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MARINE CORPS BULLETIN 4491

From: Commandant of the Marine Corps  
To: Distribution List  
  
Subj: INTRAGOVERNMENTAL SUPPORT FOR GOODS OR SERVICES  
  
Ref: See Enclosure (1)

Encl: (1) References  
(2) General Overview  
(3) Acquisition Considerations  
(4) Intragovernmental Reimbursable Orders  
(5) Intragovernmental Direct Citations  
(6) Marine Corps Direct Cite

1. Situation

a. Purpose. This Bulletin establishes Marine Corps policy and provides guidance for implementing the intragovernmental business process in accordance with Department of Defense (DoD) mandates. This Bulletin was updated in accordance with the references contained in enclosure (1).

b. Background

(1) Intragovernmental support occurs when a commander (head of an agency or major organization within an agency) places an order for goods or services (or both) with a commander within the same agency or another agency within the federal government. The commander requesting the goods or services is referred to as the "requesting agency", "buyer" or "grantor". The commander providing the requested goods or services is referred to as the "servicing agency", "seller" or "performer". The commander providing the goods or services may fill the requested requirement in one of two ways.

(a) Reimbursable. The seller may perform the services or provide the goods from their inventory or by contracting with a commercial vendor. Under this method, the seller is initially charged for the cost of the goods or services. The seller then bills the buyer at an agreed-upon interval (e.g., monthly, quarterly, annually). This process is known as a "reimbursable work order (RWO)" or "buy/sell Intragovernmental Transaction (IGT)".

(b) Direct Cite. The seller may also choose to cite the buyer's line of accounting directly on a purchasing mechanism (e.g., contract, travel orders, transportation, etc.). This results in the buyer being directly charged by the provider for the costs of the goods or services. This process

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is known as a "direct citation."

(2) This Bulletin does not apply to Military Standard Requisitioning and Issue Procedures (MILSTRIP) requisitions submitted to federal government sources of supply; however, when goods or services are obtained within the same agency or another agency within the federal government outside of MILSTRIP procedures, it is considered intragovernmental support and the contents of this Bulletin apply.

2. Mission. To establish Marine Corps policy and procedures for obtaining goods or services via the intragovernmental business process in order to align the Marine Corps with DoD directives.

3. Execution

a. Commander's Intent and Concept of Operations

(1) Commander's Intent. Establish Marine Corps-wide executable intragovernmental policy, standard procedures, and internal controls that support accurate and timely reporting of all Marine Corps intragovernmental events. This effort will enhance Marine Corps intragovernmental transparency and supply/financial accountability while meeting both DoD and Department of the Navy (DON) supply/fiscal standards and ultimately result in enhanced support and allocation of resources to the warfighter.

(2) Concept of Operations. Marine Corps personnel who negotiate, prepare, manage, review, approve, disseminate, or use the intragovernmental business process as a requesting agency/grantor/buyer or servicing agency/performer/supplier must adhere to the provisions of this Bulletin. Within this Bulletin, detailed roles, responsibilities, and procedures for execution and management of the intragovernmental business process are provided in the enclosures. Although the overarching intent is not to restate regulation, higher-level policy, policy memorandums, deviations, interim guidance or other external guidance within this bulletin, there may be occurrences of restatements where it is determined noncompliance issues might exist or additional emphasis is required. In the event this policy conflicts with regulation, higher-level policy, policy memorandums, deviations, interim guidance, or other external guidance, the regulation or higher-level policy/guidance governs.

b. Subordinate Element Missions

(1) Deputy Commandant, Installations and Logistics (DC I&L)

(a) Maintain oversight and publish policy, guidance, and coordinate training for the intragovernmental business process.

(b) Serve as the approval authority for Marine Corps-wide agreements required by one or more Marine Corps Major Commands (see enclosure (2), paragraph 2e).

(c) Appoint an Agreement Manager to maintain Headquarters Marine Corps (HQMC) (Level 0) organizational agreements (see enclosure (2), paragraph 2f(2)(a)).

(d) Appoint the Assistant Deputy Commandant, Installations and Logistics, Logistics Plans, Policies and Strategic Mobility (ADC I&L (LP)),

Sustainment Branch (LPS), Supply Policy and Sustainment Section (LPS-1) as the HQMC Government Invoicing (G-Invoicing) Organizational and Master Administrator (see enclosure (2), paragraph 2f(2)(c)).

(e) Incorporate the contents of this Bulletin within the MCO 4400-series directives.

(f) Evaluate compliance of these procedures via LPS-1 internal control process reviews or regional formal analysis.

(g) Advocate for appropriate business system changes that support the automation of intragovernmental business processes to include electronic documentation/data retention.

(h) Coordinate with the Deputy Commandant, Programs and Resources (DC P&R) to provide intragovernmental related reports.

(i) Ensure all HQMC Centrally Managed Accounts which execute intragovernmental support are aligned to an Accountable Officer (AO).

(2) Deputy Commandant, Programs and Resources (DC P&R)

(a) Coordinate with DC I&L to provide intragovernmental-related reports.

(b) Incorporate financial management-related content of this Bulletin within the MCO 7000-series directives.

(c) Perform budget execution oversight of the intragovernmental process.

(d) Advocate for appropriate business system changes that support automation of intragovernmental business processes to include electronic documentation/data retention.

(e) On a monthly basis, post Intragovernmental Payment and Collection (IPAC) system Liquidation Greater Than Expense (LGTE) Reports.

(3) Commanders and Accountable Officers

(a) Execute intragovernmental support in accordance with the references and this Bulletin.

(b) Implement appropriate internal controls and oversight measures that achieve compliance with regulations and reliable financial reporting with respect to intragovernmental activity.

1. Ensure commands with requisition authority appoint a Supply Officer/Accountable Property Officer, or civilian equivalent, in accordance with reference (a) and trained to the standards of reference (b).

2. Ensure accountable purchased goods are properly maintained in the appropriate property system of record in accordance with reference (a).

(c) Maintain, update, and renew agreements as applicable.

(d) Ensure all intragovernmental orders are within the scope of an existing active General Terms and Conditions (GT&C) prior to submission and approval.

(e) Ensure all intragovernmental orders are submitted via the approved business system and approved by a properly appointed approver as prescribed in Volume 1 of reference (a).

(f) Appoint primary Agreement Managers and G-Invoicing User Access Managers (UAMs) at Major Commands and Major Subordinate Commands to execute the responsibilities identified in this Bulletin (see enclosure (2), paragraph 2f(2)).

(g) As necessary, appoint alternate Agreement Managers and UAMs at subordinate commands to support primary Agreement Managers and G-Invoicing UAMs (see enclosure (2), paragraph 2f(2)).

(h) Load all existing and newly created, negotiated, and approved intragovernmental reimbursable agreements into G-Invoicing (see enclosure (2), paragraph 2f).

(i) Implement procedures and controls to create, obtain, maintain, and record performance documents for goods delivered or services performed; and receipt and acceptance documents for good and/or services received.

(j) Per reference (c), execute intragovernmental internal sampling on a quarterly basis to ensure compliance with the references and this Bulletin.

(k) Ensure commands with requisition authority review business system generated reports to confirm all payments have been properly expensed.

(l) Ensure intragovernmental documentation is readily available for audit testing.

