well as monitor and review agreements.

B. Comply with established internal controls and implement additional controls if needed to prevent over obligation of reimbursable funds.

C. Immediately notify the office of the Center CFO when conditions necessitate OCFO action including changes in the price of the agreement, termination of the work, or closeout of the agreement.

D. Develop budget estimates for individual reimbursable agreements as required in the annual budget guidance.

010409. Headquarters Office of General Counsel and the Centers' Office of Chief Counsel shall review, provide legal guidance, and concur with each agreement in accordance with the Space Act Agreements Guide to ensure consistency with applicable legislation.

CHAPTER 2**REIMBURSABLE AGREEMENT ADMINISTRATIVE PROCEDURES****0201 INTRODUCTION**

This chapter issues policy and procedures for administrative financial requirements of all reimbursable agreements.

0202 REIMBURSABLE AGREEMENTS

020201. Reimbursable Agreements shall contain:

A. A citation of legal authority both for performing reimbursable work and for crediting reimbursements to NASA appropriations.

B. A complete description of the work or services to be performed as required in NAI 1050-1, Space Act Agreements Guide and a statement of why the project is being supported.

C. Initiation and completion dates.

D. Estimated cost of the work or services, with a provision that the customer will reimburse NASA for costs incurred that exceed the estimate.

E. The total cost of the agreement, the price to be borne by the customer and the cost, if any, to be borne by NASA,

F. The funding citation for the NASA portion of the work.

G. Identification of the NASA billing organization.

H. Identification of the customer payment office, phone number, address, Reimbursable Agreement Number and any other identifying number, i.e., order number, date of Memorandum of Understanding.

I. For Federal agency customers, the agency's fund citation including the appropriation symbol and expiration date, the customer agency's Treasury Agency Location code (ALC), and its Dun & Bradstreet Universal Numbering System (DUNS) number.

J. If the customer is a Federal agency that has approved billing and collection via Treasury's Intergovernmental Payment and Collection (IPAC) system, the signed agreement must contain the customer's financial information that NASA needs to process the IPAC transactions.

K. For non-Federal customers, the agreement must contain the requirement for advance payment or an approved waiver of the advance payment requirement.

L. Where multi-order agreements are used, individual orders will identify the goods and services ordered, prices, delivery terms, initiation date, and completion date, as appropriate.

020202. BUSINESS RULES

A. Each reimbursable agreement will be assigned a project WBS in accordance Agency policies and procedures for program and project identification. All reimbursable agreements (or stand alone orders under multiple order agreements) must be numbered so that they can be individually identified.

B. Costs are to be recorded in accordance with the full cost requirements of NASA FMR Volume 7, Cost. In addition, the estimated and actual waived cost as well as the estimated and actual customer reimbursement must be documented for each agreement.

C. No commitments or obligations may be established nor costs incurred under a reimbursable agreement until reimbursable agreements are approved and signed by authorized representatives of both NASA and the customer, and the following conditions are met:

1. Formal reimbursable funding authority has been issued to the performing Center(s) through the Fund Control Process contained in FMR Volume 5, “Budget Execution”, and

2. If the customer is a non-Federal entity, a cash advance has been received by the Center, except where otherwise authorized by law and approved by the Center CFO, or

3. If the customer is a Federal agency, an advance or funds citation has been provided. Advances may be requested from Federal customers via IPAC for agreements greater than \$1 million dollars. The request for advance billing may be up to 50% of the agreement value.

D. The execution of reimbursable agreements is subject to all of NASA’s normal program management, financial management, and procurement procedures. In addition, the following requirements apply to reimbursable agreements:

1. Financial records and reports must be maintained at both the customer order level, as well as the agreement level, to facilitate performance management and financial management.

2. Performance, billings, and closeouts will be executed on a timely basis as specified in the reimbursable agreement and in FMR Volume 6, Chapters 2, 3 and 4.

3. NASA Headquarters and Centers must comply with the intragovernmental transaction data and reconciliation requirements contained in Office of Management and Budget (OMB) Memo M-03-01, "Business Rules for Intragovernmental Transactions".

E. Before each Reimbursable Agreement is approved, the Center CFO will ensure that all of the following requirements are satisfied:

1. The estimated full costs of performing the work are analyzed for each proposed agreement;

2. Where applicable the market based pricing structure established for the Center will be applied to the agreement. The difference between the full cost and the market based price is the waived cost and will be shown in the price adjustment column of the EPR.

3. If the amount of the price adjustment, or proposed cost waiver on a cost based agreement, requires waiving any incremental costs that will be incurred because of the agreement, the Center CFO must obtain alternative funding for the waived incremental cost.

4. The pricing applied to the reimbursable agreement will not result in reimbursable revenue that is in excess of the full cost of providing the work, unless the excess revenue is promptly deposited into Treasury's miscellaneous receipts account.

F. Multiple Order Reimbursable Agreements When a reimbursable Space Act agreement calls for the issuance of multiple individual orders, each order will be treated as a separate agreement for the purposes of costing, pricing, billing and collection. The requirements of this Volume are to be applied to each order as if it were a single stand alone agreement.