#### 4. Administration and Logistics

a. Records Management. Records created as a result of this Bulletin shall be managed according to National Archives and Records Administration (NARA)-approved dispositions per reference (d) to ensure proper maintenance, use, accessibility and preservation, regardless of format or medium. Records disposition schedules are located on the Department of Navy/Assistant for Administration (DON/AA), Directives and Records Management Division (DRMD) portal page at: <https://portal.secnnav.navy.mil/orgs/DUSNM/DONAA/DRM/Records-and-Information-Management/Approved%20Record%20Schedules/Forms/AllItems.aspx>. Refer to reference (e) for Marine Corps records management policy and procedures.

b. Privacy Act. Any misuse or unauthorized disclosure of Personally Identifiable Information (PII) may result in both civil and criminal penalties. The DON recognizes that the privacy of an individual is a personal and fundamental right that shall be respected and protected. The DON's need to collect, use, maintain, or disseminate PII about individuals for purposes of discharging its statutory responsibilities shall be balanced against the individuals' right to be protected against unwarranted invasion of privacy. All collection, use, maintenance, or dissemination of PII shall

be in accordance with the Privacy Act of 1974, as amended in reference (f) and implemented per reference (g).

c. Cancellation Contingency. This Bulletin will be cancelled one year after the date signed or when incorporated within a higher directive, whichever occurs first.

d. Recommendations. Submit recommendations concerning the contents of this Bulletin to ADC I&L (LP), LPS, LPS-1 via the appropriate chain of command.

5. Command and Signal

a. Command. This Bulletin is applicable to the Marine Corps Total Force.

b. Signal. This Bulletin is effective the date signed.



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By direction

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References

- (a) MCO 4400.201
- (b) NAVMC 3500.64C
- (c) MARADMIN 444/12
- (d) SECNAV M-5210.1 CH-1
- (e) MCO 5210.11F
- (f) Title 5 U.S.C. 552a
- (g) SECNAVINST 5211.5F
- (h) DoD 7000.14-R, "Financial Management Regulation," dates vary by Volume
- (i) Federal Acquisition Regulation, date varies
- (j) Defense Federal Acquisition Regulation Supplement, date varies
- (k) MCO 7300.21B
- (l) Treasury Financial Manual, Volume 1, Part 2, Chapter 4700, Appendix 8, "Intra-governmental Transaction (IGT) Buy/Sell," June 2021
- (m) DoDI 4000.19, "Support Agreements," 16 December, 2020
- (n) Department of Navy Financial Management Policy Manual (FMPM)
- (o) Office of the Undersecretary of Defense Comptroller Memorandum, "Direct Fund Cite Orders Use and Internal Controls/Audit Requirements," 23 September 2019
- (p) DoDD 5100.03 CH-1, "Support of the Headquarters of Combatant and Subordinate Unified Commands," 7 September 2017
- (q) SECNAVINST M-5216.5 CH-1
- (r) Title 31 U.S.C.
- (s) SECNAVINST 5200.35G
- (t) MCO 5200.24E
- (u) Navy Marine Corps Acquisition Regulation Supplement, date varies
- (v) Marine Corps Acquisition Policy & Procedures
- (w) MARCORSYSCOM Contracts Acquisition Procedures
- (x) Title 10 U.S.C.
- (y) Title 41 U.S.C.
- (z) DoDI 1015.15 CH-1, "Establishing, Management, and Control of Nonappropriated Fund Instrumentalities and Financial Management of Supporting Resources," 20 March 2008
- (aa) Defense Federal Acquisition Regulation Supplement Procedures, Guidance, and Information (DFARS PGI), date varies
- (ab) Office of The Undersecretary of Defense Comptroller Memorandum, "Department of Defense G-Invoicing Implementation Guidance," 6 December 2021
- (ac) DoDM 4140.26, "DoD Integrated Materiel Management (IMM) for Consumable Items," dates vary by Volume
- (ad) Federal Logistics Information System Cataloging Data and Transaction Standards, date varies by volume
- (ae) MCO 4400.150
- (af) GAO Financial Audit Manual, Volume 1, April 2020
- (ag) GAO "The Green Book", 10 September 2014
- (ah) DoDM 4140.01, "DoD Supply Chain Materiel Management Procedures," dates vary by Volume
- (ai) OMB Circular A-123, "Management's Responsibility for Enterprise Risk Management and Internal Control," 15 July 2016
- (aj) The Joint Travel Regulations, 1 January 2022
- (ak) Defense Transportation Regulation, date varies

## General Overview

1. Intragovernmental Overview. The intragovernmental end-to-end process is defined by three distinct phases of activity: initiation; performance/delivery, receipt, and acceptance; and settlement. Each phase is characterized by specific accountability and accounting events and is governed by a set of business rules to guide the decision-making process throughout the lifecycle. Additional details as they relate to reimbursable orders and direct citations is provided in enclosures (4) and (5).

a. Initiation Phase. Consists of the establishment of the agreement and other activities that occur before the commencement of any work.

(1) An agreement, documented via the GT&C, defines the terms, conditions, and scope of the exchange of goods or services between federal government trading partners.

(2) The subsequent order (purchase request and approval) and order acceptance specifies the specific terms, products/services requirements, quantities and prices, accounting data, delivery schedule and actions of each trading partner under the overarching GT&C. It serves as the funding section of the agreement that supports the fiscal commitment (placement of order) and obligation.

(a) Orders accepted on a reimbursable basis are obligated upon acceptance.

(b) Orders accepted as a direct citation will use the order to support the development of a subsequent obligating document that will be used to record the obligation.

b. Performance/Delivery, receipt, and acceptance phase. Consists of the delivery of goods or performance of services, the receipt and acceptance of goods or services, and the associated work in progress activities.

(1) The performance/delivery of goods or services is performed by the seller (servicing activity) or the applicable service provider.

(2) Upon delivery of the goods or performance of the services, the buyer (requesting activity) performs receipt and acceptance procedures to accept or reject the goods or services and communicates the results to the seller/service provider. The buyer records the amount of the goods or services received in the payables account.

c. Settlement Phase. Includes the bill and payment activities.

(1) The seller/service provider submits a bill and records the billed amount in the receivables account.

(2) The buyer accepts the transaction and issues the payment according to the payment terms agreed upon in the order or subsequent obligating document.

(3) The buyer and seller are required to review, reconcile, and closeout all transactions when the terms and conditions as outlined in the order/obligating document have been met.



2. Agreements. Agreements, also known as the GT&C, are required for intragovernmental relationships to document the terms and conditions under which the relationship will be executed in accordance with references (h), (i), (j), (k), (l), (m), (n), and (o). When signed by both parties, the GT&C serves as the documented evidence of a formal offer and acceptance between the buyer and seller. In the absence of such documentation there is no valid agreement of the materials or services to be provided, or that payment is required. Agreements, specifically those that support reimbursable orders or direct citations, will be prepared, and executed using the procedures and document as stated in reference (m) and this Bulletin.

a. General Overview. Agreements are the basis for all intragovernmental relationships and are required prior to the execution of any buy/sell or direct citation transactions.

(1) This includes orders from mandatory sources who are unable to receive or process MILSTRIP transactions and require execution via the reimbursable order or direct citation process.

(2) In accordance with reference (p), DoD Components designated as a Combatant Command support agent will provide administrative and logistics support to Combatant Command headquarters and the subordinate unified command headquarters. Arrangements for the administrative and logistical support shall be resourced through agreements developed between the Combatant Command and other DoD Components or as otherwise directed.

(3) Agreements expire no later than ten (10) years from the effective date unless a statute or other legal authority expressly provides for a longer duration.

(4) To eliminate redundant administrative burden, agreements should cover the broadest categories of goods and services agreed to by both trading partners and, where practical, consolidate requirements and accommodate the maximum agreement period. Marine Corps commands shall execute a strategy to drive agreement negotiations at the highest level feasible between trading partners.

(a) Marine Corps-wide general agreements required by multiple Marine Corps Major Commands are consolidated, drafted, negotiated, staffed, approved, and maintained at HQMC (DC I&L) with the below exceptions.

1. Marine Corps programmatic requirements managed at HQMC by a specific Assistant Deputy Commandant (ADC), or Marine Corps Systems Command (MARCORSYSCOM) program office are consolidated, drafted, negotiated, staffed, approved, and maintained at the respective ADC or program office. Examples include, but are not limited to, Navy Facilities support or Fleet vehicle support.

2. Agreements specific to multiple, but not all Marine Corps Major Commands, may be coordinated by a single Major Command or their appropriate delegate. In these cases, all Marine Corps commands party to the agreement must agree on a single coordinating command who is responsible for consolidating requirements and negotiating with the trading partner. In addition, they will be responsible for staffing to all Marine Corps commands party to the agreement for concurrence prior to approval by the coordinating command's approval authority. Once approved, the consolidating command will

be responsible for maintaining the agreement. Examples include, but are not limited to, tri-MEF maintenance support or host tenant support.

(b) Major Command-wide agreements required by multiple Major Subordinate Commands under the same Major Command are consolidated, drafted, negotiated, staffed, approved, and maintained at the Major Command or their Major Subordinate Command delegate. Examples include, but are not limited to, Marine Corps Forces, Pacific (I Marine Expeditionary Force (MEF)/III MEF) agreement with Marine Corps Installations Command (MCICOM) for installation services support, or Marine Forces Reserve with the Army National Guard for training site support.

(c) Major Subordinate Command-wide agreements required by multiple subordinate commands under the same Major Subordinate Commands are consolidated, drafted, negotiated, staffed, approved, and maintained at the Major Subordinate Command or their delegate. Examples include, but are not limited to, I MEF with Marine Corps Base (MCB) Camp Pendleton for I MEF Camp Pendleton tenant unit installation services support, or II MEF with Marine Corps Air Station (MCAS) Cherry Point for II MEF tenant unit installation services support.

b. Requirements. Agreements required in support of reimbursable orders and direct citations will be documented on the FS Form 7600A and registered in G-Invoicing with the following exceptions.

(1) An agreement is not required when support is provided between two Marine Corps Activities using the same appropriation type (i.e., Treasury Main Account Code) within the same department code (i.e., Treasury Department Regular Code). For these situations, the essential roles and responsibilities are identified in Enclosure (6) of this bulletin eliminating the need for individual agreements. However, it does not preclude the activities from using an agreement to document the supported/supporting relationship if the activities deem it appropriate.

(2) Support/Supported relationship with no expectation of reimbursement (i.e., no line of accounting information is needed to be identified and no charges are expected) may be documented via a Memorandum of Understanding (MOU) or Memorandum of Agreement (MOA) and are not required to be registered in G-Invoicing.

(3) At this time, agreements for the sole purpose of supporting a direct citation are not required to be registered in G-Invoicing. However, to support overall audit readiness, Marine Corps commands are encouraged to coordinate with the respective trading partner to advocate the registering of these agreements in G-Invoicing.

c. Review and Approval Process

(1) When a requirement is established, the requirement generator should coordinate with the unit's appointed approval authority (e.g., Supply Officer or Program Manager) to ascertain if an applicable valid agreement is already in place. If so, the requirement generator initiates the purchase request, citing and ensuring any requirements identified in the agreement are satisfied (e.g., attain a required D&F). If not, the unit's appointed approval authority, supported by the requirement generator, begins the process to create the required agreement.

(a) The unit's appointed approval authority must coordinate the requirement with the appointed agreement manager.

1. The agreement manager must reconcile with higher echelon agreement managers to determine if the scope of the agreement should cover additional ordering activities/units (i.e., Major Subordinate Command or Major Command level). This step eliminates the need to have multiple agreements within a Major Command if other subordinate activities have a need for the same requirement.

2. The agreement manager provides the support necessary to assist with the drafting of the agreement to ensure the basic elements required in the agreement are appropriately captured within the document.

(b) If the unit's appointed approving official believes the requirement is best filled via another means, the request is returned to the generator with guidance on how to best fill the requirement.

(2) Once the agreement is drafted, the draft agreement is shared with the trading partner for review and comments.

(a) This process is repeated until both trading partners have reached tentative agreement on the contents of the draft agreement.

(b) The interaction with the trading partner is highly dependent on the respective trading partner and their respective business processes. For example, some trading partners may want to communicate and approve the agreement only via G-Invoicing whereas the Marine Corps predominantly utilizes a hard copy agreement. As a result, the order of the remaining steps may be slightly altered based on the given circumstances.

(3) Trading partners begin the internal staffing of the agreement. Marine Corps agreements should be staffed based on locally established procedures and requirements. It is highly advisable that financial management, logistic, and legal advocates are in agreement on the content and need for the agreement.

(4) Upon final staffing, recommended corrections/adjustments are coordinated with the trading partner. Once both parties are in agreement on the contents, they coordinate approval routing. There is no requirement as to whom approves the agreement first, but typically the buyer is the first to approve the agreement.

(5) Once approved by either trading partner, it is forwarded to the other trading partner for approval routing.

(6) Once both parties approve the agreement, actions are taken within G-Invoicing to move the GT&C to an open for orders status, ensuring the signed agreement and supporting attachments are attached to the respective GT&C in G-Invoicing. It is important to note that the entering of the agreement in G-Invoicing does not need to wait until this step and elements of creating the GT&C within G-Invoicing may be embedded in previous steps. For example, a trading partner may create an internal draft GT&C in G-Invoicing in order to document a G-Invoicing generated GT&C number for inclusion on the draft agreement prior to staffing or routing for approval.

d. Mandatory Statements. With the understanding that two separate entities are involved in the creation of the GT&C, there are certain contents of the agreement that are standardized to (1) ensure there is a basic understanding of the requirements associated with the end-to-end intragovernmental process, and (2) ensure all applicable equities are met. To assist with the creation of a suitable GT&C the following paragraphs are provided.

(1) Roles, Restrictions, and Clauses. Paragraphs 090106.B through F of reference (n) provides standard verbiage that should be included in all GT&Cs in which the Navy (to include the Marine Corps) is a trading partner. This standardizes the content of the GT&C Requesting Roles, Servicing Roles, Restrictions, Requesting Clauses, and Servicing Clauses. This verbiage provides the foundation for the development of the initial draft agreement by identifying key components associated with the end-to-end process. The Marine Corps will adhere to these requirements and use this verbiage to begin negotiations with the trading partners with the ultimate goal to ensure the spirit and intent of each element is captured in the final agreement (i.e., the verbiage may not be captured verbatim in the applicable section of the GT&C; however, the purpose is sufficiently captured in the final document).

(2) Authorities. Although identification of the intragovernmental authority is not mandatory at the time of the agreement, they are required at the time of the subsequent orders. As a result, the applicable authorities supporting the intragovernmental relationship are identified in block 11 of the 7600A. This allows for easier identification of the mandatory authority at the time of subsequent orders placed against the respective agreement. The following is an example of acceptable verbiage, "The authority for the buyer-seller relationship between the Requesting and Servicing Agencies is the Economy Act statute (31 U.S.C. 1535), as implemented by DoDI 4000.19 and DoD 7000.14-R.

(3) Determination and Findings Statement. Refer to enclosure 3 for additional details related to D&F requirements.