020203. Monitoring Controls Internal controls must be established and enforced to prevent the amount chargeable to the customer from exceeding the reimbursement amount specified in the reimbursable agreement. All levels of management involved in the execution of the reimbursable agreement, including but not limited to, the reimbursable project manager, service pool managers, and the Office of the CFO share this responsibility. Reimbursable project costs must be closely monitored so that if needed, additional funding can be requested from the customer before costs in excess of the agreed upon amount are incurred. In addition, controls must be put in place to ensure that amounts collected from reimbursable customers are credited to the NASA appropriation and program year that was used to pay for the work.

0203 ESTIMATED PRICE REPORTS (EPRs)

All proposed agreements forwarded to the Center CFO or Headquarters, Funds Control and Distribution Branch, for concurrence will be accompanied by an EPR showing the estimated cost by cost element. Reimbursable agreements that will be executed by more than one Headquarters office or NASA Center must include supporting schedules that identify the costs to be incurred by each NASA participant. All proposed price adjustments to reach market price, or other waived cost when market pricing is not applicable, must be identified in the Price Adjustment column on the EPR. The requirements for, determining, approving, and documenting the market based level of reimbursement are identified in Chapter 4 of this Volume. A sample of the EPR format is provided as Appendix A of this Volume. The items listed on the sample EPR represent the minimum information that must be documented on the EPR.

0204 ADVANCES RECEIVED

020401. When advances are received from non-Federal reimbursable customers they must be deposited promptly in accordance with the procedures in Chapter 5 of FMR Volume 15, "Cash Management (Disbursing)". Advances from Federal reimbursable customers should be requested via IPAC for deposit to the NASA appropriation being used to execute the work.

020402. Advances Received by NASA Centers All advances received from reimbursable customers, both Federal and non-Federal, must be credited as Advances From Others to the NASA appropriation that is being used to execute the work. Advances from reimbursable customers may not be held in suspense accounts pending performance of the requested work. The only time reimbursable advances may be deposited into a suspense account is when the reimbursable customer agreement cannot be immediately identified. In such cases, the funds must be deposited to the NASA appropriation being used to execute the work within 30 days or the Center CFO must document the reason the advance remains in the suspend account and estimate when the advance will be removed from the suspense account. These requirements apply to all reimbursable advances, including those received at NASA Headquarters.

020403. Advances Received by NASA Headquarters Cash advances received at NASA Headquarters from non-Federal sources must also be deposited promptly in accordance with the procedures in FMR Volume 15, "Cash Management (Disbursing)". In addition, the Headquarters office receiving the advance must contact the performing Center and obtain the identity of the appropriation that will be used to execute the work and deposit the advance to that appropriation.

0205 BILLING AND COLLECTION020501. Billing

A. Billing Frequency As costs are incurred, NASA Centers or the NASA Shared Services Center (NSSC) (when the function is transferred), must bill reimbursable customers monthly. The monthly calculation and processing of a bill is required whether or not an advance has been received. In those cases where an advance has been received, the billing triggers a reduction of the balance in the “Advances from Others” general ledger account in the amount of the bill. Unless specifically called for in the agreement, monthly billing is not required when the amount of the bill is relatively small in relation to the total amount of the agreement and the Center expects additional cost will be recorded. At fiscal year end all unbilled costs that have been posted to the financial records of the reimbursable agreement must be billed regardless of amount. Each bill will show the agreement number and provide other information needed by customer. Collections for cost incurred will be immediately deposited to NASA appropriations. Depreciation charges included in the customer billing must be deposited to the Treasury miscellaneous receipts account (Account 803220, General Fund Proprietary Receipts) when collected.

B. Headquarters Negotiated Reimbursable Agreements In the case of reimbursable agreements negotiated by NASA Headquarters, the NASA Center performing the work is responsible for billing the customer as costs are incurred. When more than one Center is assigned responsibility for portions of a Headquarters negotiated agreement each participating Center will be issued specific reimbursable authority. The Director for Headquarters Operations will be responsible for tracking the financial status of the entire agreement. The Headquarters office that negotiated the agreement will provide the performing Centers copies of the agreement and any applicable supplemental data.

C. Payment Methods NASA Centers should make every effort to have customers submit all payment, including advances, electronically. Chapter 2 of FMR Volume 15 describes the various electronic payment methods that can be used by Federal and non-federal customers.

020502. Recording Collections

A. Agreements with Advances Where money has been collected in advance, the Centers or the NASA Shared Services Center (NSSC) should record the funds as advances received from others. The advance account is liquidated as described in paragraph 020501. above.

B. Agreements Without Advances Where money has not been collected in advance, Centers should bill in accordance with 020501, above, or as specified in the agreement based on costs incurred. Each bill will identify the specific agreement number and be forwarded to the customer in accordance with the instructions

contained in the agreement. For costs incurred at the Center level, collections must be credited to the NASA appropriation that was used to fund the reimbursable work. Amounts collected that represent depreciation charges must be deposited in the Treasury Miscellaneous Receipts Account.

020503. In the case of advance payments or other payments based on estimated price, an additional payment(s) will be requested, or a refund issued, when the actual price is known.

0206 FINANCIAL REPORTING

020601. The financial status of each reimbursable agreement must be available to the Project Manager, as well as the participating service pool managers, within 7 business days after the end of the month so that all needed information is available to support proper management of reimbursable agreements.