(a) The following statement will be added in block 11 of the 7600A when the intragovernmental relationship requires a D&F at the time of subsequent orders, "Subsequent orders executed under this agreement require a determination and findings approved by the applicable authority in accordance with applicable Federal, DoD and service component acquisition regulations, as well as applicable Head of the Contracting Activity policy. The requesting activity is responsible for ensuring this agreement is cited within the approved determination and findings."

(b) The following statement will be added in block 11 of the 7600A when the intragovernmental relationship does not require a D&F at the time of subsequent orders: "Subsequent orders executed under this agreement are in the best interest of the government, do not conflict with another agency's designated responsibilities, and cannot be provided as conveniently and cheaply by contracting directly with a private source."

(4) Assisted Acquisition Statement. The applicable statement below will be added in block 17 of the 7600A regarding assisted acquisitions.

(a) When the intragovernmental relationship does not allow for assisted acquisitions, the following statement is added, "Assisted Acquisitions are not authorized as part of this agreement. In the event of

an assisted acquisition requirement, the Requesting Agency will consult/coordinate with their local contracting office to ensure compliance with the requirements cited in the Federal Acquisition Regulation (FAR) subparts 17.5 and 17.7, Defense Federal Acquisition Regulation Supplement (DFARS) subparts 217.5 and 217.5, Navy Marine Corps Acquisition Regulation Supplement (NMCARS) subparts 5217.5 and 5217.7, and applicable supporting Head of the Contracting Activity policy. This may include the development of an additional agreement and a determination and findings to support the specific requirements."

(b) When the intragovernmental relationship allows for assisted acquisitions, the following statement is added: "The Requesting Agency will consult/coordinate with their local contracting office to ensure compliance with the requirements cited in the Federal Acquisition Regulation (FAR) subpart 17.5, Defense Federal Acquisition Regulation Supplement (DFARS) subpart 217.5, Navy Marine Corps Acquisition Regulation Supplement (NMCARS) subpart 5217.5, and applicable supporting Head of the Contracting Activity policy. This may include the development of a determination and findings as applicable to support the specific order requirements at the time of all subsequent orders."

(c) In some situations, the intragovernmental relationship which allows assisted acquisitions may not require a D&F due to the exemptions noted in paragraph 4 of enclosure (3). In many cases, these exemptions are limited to specific types of good and services, and subsequent orders executed outside the scope of the exception may still require a D&F at the time of the order. These overall requirements can still be captured in a single agreement with the following added: "Assisted acquisition orders executed within the scope of the servicing agency's [insert applicable authority which precludes the need for a D&F] authorities do not require a determination and findings at the time of the order. Those executed outside the scope of the servicing agency's aforementioned authorities will require a determination and findings at the time of the order. As a result, requesting activities must consult/coordinate with their local contracting office to ensure compliance with the above requirements and those cited in the Federal Acquisition Regulation (FAR) subparts 17.5 and 17.7, Defense Federal Acquisition Regulation Supplement (DFARS) subparts 217.5 and 217.5, Navy Marine Corps Acquisition Regulation Supplement (NMCARS) subparts 5217.5 and 5217.7, and applicable supporting Head of the Contracting Activity policy."

e. Agreement Approval Authority

(1) Marine Corps-Wide General Agreements. Agreement approval authority resides with ADC I&L (LP) with the below exceptions. This authority is delegated via this Bulletin to the ADC I&L (LP) appointed HQMC Agreement Manager. Refer to paragraph 2a(4)(a) of this enclosure for examples.

(a) Agreement approval authority resides with the applicable ADC or Commander, MARCORSYSCOM for Marine Corps program managed agreements. Refer to paragraph 2a(4)(a)1 of this enclosure for examples.

(b) Agreement approval authority resides with the commander, commanding general, or commanding officer of the coordinating command for agreements agreed to be managed across multiple commands. Refer to paragraph 2a(4)(a)2 of this enclosures for examples.

(2) Marine Forces, MEF, and the Supporting Establishment. Agreement approval authority resides with commanders, commanding generals, and commanding officers (CO) (referred to as CO/AO for the rest of this Bulletin) with Title 10 and 31 authorities.

(3) Approving authorities may delegate their signature authority (i.e., "By direction") to officers and civilians within their organizations in accordance with reference (q).

(4) G-Invoicing has adopted an initial approver and final approver to allow both the financial management and logistics community the ability to approve a GT&C within the system. Within the Marine Corps, there is only a single approver; however, commands have the flexibility to establish local SOPs requiring two separate approvals. In these situations, the agreement approval authority will always be the final approver.

f. Agreement Management

(1) Government Invoicing (G-Invoicing). As directed in references (h), (l), (m), and (n), it is U.S Treasury and DoD policy that intragovernmental agreements (i.e., GT&Cs) between federal trading partners, where funds are reimbursed, be administered via the Department of Treasury, Bureau of Fiscal Service computer-based access restricted G-Invoicing system (<https://igt.fiscal.treasury.gov/>) which supports fiscal compliance requirements of sub-sections 3512(b) and 3513 of reference (r).

(a) The G-Invoicing system (formerly named the Invoice Processing Platform) will be used to negotiate, broker, and/or electronically store GT&Cs between intragovernmental buyers and sellers for all reimbursable transactions as appropriate business system capabilities come online. This requirement includes all intragovernmental agreements established during or after Fiscal Year (FY) 2017, and whose terms extend beyond FY 2017.

(b) Due to the overall implementation strategies of various federal government agencies and internal staffing requirements with Marine Corps activities, new agreements are not expected to be created, negotiated, and/or approved entirely in the paperless G-Invoicing environment. In most situations, the intragovernmental agreement will be drafted and appropriately staffed with external trading partners and within Marine Corps staffs as a paper document. Once both parties have agreed to the terms and conditions and the approving authorities have signed the paper agreement, the signed agreement will be electronically added to G-Invoicing as an attachment.

(c) Marine Corps Organizational Groups. Within G-Invoicing, the Treasury has chosen to incorporate an organization model which is based on a traditional hierarchal model associated with most organizations. User access and roles are based on this organization structure. For the Marine Corps, Organizational Groups will be aligned to five functional hierarchy levels with the structure based on the distribution of funds to commands with requisition authority. These levels are identified in the following paragraphs.

1. Level 0 - Headquarters Marine Corps.
2. Level 1 - Major Commands to include HQMC Assistant Deputy Commandants.

- 3. Level 2 - Major Subordinate Commands.
- 4. Level 3 - Subordinate Commands.
- 5. Level 4 - Requisition Authority Commands.

(2) Roles and Responsibilities

(a) Agreement Manager. Responsible for the maintenance of organizational agreements at HQMC (Level 0), Major Commands to include HQMC Assistant Deputy Commandants (Level 1), and Major Subordinate Commands (Level 2).

1. Must be formally appointed in writing using standard naval letter format by the agreement approval authority for the respective command in which the agreement manager will execute their respective responsibilities.

a. In many cases the agreement manager will be within the supply office per reference (b); however, the agreement approval authority may appoint the individual best suited as the command's agreement manager.

b. Major Commands to include HQMC Assistant Deputy Commandants (Level 1) and Major Subordinate Commands (Level 2) may authorize/direct subordinate command agreement approval authorities (Level 3 and 4) to appoint agreement managers to assist the Level 1 or Level 2 agreement managers. When authorized, the Level 3 and 4 agreement managers will be appointed in accordance with paragraph 2f(2)(a)1 of this enclosure.

c. Commands are encouraged to appoint alternate agreements managers to ensure continuity in agreement management and access to G-Invoicing. Alternate agreements managers may have the same G-Invoicing access as the primary agreement manager or their access can be restricted to certain G-Invoicing functionality (i.e., limited roles discussed in the following paragraph).

2. Must request access to G-Invoicing via the respective command level appointed G-Invoicing UAM by providing a copy of the signed Agreement Manager appointment letter and completed DD 2875, "System Authorization Access Request (SAAR)." If a UAM is not assigned for the respective command, the higher echelon command appointed UAM will grant access. Agreement Managers will be assigned to one or more of the below G-Invoicing roles.

a. GT&C Creator. Ability to only view, create, edit, delete, and modify GT&Cs.

b. GT&C Viewer. Ability to only view GT&Cs.

c. GT&C Agreement Manager. This is a required role for all primary Agreement Managers. Same as GT&C Creator with the added ability to share a draft GT&C with the intragovernmental trading partner.

d. GT&C Supervising Manager. The same as the GT&C Manager with the added capability for the parent level GT&C Manager to manage and take action on any GT&Cs aligned to any subordinate group. This

functionality eliminates the requirement for the appointed Agreement Manager to be individually assigned to the GT&C Agreement Manager role for each subordinate group.

e. GT&C Initial Approver. Ability to view, approve, reject, or close a GT&C. In situations addressed in paragraph 2f(1) (b) above, the G-Invoicing GT&C initial approver is simply executing an administrative approval as the GT&C approving authority has approved the GT&C via a signature on a paper GT&C which is subsequently loaded to G-Invoicing. If GT&Cs are being approved completely in the G-Invoicing paperless environment, this individual must be the agreement approval authority or their delegate.

f. GT&C Final Approver. Ability to view, approve, reject, or close a GT&C. In situations addressed in paragraph 2f(1) (b) above, the G-Invoicing GT&C final approver is simply executing an administrative approval as the GT&C approving authority has approved the GT&C via a signature on a paper GT&C which is subsequently loaded to G-Invoicing. If GT&Cs are being approved completely in the G-Invoicing paperless environment, this individual must be the approval authority or their delegate.

g. GT&C Supervising Approver. The same as the GT&C Initial and Final Approver with the added capability for the parent level GT&C Approvers to view, approve, reject, or close a GT&C aligned to any subordinate group. This functionality eliminates the requirement for the Approver to be individually assigned to the GT&C Initial or Final Approver roles for each subordinate group.

3. Ensure existing and new agreements in support of intragovernmental relationships are in place, registered in the G-Invoicing system, and are readily available for retrieval, budgeting requirements validation, inspections, and audit review by retaining active and expired agreements in accordance with Volume 3 of reference (a).

4. Ensure the use of appropriate management, internal controls, and oversight measures are in place for the establishment of new agreements as described in references (s) and (t).

5. Review agreements to validate requirements no less often than mid-point (e.g., at year four (4) of an eight (8) year agreement) from the agreement effective date, for agreements in excess of three (3) years.

a. Cost estimates within agreements that include reimbursable services are to be reviewed annually to ensure current year actual costs are identified for accurate customer billing and invoices.

b. New signatures from both parties are required to establish a new agreement or modify an existing agreement even when the same terms and conditions are used as in the expired agreement.

(b) Program Manager/Agreement Generator/Requirement Generator. Individuals within an organization who generate agreement requirements. Accordingly, the following guidance applies.

1. They are not required to be appointed; however, these individuals are typically CO/AO appointed responsible officers.



2. They provide approved legacy agreements to the agreement manager for upload into G-Invoicing.

3. They route all new agreement requests to the agreement manager for appropriate staffing.

(c) User Access Manager (UAM). Ensure G-Invoicing access is restricted to appointed users (i.e., agreement managers, alternate agreement managers, and alternate UAMs).

1. Must be formally appointed in writing using standard naval letter format by the agreement approval authority for the respective command in which the UAM will execute their respective responsibilities. Commands are encouraged to appoint alternate UAMs to ensure continuity in user access management and self-sufficient access to G-Invoicing. Alternate UAMs will have the same responsibilities and G-Invoicing access as the primary UAM.

2. Must request access to G-Invoicing via the respective command level appointed G-Invoicing UAM by providing a copy of the signed UAM appointment letter and completed DD 2875. If a UAM is not assigned for the respective command, the higher echelon command appointed UAM will grant access. UAMs will be assigned to one or more of the below G-Invoicing roles.

a. User Administrator. Permits the creation and management of users, their alignment to groups, and the assignment of their roles within their respective Organization Group or Children Organizational Groups. All G-Invoicing UAMs will receive this role.

b. Organization Administrator. Permits the creation and management of Organization Groups with the Marine Corps account. Within the Marine Corps, only UAMs that are the HQMC G-Invoicing advocate and alternates will receive this role.

c. Master Administrator. Permits the creation and management of users, their alignment to groups, and the assignment of their roles to any group within the Marine Corps account. Within the Marine Corps, only UAMs that are the HQMC G-Invoicing advocate and alternates will receive this role.

3. Primarily responsible for performing or coordinating user activation/deactivation and assignment of roles/permissions in G-Invoicing.

a. Prior to the activation of any user role, ensure that access requests have an agreement approval authority signed appointment letter (i.e., Agreement Manager or UAM) and DD 2875 supporting the user's roles/permissions. Ensuring that proper reviews and signatures are completed.

b. Maintain all supporting user access documentation physically or electronically in accordance with document retention requirements established in this Bulletin and Volume 3 of reference (a).

c. Establish and manage check-in and check-out procedures within the unit to ensure deactivation of users prior to departure from the unit (e.g., end of active service, permanent change of station,

etc.). Prior to endorsing the user's check-out sheet, UAMs must remove the user's G-Invoicing roles and permissions and disable access to the system.

d. Per reference (t), perform and document semi-annual G-Invoicing system user account reviews to ensure user access and roles are commensurate with appointed responsibilities and user access documentation is on file.

### 3. Order Considerations

a. In accordance with Volume 11A, Chapter 18 of reference (h), each Economy Act order is subject to determination and findings (D&F) requirements established in applicable acquisition regulations. When an order authorizes assisted acquisitions, a D&F may be required in accordance with subparts 17.5 and 17.7 of reference (i), subparts 217.5 and 217.7 of reference (j), and subparts 5217.5 and 5217.7 of reference (u).

(1) In these instances, the local contracting office must be consulted in order to confirm and support D&F requirements pursuant to Head of the Contracting Activity (HCA) policy, as necessary. For example, when operating under HQMC I&L HCA contracting authority (i.e., reference (v) is applicable), D&F requirements apply to all orders which authorize assisted acquisitions; however, when operating under another HCA's contracting authority, D&F requirements may be applied differently.

(2) It is important to note, the supporting contracting office may have to route the D&F to higher level contracting authorities consistent with the D&F approval thresholds identified in reference (u) and applicable HCA policy (e.g., (v), (w), or other HCA policy).

(3) Mandatory language related to D&F requirements as described in paragraph 2d(3) of this enclosure will be added to agreements as an added control to ensure compliance.

(4) Refer to enclosure 3 for additional information regarding D&F requirements and other acquisition related considerations.

b. In accordance with Volume 11A, Chapter 18 of reference (h), orders executed under an authority other than the Economy Act must be evaluated to ensure they are in the best interest of DoD. It further adds that interagency orders executed under an authority other than the Economy Act which exceed a total estimated value of \$500,000 must be reviewed by a DoD warranted contracting officer prior to establishing the order and issuing to the non-DoD activity.