020602. The Center CFO is responsible for trading partner reporting information on the status of revenue earned to Federal reimbursable customers on a monthly basis as required by OMB Memo M-03-01, "Business Rules for Intragovernmental Transactions".

020603. A preliminary final bill must be submitted to the reimbursable customer no later than 90 days after the agreement completion date (goods and services are determined completed and delivered to customers or launched as specified in the agreement). The final bill must be submitted to the customer by the end of the month in which the final costs are recorded. No obligation or cost accrual adjustments will be allowed against reimbursable orders after a final bill has been submitted. Any subsequent increases or reductions in total cost of the NASA programmatic funded portion of a reimbursable agreement will be charged or credited to the associated direct program. Increases in total cost of the customer funded portion of a reimbursable agreement will be charged to CM&O. When the price of a reimbursable agreement is based on cost rather than market rates, decreases in the cost of the customer funded portion of the reimbursable agreement must be refunded to the customer if the customer has paid for those costs. All increases or reductions processed after the final bill must be posted to the NASA program year account that was used to perform the rest of the work. As a result, every effort must be made to ensure that all costs or cost adjustments are recorded on a timely basis.

020604. Small amounts do not need to be returned to customers when the Center CFO determines that the cost of processing the refund will exceed the amount of the refund.

020605 Application of Reimbursements Received

A. Receipts from reimbursable work may be credited to NASA appropriations based on the principle that actual costs have increased, directly or indirectly to NASA as a result of the reimbursable work. Receipts from reimbursable work may only be credited to the fiscal year appropriation from which the cost of providing the service was paid. Otherwise receipts should be credited to "Miscellaneous Receipts" U.S. Treasury. The following must be considered in making this determination:

1. In cases where the NASA appropriation includes specific funding to support the reimbursable work NASA cannot retain funds received from customers for this work.

2. NASA must be assured that funds received represent reasonable compensation for costs incurred. Any reimbursement received in excess of the actual full cost incurred must be returned to the customer. The only exception to this would be agreements with non-federal customers where NASA charges market price and the market price exceeds NASA's full cost. In that situation the reimbursement received that exceeds full cost must be deposited to the Treasury Miscellaneous Receipts Account, unless specific legislation authority, such as the Enhanced Use Lease Demonstration authority, permits retention by the Agency.

B. Appropriation Augmentation NASA's reimbursable budget authority is approved by Congress incident to the Agency's request in the President's annual budget. This reimbursable authority is not the same as direct budget authority. Reimbursable budget authority is authority to enter into reimbursable agreements with other entities and accept funding from other entities as reimbursement for the cost of services rendered or goods provided. Reimbursable work involves the receipt of funds from sources other than NASA's direct appropriations and crediting them to NASA appropriations. In addition, NASA must limit any reimbursements it credits to its appropriation to the actual full cost of the work or service performed. In some cases, funds received as the result of reimbursable work may not be deposited to one of NASA's appropriations and may have to be deposited to U.S. Treasury Miscellaneous Receipts account.

CHAPTER 3

COST ESTIMATING FOR REIMBURSABLE AGREEMENTS

0301 INTRODUCTION

030101. This chapter covers the determination of reimbursable agreement costs. Initially all reimbursable agreements shall be developed on a full cost basis (Refer to FMR Volume 7, "Cost"). NASA may set the level of reimbursement to be provided by the customer at a level lower than full cost. Chapter 4 of this Volume contains instructions for establishing the required level of reimbursement. Nonetheless, before a reimbursable agreement for work is accepted the full cost of reimbursable work must be calculated and documented on the EPR.

0302 DETERMINING THE FULL COST OF REIMBURSABLE AGREEMENTS

030201. Identifying the cost of a reimbursable agreement requires the determination of the costs of the work, services, and facilities usage that are to be provided to the customer. It is NASA policy that, except for Corporate G&A and Institutional Investments, standard rates or standard charges will be used whenever possible and practical. The costing methods identified in paragraphs A. and B. below are listed in order of preference.

A. Standard Rates or Charges A standard rate (\$/unit) or charge for each Service Pool consistent with the consumption basis prescribed in FMR Volume 7 can be determined for some services or components of services that are required to complete a reimbursable agreement. For example wind tunnel usage is charged based on a standard rate for each shift the wind tunnel is operated. Standard costing applies when there is recurrent demand for the same or similar goods or services and costs are uniform. This type of costing is determined in advance and can readily be applied to cost the related components of a customer's reimbursable agreement. Examples of standard cost within NASA include service pool and G&A rates. Once the full cost is established using the Center's indirect cost rates and the reimbursable agreement is signed, Centers may treat the indirect cost rates used to determine full cost as fixed for the remainder of the fiscal year.

B. Agreement Costing When requested services cannot be costed using a standard rate, customized agreement costing may be used. NASA Centers must conduct a case-by-case study to identify each cost element involved and how to assign that cost to the agreement. For example, a standard rate could be used to apply wind tunnel use cost to the agreement. Other cost elements will require different methods of estimating and assigning the cost to the agreement.

030202. Cost Assignment

A. In developing a method for costing and assigning cost to reimbursable work, NASA shall use generally accepted accounting principles. The principles provide an order of preference framework for assigning costs:

1. Directly trace costs wherever feasible and economically practicable.
2. Assign costs on a cause-and-effect basis.
3. Allocate costs on a reasonable and consistent basis.

B. When reimbursable projects use the same types of good or services as direct funded projects, the reimbursable projects will be costed using the same rates and basis of consumption as the direct funded projects.

C. Actual cost for reimbursable work projects shall be assigned as prescribed in FMR Volume 7.

D. Recognizing that the computation of full cost cannot always be exact, NASA will strive to achieve a high degree of precision in costing reimbursable work. The following restatement of a Comptroller General decision was taken from the Government Accountability Office's (GAO's) "Principles of Appropriations Law" Second Edition, Volume IV, pages 15-40 and 15-41:

"While at times actual cost can be computed with precision, the Economy Act does not require that the determination be an exact science. Cases on reimbursable work even before the Economy Act recognized the acceptability of a reasonable and appropriate methodology over "absolutely accurate ascertainment" which might entail considerable burden and expense, 3 Comp. Gen. 974 (1924). As stated in B-133913, January 21, 1958, "[a]s long as the amount agreed upon results from a bona fide attempt to determine the actual cost and, in fact, reasonably approximates the actual cost," the Economy Act is satisfied."

0303 TYPES OF COST

In addition to the criteria in Section 0302 "Cost Assignment" above, the following is the policy on handling the assignment of certain NASA cost elements to reimbursable work projects.

030301. Direct Costs Costs such as salaries and benefits, travel, contracts, materials, supplies, and equipment that are specifically identified with the reimbursable project are examples of direct costs. These items should be individually identified and

shall be applied directly to the reimbursable project. These are costs that can be directly traced to the reimbursable work. Direct costs include service pool labor and materials that are direct charged to a reimbursable agreement.

030302. Directly Associated Cost Costs with a cause-and-effect relationship to the goods or services provided but that cannot be immediately charged to the reimbursable project are termed directly associated costs. An example is the cost of printing services for the reimbursable project that are procured on a Center-wide contract and subsequently charged to the reimbursable project.

A. Service Pool Indirect Costs Service pool indirect costs are costs that cannot be specifically and immediately assigned to a reimbursable project, but can be subsequently traced or linked to a reimbursable project and assigned based on usage or consumption. NASA FMR Volume 7, Cost, Table 7-1 lists the current NASA service pools and their basis of cost allocation. Service pool costs shall be assigned to reimbursable projects using the same basis of cost allocation as is used for the direct funded programs/projects. The costs addressed here do not include the labor of service pool personnel that is direct charged to a program, project, or reimbursable agreement. Likewise, material costs incurred by a service pool that are direct charged to a program, project, or reimbursable agreement are not included under this heading.

030303. Other Chargeable Indirect Cost These are costs that are significantly related to performance of the reimbursable agreement and can be allocated on a reasonable and consistent basis. Center Management and Operations costs are an example of other chargeable indirect cost.

A. Center Management and Operation (CM&O) CM&O is a cost pool for Center support costs including the Center director and his/her immediate staff, Center management, Center operations, systems management, facilities services, and information technology support. CM&O is comprised of the costs for civil service personnel and travel, support service contracts, supplies, equipment, and other goods and services necessary to manage and operate the Center. Annually the Headquarters OCFO will establish the individual CM&O rates to be used by each Center to develop the full cost of reimbursable agreements.

B. Contract Administration and Audit Services (CAAS) When the contract costs associated with a reimbursable agreement exceed \$1 million and require NASA procurement services, including contracts and grants, the full cost must include the cost of CAAS support. Annually the Headquarters OCFO will establish the standard CAAS rate that will be used to develop the full cost of reimbursable agreements. The CAAS rate in effect at the time the agreement is signed will be used to determine the applicable CAAS cost. The CAAS cost is calculated by multiplying the planned contract cost by the established rate. The CAAS charge is to be considered as an incremental expense to the Agency and is non-refundable. CAAS charges are applicable to pass-thru contract actions if the contract requires CAAS services and the other party's share of the total contract exceeds \$1 million.

C. Corporate G&A and Institutional Investments Corporate G&A and Institutional Investments are not applicable to reimbursable agreements. This represents an exception to the requirements for determining full cost as stated in FMR Volume 7.

D. Headquarters Administrative Fee for JPL Reimbursable Agreements The NASA Management Office must include a Headquarters administrative fee in the cost of all reimbursable agreements that will be executed by the Jet Propulsion Laboratory. This administrative fee is required so that NASA Headquarters may recoup the added cost associated with the financial management of the JPL reimbursable agreements. The administrative fee will be computed using a rate that will be issued annually by NASA Headquarters.