(1) Orders requiring local contracting office review, as identified in the preceding paragraph, will be forwarded to the local supporting contracting office via electronic mail with return receipt to provide a record for management reviews and audits.

(2) The requesting office must afford the supporting contracting office sufficient time to conduct a review and must be able to confirm completion of the review prior to order approval and issue to the non-DoD activity.

4. Intragovernmental Authorities. While other authorities may exist, the common intragovernmental authorities and governing policies that apply to the Marine Corps, DoD Components and other federal agencies are summarized below.

a. Reimbursements. DoD reimbursable authority is authorized by the Office of the Under Secretary of Defense (Comptroller) (OUSD(C)), through budget formulation and statutory authorization of the budget in accordance with sub-section 2205 of reference (x). This provides the statutory authority for reimbursements made to appropriations of the DoD under sub-sections 1535 and 1536 of reference (r).

b. Economy Act. Unless more specific statutory authority is applicable, sub-section 1535 of reference (r), the Economy Act, provides authority that allows DoD Components to order goods and services from other federal agencies (including other DoD Components) and from major organizational units within the same DoD Component.

(1) The Economy Act establishes four basic conditions for its use:

(a) Funds are available.

(b) The head of the requesting agency decides the order is in the best interest of the U.S. Government.

(c) The servicing agency to fill the order can provide or get by contract the ordered goods or services.

(d) The head of the requesting agency decides ordered goods or services cannot be provided by contract as conveniently or cheaply by a commercial enterprise.

(2) Volume 11A, Chapter 3 of reference (h) provides specific DoD guidance regarding the purpose, authority, limitations, and requirements for initiating Economy Act orders. In addition to the conditions above, there are specific limitations on the use of Economy Act orders in accordance with Section 030303 of reference (h).

(3) Subparts 17.5 and 17.7 of reference (i), subparts 217.5 and 217.7 of reference (j), part 5217 of reference (u), and applicable HCA policy (e.g., references (v), (w), or other DON HCA policy) provide guidance related to interagency acquisitions which must be considered.

c. Non-Economy Act. DoD components and agencies are not limited to the use of the Economy Act authority to support orders for goods or services with/for a non-DoD Federal agency. Often referred to as "Non-Economy Act Orders," other specific statutory authority may exist that authorizes the DoD to place or fill an order with a non-DoD Federal agency. If another specific statutory authority does not exist, the default authority can be the Economy Act previously discussed.

(1) Volume 11B, Chapter 18 of reference (h) provides DoD general policy and requirements pertaining to non-Economy Act orders.

(2) The more commonly used non-Economy Act authorities used by non-DoD trading partners include, but are not limited to, the below.

(a) Section 321 of Title 40, U.S.C. (Acquisition Service Fund (ASF)). The Acquisition Services Fund was established by the General Services Administration Modernization Act that merged the General Supply Fund and the Information Technology Fund to carry out functions related to the uses of the Acquisition Services Fund including any functions previously carried out by the Federal Supply Service and the Federal Technology Service managed by the General Service Administration (GSA).

(b) Section 403 of Public Law 103-356, Government Management Reform Act of 1994 (Franchise Fund). Franchise Funds were first established by the Government Management Reform Act of 1994 to provide common administrative support services on a competitive and fee basis. Franchise fund programs originated within the Environmental Protection Agency, Department of Commerce, Department of Veterans Affairs, Department of Health and Human Services, Department of Interior, and Department of the Treasury. The Franchise Fund is similar to the Working Capital Fund (31 U.S.C. §322) except that it authorizes services to be provided to other Federal Agencies in addition to the one housing the service provider.

(3) Subparts 17.5 and 17.7 of reference (i), subparts 217.5 and 217.7 of reference (j), part 5217 of reference (u), and applicable HCA policy (e.g., references (v), (w), or other DON HCA policy) provide guidance related to interagency acquisitions which must be considered.

(4) In accordance with Volume 11A, Chapter 18, paragraph 1804, all non-Economy Act orders must include the following.

(a) The following statement on orders for severable services: "These funds are available for severable service requirements crossing fiscal years for a period not to exceed one year, where the period of any resultant contract for services commences this fiscal year. All funds not placed on contract this fiscal year must be returned promptly to the ordering activity, but no later than one year after the acceptance of the order or upon completion of the order, whichever is earlier."

(b) The following statement on orders for goods or non-severable services: "I certify that the goods or non-severable services to be acquired under this agreement are a necessary expense of the appropriation charged and represent a bona fide need of the fiscal year in which these funds are obligated."

d. Crediting Payments for Purchases Between Executive Agencies. Sub-section 1536 of reference (r) provides the authority for crediting payments received on orders executed under sub-section 1535 of reference (r). Payments may be credited to the appropriation of fund against which charges were made to fill the order, or to replace stocks on hand used to fill the order unless another law authorizes the amount to be credited to some other appropriations or fund; or the head of the performing agency decides that replacement is not necessary, in which case, the amount received is deposited in the United States (U.S.) Department of the Treasury (Treasury) as miscellaneous receipts.

e. Project Order. Sub-section 6307 of reference (y) authorizes a federal government entity to place a specific, definite, and certain order for work, material, or the manufacture of material pertaining to an approved project with another federal government entity. Volume 11A of reference (h) adds that when placed with, and accepted by, a separately managed DoD-owned

establishment the project order serves to obligate appropriations in the same manner as orders or contracts placed with commercial enterprises.

(1) In accordance with Volume 11A, Chapter 2 of reference (h), Project Orders are limited to orders between DoD activities.

(a) Orders outside of DoD activities will be executed under Economy/Non-Economy Act authorities.

(b) Project Orders are the only authority other than Economy Act authority that can be used for DoD intra-agency relationships. All other authorities simply provide the DoD trading partner with authority to provide services (i.e., working capital fund, revolving fund, etc.).

(2) Volume 11A, Chapter 2 of reference (h) provides specific guidance regarding the purpose, authority, limitations, and requirements for initiating Project Orders.

(a) Volume 11A, Chapter 2, paragraph 020502 of reference (h) states, "a project order must not be used by one organizational unit to order work from another organizational unit under the same activity commander."

(b) Volume 11A, Chapter 2, paragraph 020504 of reference (h) states, "project orders must be issued only to DoD-owned establishments...that have been given authority to operate a reimbursable program in an amount equal to or exceeding the project order amount(s)."

(c) Volume 11A, Chapter 2, paragraph 020510 of reference (h) addresses commencement of work expectations by stating, "The work to be performed under project orders must be expected to begin within a reasonable time after its acceptance by the performing DoD-owned establishment or the USCG." It clarifies that upon acceptance, evidence must exist that at the time of acceptance the intention is for the work to begin in a reasonable amount of time (usually 90 days) and it will be completed within the normal production period for the specific work ordered.

(d) Volume 11A, Chapter 2, paragraph 020515 of reference (h) further limits Project Order use by stating, "Project orders must be issued only to those DoD-owned establishments that are capable of performing substantially the work ordered. "Substantially" as used in this paragraph, means that the project order recipient must incur costs of not less than 51 percent of the total costs attributable to rendering the work or services ordered."

(3) There is a distinct difference between orders under the Economy Act and Project Order authorities.

(a) In accordance with Volume 11A, Chapter 2, paragraph 020519, project orders may only be accepted by the seller on a reimbursable basis.

(b) Project Order financing is limited to work or services not reasonably severable between fiscal years, with a need present in the fiscal year in which the Project Order is issued. Volume 11A, Chapter 2, paragraph 020509 of reference (h) provides definitions and examples of the term "non-severable" versus "severable" types of work to distinguish the appropriate use of Project Order from the Economy Act order.

1. Examples of non-severable activities appropriately financed by Project Orders include, but are not limited to: manufacture, production, or assembly of items; renovation, rebuild, rehabilitation, reconditioning, or overhauls of items; alteration or modification in design or assembly of an item; or construction or conversion of items.

2. Examples of severable services not appropriately financed by Project Orders (but more appropriately considered financed by Economy Act orders) include but are not limited to: custodial or housekeeping services; security or fire protection services; refuse collection; or general routine maintenance.

(c) Based on the nature of non-severable work, the period of performance for Project Order financed efforts may extend into the following fiscal year and beyond the expiration of the appropriation (though not beyond the cancellation date of the appropriation).

f. Defense Working Capital Fund (DWCF). Sub-section 2208a of reference (x) includes authority to establish working capital funds within DoD to finance inventories of supplies and provide working capital for industrial and commercial-type activities that provide common services within the DoD.

(1) Volume 11B, Chapter 1 of reference (h) provides DoD general policy and requirements pertaining to DWCF services and orders.

(2) This authority is restricted to DoD Components with an established DWCF charter which authorizes the establishment of DWCF funding to support the providing of goods and services on a reimbursable basis to authorized customers.

(a) Unlike other authorities, DWCF only provides authority for the selling activity in an intragovernmental relationship. The buyer executes under the Economy or Project Act authority.

(b) Within the Marine Corps, DWCF operations are located at Marine Corps Logistics Command in Albany, GA and Barstow, CA.

5. Intragovernmental Relationships. The follow relationships are defined for the purposes of this bulletin based on general commonalities among numerous references. However, it must be noted that discrepancies do exist between references and appropriate functional advocates should be consulted for clarification when needed.

a. Interagency (Between DoD and Non-DoD Federal Agency). Interagency support involves transactions for goods and services between DoD and non-DoD Federal government agencies. Marine Corps activities may request support from another non-DoD Federal Agency that has the capability to provide the support or may provide support to other non-DOD Federal Agencies if such support does not interfere with the Marine Corps activity's mission. In accordance with Volume 6B, Chapter 13 of reference (h), interagency relationships result in Level 1 transactions between two Federal Agencies who prepare two separate financial statements. As a result, reporting of intragovernmental activity must be identified by Treasury Trading Partner codes and attributes attached to the applicable United States Standard General Ledger (USSGL) accounts. Volume 1, Part 2, Chapter 4700, Appendix 1a of reference (1) contains a current list of federal trading partner codes.

b. Intra-agency (Within DoD). Intra-agency support involves transactions for goods and services within and between DoD and other DoD Components. For consistency with reference (n) and for the purpose of this Bulletin, the Marine Corps classifies intra-agency relationships as interservice or intraservice.

(1) Interservice (Between DON and other DoD components). Interservice support involves transactions for goods and services between the DON (to include the Marine Corps) and other DoD Components. Marine Corps activities may request support from another DoD component that has the capability to provide the support or may provide support to other DoD components to the extent that they are supportable, provided that such support does not interfere with the activity's mission and manpower constraints. Interservice support is provided by a servicing agency and obtained by a requesting agency in the manner that maximizes the benefit to the DoD as a whole. In accordance with Volume 6B, Chapter 13 of reference (h), interservice relationships result in Level 2 transactions between two DoD Components who prepare two separate financial statements. As a result, reporting of interservice activity must be identified by Treasury Trading Partner codes and supplemental internal DoD codes, such as business partner numbers, trading partner federal/non-federal indicators, and other trading partner codes included in the Standard Financial Information Structure (SFIS) to support internal DoD eliminations. Volume 6B, Chapter 1 of reference (h), "Introduction to the Form and Content of the Financial Statements," contains additional information for DoD reporting entities.

(2) Intraservice (within the DON). Intraservice support involves transactions for goods and services within the DON. Marine Corps activities may request support from a Navy or Marine Corps activity that has the capability to provide the support or may provide support to Navy or Marine Corps activities to the extent that they are supportable, provided that such support does not interfere with the activity's mission and manpower constraints. Intraservice support is provided by a servicing agency and obtained by a requesting agency in the manner that maximizes the benefit to the Navy/Marine Corps as a whole. Due to the fact that the Marine Corps is a standalone entity within the DON with a separately reported financial statement, the Marine Corps treats intraservice transactions with the Navy as Level 2 transactions (see preceding paragraph). In accordance with Volume 6B, Chapter 13 of reference (h), intraservice transactions between Marine Corps activities result in Level 3 transactions that are reported via the Marine Corps consolidated financial statement.

6. Key Supporting Documents (KSD). The following sub-paragraphs provide a brief description of the commonly used intragovernmental KSDs and is not all inclusive. Certain business processes, specifically those related to direct citations, may require use of other forms as dictated in applicable policies and regulations.

a. Agreement Documentation. The agreement format used is largely determined by the classification of one or both parties and whether funds reimbursement is involved.

(1) Fiscal Service (FS) Form 7600A (FS 7600A), "United States Government General Terms & Conditions (GT&C)". Intragovernmental agreements that require cost reimbursement (expectation of payment) from one party to another must use the Department of the Treasury FS 7600A. The FS 7600A may also be used to document agreements that have a mixture of reimbursable costs

and non-reimbursable support for goods or services, or to document agreements with no reimbursable clauses. The G-Invoicing GT&C input screen is an electronic version of this form.

(2) Department of Defense Form 1144 (DD 1144), "Support Agreements". The DD 1144 was previously used to document intragovernmental recurring reimbursable support and is no longer authorized. Existing intragovernmental agreements documented via the DD 1144 must transition to the FS 7600A upon renewal or modification.

(3) Memorandum of Agreement (MOA). An MOA is used to document agreements and execute or deliver support with or without reimbursement (expectation of payment) between any two or more parties.

(a) The use of an MOA to document detailed requirements for reimbursable support does not negate the requirement to capture at least summary information on a FS Form 7600A with Federal Agencies.

(b) An MOA to which a non-appropriated fund instrumentality is a party must also comply with reference (z) and Chapter 5 of Volume 13 of reference (h).

(4) Memorandum of Understanding (MOU). An MOU is used to document a mutual understanding between any two or more parties that does not contain a clause for cost reimbursement (expectation of payment) and there is no reliance by the parties to execute or deliver on any responsibilities.

(5) General

(a) Additional information, if required, may be attached to the printed FS 7600A, MOA, MOU, or uploaded to G-Invoicing (e.g., list of services with detailed descriptions, cost estimate sheet, photographs, manpower requirements, etc.).

(b) All reimbursable intragovernmental agreements must be loaded in G-Invoicing.

(c) Reference (m) provides a basic template and content for the MOA and MOU formats. Other formats may be used; however, the agreement's content must include the minimum requirements listed in reference (m).

b. Order/Order Acceptance. There are several forms that can be used to support intragovernmental orders and order acceptance. These forms can be issued to support an intragovernmental order under any of the authorities identified in paragraph 4 of this enclosure.

(1) Fiscal Service (FS) Form 7600B (FS 7600B), "United States Government Order Form". Used to document an intragovernmental order and order acceptance (reimbursable and direct citation) between federal agencies or DoD Components. Prior to the acceptance by the seller, the FS 7600B is a KSD which supports the buyer's commitment of funds in the business system. If signed and accepted by the seller as a reimbursable order, the FS 7600B is a KSD which supports the buyer's obligation of funds in the business system. If signed and accepted by the seller as a direct citation, the FS 7600B serves as notification to the buyer that an additional KSD (i.e., obligating document) is needed to support the buyer's obligation of funds in the business system (e.g., contract, travel orders, etc.).