CHAPTER 4**PRICING REIMBURSABLE AGREEMENTS**

0401 PRICING REIMBURSABLE SPACE ACT AGREEMENTS

040101. Space Act Reimbursable Agreement Pricing Policy

A. Market Rate Pricing In order to avoid putting commercial providers of similar services at a competitive disadvantage, NASA may adjust its cost recovery to account for market prices. The NASA pricing policy for Space Act Reimbursable Agreements when the types of services to be provided are available from non-NASA sources is to charge market rates. When market rates apply to a reimbursable agreement, those rates must be based on a market survey. The market based price should recover at least the incremental costs of doing the work, but normally not more than the full cost of the work. However, market based pricing does not apply where the pricing requirements for specific services or facilities are otherwise established by law or regulation. Section 040105 contains the special pricing provisions applicable to certain types of NASA services and facilities.

B. Cost Based Pricing In the event there is no market source for the specific or similar services the Center proposes to provide under a reimbursable agreement, the Center CFO is not required to perform a market survey. The Center CFO shall establish a price, based on the best information available, that is consistent with the cost NASA will incur and the benefit NASA will receive when the work is performed. In such cases it is likely that the price charged the customer will equal the full cost as determined in accordance with Chapter 3 of this Volume and identified on the EPR. The process used and the factors considered in the development of such prices must be consistently applied and fully documented. This documentation must be maintained for at least three years.

C. Limits on Competition with U.S. Commercial Sources Legal or policy considerations can affect the circumstances in which the Agency can make specific types of facilities or services available if commercial services are otherwise available. For example, the Commercial Space Competitiveness Act (15 U.S.C. § 5807) states the Federal Government, including NASA, may allow non-Federal entities to use space-related facilities on a reimbursable basis if equivalent commercial services are not available on reasonable terms. For these facilities and services, the customer requesting that NASA undertake reimbursable activities bears the burden of establishing that they cannot obtain equivalent goods or services from the private sector. Centers with questions concerning the offering of specific services that are also available from a U.S. commercial source should contact their Center Chief Counsel.

040102. Procedures for Establishing “Market Rates”

A. Market Survey Center CFOs will ensure that a comparable pricing survey is conducted of providers of similar services that the Center wishes to offer through Space Act agreements. These surveys are performed annually or as reasonable and necessary, depending upon the degree of external market price stability for the services being offered. Since the responsible technical managers have established working relationships with other providers, it is expected that these managers will conduct the surveys and provide the results to the Center CFOs. Such a survey will include a representative sample of providers, and be conducted in a thorough manner, so that an analysis of the results will provide reasonable assurance that a comparable pricing structure can be determined for the current year for that Center. The process, analyses, and results will be documented and available for review.

1. A representative sample of service providers will be surveyed through interviews, reviewing their published rates, or by appropriate alternative methods (e.g., knowledgeable industry representatives or associations). The information obtained during the surveys will be documented, labeled proprietary information, and access will be restricted. The documentation will include:

- a. Name of the service provider;
- b. Date the information was received;
- c. Pricing information obtained;

2. The Center CFO will ensure that the results of the survey are consolidated, evaluated, and analyzed, with the objective of reaching a pricing structure for the Center that is:

- a. Supported by the survey results;
- b. Comparable to prices that customers could expect to find at other providers, given any discount or premium that is needed to compensate for bona-fide differences; and,
- c. Rational, fair, and consistently applied.

3. The Center CFO will ensure that the survey results, evaluation, analysis, and judgments are appropriately documented and retained for review in accordance with NASA document retention policies.

B. Interim Pricing Adjustments Between Market Surveys During the year between the market surveys, new pricing-related information may be discovered that the Center CFO should review, analyze, and evaluate for justifying possible interim adjustments to the Center's pricing structure. These adjustments should be kept to an absolute minimum in order to maintain pricing consistency and fairness to customers. In addition, pricing changes should not be influenced by "negotiations" with individual customers. The pricing strategy is market-based, not negotiated customer by customer. Nevertheless, in those rare cases when an interim adjustment to the Center pricing structure is necessary, it should be well documented and the supporting evidence maintained for three years.

040103. Market Adjustments on Estimated Price Reports (EPR) The adjustments needed to reconcile the market price to the full cost will be identified in a separate column of the EPR. The total adjustment for the agreement should be distributed to the individual lines on the EPR based on the information available at the Center.

040104. Treatment of Differences between Cost and Price

A. Incremental Costs Not Covered by the Price If the market based price is below the incremental cost the Center will incur to perform the work, the CFO must obtain alternative direct program funding and/or CM&O funding.

B. Market Based Price Exceeds Full Cost If the market based price is above full cost, Centers must deposit the amount collected that exceeds full cost into the Miscellaneous Receipts Account at Treasury.

040105. SPECIAL PRICING PROVISIONS APPLICABLE TO SPECIFIC AGREEMENTS Reimbursable work for certain types of services or facilities are governed by statutes and regulations other than the Space Act and NASA must follow the pricing and/or non-competition requirements of those authorities rather than NASA's general Space Act authority. Market based pricing only applies to the extent it is consistent with these other requirements. For example:

A. Wind Tunnel Fees

1. Unitary Wind Tunnel Act of 1949, 50 USC sections 511-515 implemented in 14 C.F.R. 1210 The prices charged reimbursable customers for the use of the wind tunnels covered by the Unitary Wind Tunnel Act of 1949, 50 U.S.C. 511-515, will be set in accordance with the provisions of 14 C.F.R. 1210.

2. The reimbursement required for Space Act agreements using any other wind tunnels operated by NASA will be based on the applicable pricing method in accordance with paragraph 040102 above. This includes:

a. Projects At National Aeronautical Facilities Projects

The national aeronautical facilities include the National Transonic Facility (NTF) at Langley Research Center and the National Full-Scale Aerodynamic Complex, consisting of the 40 by 80 foot and the 80 by 120 foot wind tunnels and related support facilities at Ames Research Center. NASA operates these facilities for NASA, industry, the Department of Defense, and other Government agency projects.

b. All Other Wind Tunnels

All other NASA wind tunnels will be used primarily for NASA research. However, all of these wind tunnels may be used for industry work when it is in the public interest either in joint programs with NASA or on a fee basis.

B. Space Shuttle Payloads ([14 CFR 1214](#))

1. Standard Services NASA may charge uniform prices for shuttle payloads, and escalate them annually unless updated.

2. Pricing Optional Services To the extent practical, optional services will be provided on a fixed-price or fixed-rate basis. If this is not practical, the price will be on a governmental cost basis; i.e., the actual cost or in certain cases the estimated actual costs. They shall be escalated annually unless updated.

C. Tracking and Data Relay Satellite System (TDRSS)

([14 CFR 1215](#)) This regulation covers considerations to be used in pricing TDRSS charges such as:

1. Annual determination of User Charges and Service Rates ([14 CFR 1215.113 and .114](#)).

2. Payment and billing including administrative charges ([14 CFR 1215.115](#)).

3. Estimated Service Rates and Escalation for Commercial Space Launch Act (CSLA) customers and others ([14 CFR 1215.115 Appendix A](#)).

4. Other multiplication factors for service rates ([14 CFR 1215.115, Appendix B](#)).

D. Commercial Space Activity This section covers the use of NASA facilities for Commercial Space Activities (see [15 USC 5802](#) for the definition of such activities) using NASA facilities. Space Launch Activities ([49 USC chapter 701](#)) is the primary activity of concern, though this section could apply to any Commercial Space Activities.

1. NASA may allow non-Federal entities to use NASA space-related facilities on a reimbursable basis if the Associate Administrator of the Space

Operations Mission Directorate ([NPD 1000.3 paragraph 4.3.2.3. and 4.3.2.9.](#)) determines that all of the following conditions are met:

- a. The facilities will be used to support commercial space activities.
- b. Such use can be supported by existing or planned Federal resources.
- c. Such use is compatible with Federal activities;
- d. Equivalent commercial services are not available on reasonable terms.
- e. Such use is consistent with public safety, national security, and international treaty obligations.

2. Basis of Reimbursement [15 U.S.C. 5807](#) (b) (1) states: “The reimbursement referred to in subsection (a) [of 15 USC 5897] of this section may be an amount equal to the direct costs (including salaries of United States civilian and contractor personnel) incurred by the United States as a result of the use of such facilities by the private sector. For the purposes of this paragraph, the term “direct costs” means the actual costs that can be unambiguously associated with such use, and would not be borne by the United States Government in the absence of such use.” Pricing of these agreements shall observe the following:

- a. The cost of commercial space activity support is to be calculated based on “Full Cost” as required in Section 0303 of this Chapter.
- b. Since NASA may charge only direct costs for these services, Center Management and Operations and Corporate G&A along with any other indirect costs will not be included in the price charged the customer. However, these indirect costs must be identified on the EPR as both components of full cost and adjustments to arrive at the amount the customer is required reimburse NASA. The requirements of Chapter 4 of this Volume apply to all adjustments from full cost, including adjustments required to comply with the provisions of 15 USC 5807.

3. The amount of any reimbursement received by the NASA for commercial Space Activities support under this subsection shall be credited to the appropriation from which the cost of providing such support was paid.

E. Host-Tenant Agreements Host tenant agreements represent a separate category of reimbursable agreement that may or may not be executed as Space Act Agreements. The pricing methodology used must be based on the authority under which the agreement is executed. As with all reimbursable agreements the Center General Counsel must review the agreement before it is signed

1. Space Act Agreements When host tenant agreements are executed under the authority of the Space Act the price charged the customer will be set as follows:

a. NASA Owned Facility In those cases where the host-tenant agreement is established as a Space Act agreement the price will be calculated based on the applicable pricing method in Section 040102 of this Volume.

b. Customer Owned or Constructed Facility When one or more Federal Agencies has ownership of buildings or facilities, or has constructed the facility and turned it over to NASA, on a NASA Center and those facilities represent a substantial portion of the facilities on the Center, the Center may enter into a Cooperative agreement with the tenant(s) under which all facilities operating costs and associated indirect costs are shared equitably. The Centers are not required to use the EPR format to develop the full cost of the agreement as long as the reimbursement Center receives is equal to the actual costs the Center incurs to support the tenant. As with all other reimbursable agreements, the Centers must maintain documentation that supports computation of the reimbursement the tenant is required to provide.

2. Economy Act Agreement with a Federal Customer When host tenant agreements are executed as Economy Act Orders the customer Agency will be charged the actual cost.

0402 NON-SPACE ACT REIMBURSABLE WORK FOR OTHER FEDERAL AGENCIES

040201. The Economy Act While the Space Act provides specific authority to NASA to engage in reimbursable and cooperative agreements with various parties including other Federal agencies, the Economy Act ([31 USC 1535](#)) provides authority for all Federal Agencies to engage in interagency reimbursable activity within certain constraints. If the reimbursable agreement cites the Economy Act as authority to execute the reimbursable work, market based pricing does not apply.

040202. Actual Cost The Economy Act requires all work be priced and charged to the ordering agency on an “actual cost basis.” The Economy Act prohibits an agency from deriving profit, augmenting its appropriations, or using another agency’s funds for purposes other than which the funds were originally appropriated. Actual cost means the direct cost of providing the work, plus indirect costs significantly related to providing the work and funded from current appropriations.

0403 CHARGES FOR RENTAL QUARTERS AND RELATED FACILITIES

This section provides additional policies, responsibilities and requirements NASA must follow when setting and administering rental rates for rental quarters and charges for related facilities.

040301. Legislative and Regulatory Authority The references below provide the authority and policy governing Agencies charges for rental quarters and related facilities.

A. [5 USC 5911](#), Quarters and Facilities; Employees on the United States.

B. [OMB Circular A-45](#), Rental and Construction of Government Quarters, Revised, dated October 20, 1993.

040302. Definitions

A. Rental quarters include all housing supplied under specific Government direction as an incidental service in support of Government programs. "Public Quarters" designated for occupancy by members of the uniformed services with loss of allowances, and sleeping facilities furnished on a temporary basis are excluded. Otherwise all quarters owned by or leased to the Government are included whether occupied by Government employees, contractors, contractors' employees, or any other person to whom housing is provided as incidental to the performance of a Government activity. Housekeeping and non-housekeeping units, including trailers but not tents, furnished, and unfurnished are included.

B. Related facilities include, but are not limited to utilities, services, furniture, and appliances.

040303. Roles and Responsibilities

A. The Installation Director, who has custody over quarters, as well as, the authority to rent the quarters will:

1. Monitor the use of rental quarters.
2. Annually determine whether an adjustment to the basic rental rate is required based on changes in the Consumer Price Index (CPI). Determine specifically when periodic reviews are necessary so that qualified appraisers may be obtained as required.
3. Annually advise the Associate Administrator for Institutions and Management of the need to adjust basic rental rates based on changes in the CPI. Advise the Associate Deputy Administrator for Institutions and Management of

the need to conduct a periodic review and of the recommended time schedule for the timely completion of the review. Request that the services of appraisers be provided.

4. Conduct the review using qualified appraisers.

B. The Assistant Administrator for Infrastructure and Administration, will:

1. Keep the CFO and the Associate Deputy Administrator for Institutions and Management advised of all significant events concerning the use of and charges for NASA rental quarters.

2. Designate person(s) to receive appeals and ensure that necessary administrative reviews and approvals are made in accordance with the provisions of OMB Circular A-45.

3. Establish by amending the lease or rental agreement the general rates and charges authorized by the Associate Administrator for Institutions and Management on the effective date and ensure they are collected.

4. Authorize specific adjustments to general rents.

C. The Associate Administrator for Institutions and Management will:

1. Provide qualified appraisers to Installation Directors to perform the necessary reviews. Where practicable, appraisers of the Federal Housing Administration, the Army Corps of Engineers, the Naval Facilities Engineering Command, or the General Services Administration will be used.

2. Make the final evaluation of the annual adjustment required based on changes in the CPI and the periodic reviews. Approve the general rates and charges to be established.

3. Review and decide on appeal actions and adjustments, as necessary.

040304. Determining Rental Rates Rental rates for quarters and charges for related facilities will be based upon reasonable value in the circumstances under which they are provided, occupied, or made available. The amount of rental rates shall not be set so as to provide an inducement in the recruitment or retention of employees or as an inducement to encourage the occupancy of existing Government housing. The detailed procedures for determining rental rates are contained in OMB Circular A-45, Rental and Construction of Government Quarters.

APPENDIX A

SAMPLE ESTIMATED PRICE REPORT

Customer:

Unique Project Number:

Customer Order Number:

Work Breakdown Structure:

<u>Cost Element</u>	Estimated		
	Full Cost	Price Adjustment	Price Charged Customer
1. Civil Service Labor (Including Fringe):			
1.a. Project Staff Labor			
1.b. Service Pool Direct Charged Labor			
1.c. Total Civil Service Labor			
2. Civil Service Travel:			
2.a. Project Staff Travel			
2.b. Service Pool Direct Charged Travel			
2.c. Total Civil Service Travel			
3. All Other (Procurements, Contracts, Purchases, Grants, Materials, etc)			
3.a. Project Direct Procurements			
3.b. Service pool Direct Charged Procurements			
3.c. Total Project and Service Pool Procurements			
4. Other Direct Costs			
5. Service Pool Costs			
5.a. Fabrication Services			
5.b. Science and Engineering Services			
5.c. Test Services			
5.d. Wind Tunnel Services			
5.e. Independent Technical Authority/Safety Mission and Assurance (ITA/SMA)			
5.f. Total Service Pool Costs			
6. CM&O			
7. CAAS			
8. HQ. Admin Fee (JPL only)			
9. Agreement Total			

Basis for Price Determination: _____

Source of funding for price adjustments and other waived costs: _____

Required Signatures

Agreement Manager

Name _____ Signature _____
Title _____ Date _____

Center Chief Financial Officer

Name _____ Signature _____
Title _____ Date _____

Instructions for completion of the Estimated Price Report

The sample Estimated Price Report shown above consist of three sections.

The first section is the heading and contains the following information:

1. The customer's name and address
2. The customer order number.
3. The Work Breakdown Structure (WBS)
4. The Unique Project Number

The second section is a table consisting of four columns and nine rows.

The column headings for the four columns are:

Column 1 - Cost Element. The column identifies the types of cost that make up the full cost of the reimbursable agreement.

Column 2 - Full Cost. This column contains the full cost dollar amounts for each of the cost elements identified in column 1.

Column 3 - Price Adjustment. This column identifies the dollar difference by cost element between the full cost and the price the customer is required to pay. This may be either the adjustment needed to get to the market price, or the amount of waived cost or a combination of the two.

Column 4 - Price Charged Customer. This column identifies the dollar amounts by cost element that make up the price the customer is required to pay.

The rows of the table contain the title and associated dollar amounts for each of the cost elements that are applicable to the reimbursable agreement.

Row 1. Civil Service Labor: All estimated labor must include fringe and paid leave. (This is a title row therefore no entries are to be made in the other columns on this row.)

Row 1.a. Project Staff Labor This row contains the dollar amounts applicable to the labor of non-service pool civil servants assigned to the reimbursable agreement.

Row 1.b. Service Pool Direct Charge Labor This row contains the dollar amounts applicable to the labor of service pool civil servants who direct charge their time to the reimbursable agreement.

Row 1.c. Total Civil Service Labor This row contains the total of the amounts in rows 1.a., 1.b., and 1.c.

Row 2. Civil Service Travel: (This is a title row therefore no entries are to be made in the other columns on this row.)

Row 2.a. Project Staff Travel This row contains the dollar amounts applicable to the travel of non-service pool civil servants assigned to the reimbursable agreement.

Row 2.b. Service Pool Direct Charge Travel This row contains the dollar amounts applicable to the travel of service pool civil servants who direct charge their time to the reimbursable agreement.

Row 2.c. Total Civil Service Travel This row contains the total of the amounts in rows 2.a. and 2.b.

- Row 3. All Other Direct Costs (Procurements, Contracts, Purchases, Grants, Materials, etc)** (This is a title row therefore no entries are to be made in the other columns on this row.)
- Row 3.a. Project Direct Procurements** This row contains the dollar amount of Procurements, Contracts, Purchases, Grants, and Materials that are managed by the project staff.
- Row 3.b Service Pool Direct Charge Procurements** This row contains the dollar amounts of Procurements, Contracts, Purchases, Grants, and Materials that are managed by a service pool and direct charged to the reimbursable project.
- Row 3.c Total Project and Service Pool Procurements** This row contains the total of the amounts in rows 3.a. and 3.b.
- Row 4. Other Direct Costs** Enter amounts for any other costs not covered in that are direct charged to the reimbursable agreement.
- Row 5. Service Pool Costs** (This is a title row therefore no entries are to be made in the other columns on this row.)
- Row 5.a. Fabrication Services (FAB)** This row contains the dollar amounts of FAB pool indirect costs that will be charged to the reimbursable project during the monthly cost assessment process.
- Row 5.b. Science and Engineering Services (S&E)** This row contains the dollar amounts of S&E pool indirect costs that will be charged to the reimbursable project during the monthly cost assessment process.
- Row 5.c. Test Services** This row contains the dollar amounts of Test pool indirect costs that will be charged to the reimbursable project during the monthly cost assessment process.
- Row 5.d. Wind Tunnel Services** This row contains the dollar amounts of Wind Tunnel pool indirect costs that will be charged to the reimbursable project during the monthly cost assessment process.
- Row 5.e. Independent Technical Authority/Safety Mission and Assurance (ITA/SMA)** This row contains the dollar amounts of ITA/SMA pool indirect costs that will be charged to the reimbursable project during the monthly cost assessment process.
- Row 5.f. Total Service Pool Costs** This row contains the total of the amounts contained in rows 5.a through 5.g.
- Row 6. CM&O** This row contains the amounts of CM&O charges that are applicable to the reimbursable agreement.
- Row 7. Contract Administration and Audit Services (CAAS)** This row contains the amounts of CAAS charges that are applicable to the reimbursable agreement.
- Row 8. Headquarters Administrative Fee** This row contains the Headquarters administrative fee that is applicable to reimbursable work performed at the Jet Propulsion Laboratory.
- Row 9. Agreement Total** This row is the sum of rows 1.d, 2.c, 3.d, 4, 5h, 6, 7, and 8.

The third section of the EPR contains information about the market survey or other process used to establish the price to be paid by the customer.

Source of funding for price adjustments and other waived costs Enter the source or sources of the funding needed to cover the price adjustment or other waived costs applicable to this agreement.

The last section of the EPR contains the names, titles, signatures, and signature dates of the Agreement Manager and the Center Chief Financial Officer.