(2) Department of Defense Form 448 (DD 448), "Military Interdepartmental Purchase Request (MIPR)." Used to document an intragovernmental order (reimbursable order and direct citation) between federal agencies or DoD Components. The DD 448 is a KSD which supports the buyer's commitment of funds in the business system. Use of this form in support of intragovernmental reimbursable orders is being replaced by the FS 7600B. Refer to paragraph 6b(7) for additional details.

(3) Department of Defense Form 448-2 (DD 448-2), "Military Interdepartmental Purchase Request (MIPR) Acceptance." Used to document an intragovernmental order acceptance (reimbursable order and direct citation) initiated via the DD 448 between federal agencies or DoD Components. If signed and accepted by the seller as a reimbursable order, the DD 448-2 is a KSD which supports the buyer's obligation of funds in the business system. If signed and accepted by the seller as a direct citation, the DD 448-2 serves as notification to the buyer that an additional KSD (i.e., obligating document) is needed to support the buyer's obligation of funds in the business system (e.g., contract, travel orders, etc.). Use of this form in support of intragovernmental reimbursable orders is being replaced by the FS 7600B. Refer to paragraph 6b(7) for additional details.

(4) Navy Comptroller Form 2275 (NAVCOMPT 2275), "Order for Work and Services." Used to document an intragovernmental reimbursable purchase order between DON commands (i.e., intraservice). The NAVCOMPT 2275 is a key KSD which supports the buyer's commitment of funds in the business system. When signed and accepted by the seller, the NAVCOMPT 2275 is a KSD which supports the buyer's obligation of funds in the business system. Use of this form in support of intragovernmental reimbursable orders is being replaced by the FS 7600B. Refer to paragraph 6b(7) for additional details.

(5) Navy Comptroller Form 2276 (NAVCOMPT 2276), "Request for Contractual Procurement." Used to document an intragovernmental direct citation between DON commands (i.e., intraservice). This form will only be used for requesting contractual procurement or local purchase of material or services. This form will not be used for requesting work and/or services or for requisitioning material from existing Government stocks. The NAVCOMPT 2276 is a KSD which supports the buyer's commitment of funds in the business system. When signed and accepted by the seller, the NAVCOMPT 2276 serves as notification to the buyer that an additional KSD (i.e., obligating document) is needed to support the buyer's obligation of funds in the business system (e.g., contract, travel orders, etc.). Use of this form is being replaced by the FS 7600B. Note: Request for work and/or services will be accomplished through the use of the NAVCOMPT FORM 2275 and request for standard and/or non-standard stock available within the U.S. Government will be accomplished through the use of DOD Single Line-Item Requisition System Documents (DD Form 1348 and/or 1348-6, as appropriate).

(6) Navy Comptroller Form 2276A (NAVCOMPT 2276A), "Order for Work and Services/Direct Citation." Used to document an intragovernmental order and order acceptance (reimbursable order and direct citation) between DON commands. This form will only be used for requesting work and/or services, contractual procurement or local purchase of material or services. This form will not be used for requisitioning material from existing Government stocks. The purchase/procurement, or requisitioning from stock, of material incident to the performance of this order, however, is permissible. The NAVCOMPT 2276A is a KSD which supports the buyer's commitment of funds in the business

system. If signed and accepted by the seller as a reimbursable order, the NAVCOMPT 2276A is a KSD which supports the buyer's obligation of funds in the business system. If signed and accepted by the seller as a direct citation, the NAVCOMPT 2276A serves as notification to the buyer that an additional KSD is needed to support the buyer's obligation of funds in the business system (e.g., contract, travel orders, etc.). Use of this form is being replaced by the FS 7600B. Note: Request for standard and/or non-standard stock available within the U.S. Government will be accomplished through the use of DOD Single Line-Item Requisition System Documents (DD Form 1348 and/or 1348-6, as appropriate).

(7) General

(a) The use of the FS Form 7600B in support of reimbursable orders is currently mandated in accordance with Volume 11A of reference (h) and reference (l). However, the transition to the use of this form is highly dependent on systematic updates among all federal trading partners to incorporate the production and subsequent standardized use. The timeframe associated with this transition is varied across federal agencies as they pool the resources necessary to incorporate the required systematic changes. During this transition period, the use of any of these forms is acceptable as long as the data contained in the forms support the trading partner's entry of the necessary data elements into our respective business systems.

(b) Once the FS Form 7600B is systematically available for use, the DD 448, DD 448-2, NAVCOMPT 2275, and NAVCOMPT 2276A will no longer be accepted for reimbursable orders. For direct citation orders, trading partners may continue to use the DD 448, DD 448-2, and NAVCOMPT Form 2276. For orders involving both reimbursable and direct citation, trading partners should use the FS Form 7600B (reimbursable) and the DD 448/DD 448-2 or NAVCOMPT Form 2276 (direct citations). In the interim, if a trading partner requests a 7600B while our current business system environment cannot create these documents, it may be necessary to use both the business system generated form and a manually generated 7600B.

(c) All trading partners may not be fully implemented in the use of the FS 7600B. In these cases, the purchase order must be generated within the business system in order to generate the authorized commitment. Once generated, the purchase order document requested by the trading partner should be manually generated to support the business system generated purchase order.

c. Performance and Receipt & Acceptance

(1) Department of Defense Form 250 (DD 250), "Material Inspection and Receiving Report." In accordance with Appendix F of reference (j), the DD 250 is a multipurpose document that is used to provide evidence of acceptance at origin, destination, or other; as a packing list; for receiving and shipping; as a contractor invoice (when used in conjunction with receiving report); and as commercial invoice support.

(a) In support of reimbursable orders, the DD 250 can be used to record the receipt of goods shipped or services performed by a seller to a government receiving point. For example, when a seller ships goods to the buyer, the receiving point will verify receipt, inspect the goods to ensure they conform to the specifics of the order, and complete the DD Form 250 when

goods are determined acceptable. The purpose of this form is to document the receipt of material/service and is therefore considered an expense document.

(b) In support of direct citations supported via assisted acquisitions and with noted exceptions, section 232.7002 of reference (j) requires payment request and receiving reports from contracted vendors to be submitted in electronic form. When exceptions exist, the DD 250 can be used to record the receipt of goods shipped by a vendor to a government receiving point. For example, when a vendor ships goods to the government, the receiving point will verify receipt, inspect the goods to ensure they conform to the specifics of the contract, and complete the DD Form 250 when goods are determined acceptable. The purpose of this form is to document the receipt of material and is therefore considered an expense document.

(c) Appendix F, Part 4 of reference (j) contains preparation instructions for the DD 250.

(2) Wide Area Workflow (WAWF) Receiving Report. In accordance with Appendix F of reference (j), the WAWF Receiving Report is the electronic equivalent of the DD 250 required to be used by contracted vendors (with exceptions) in accordance with section 232.7002 of reference (j).

(a) The WAWF Receiving Report is only currently applicable to direct citation supported via assisted acquisition situations.

(b) Appendix F, Part 3 of reference (j) contains preparation instructions for the DD 250.

(3) Navy and Marine Corps (NAVMC) 44900, "Material/Services Inspection and Receiving Report". A Marine Corps generated form used to document the receipt and acceptance of goods or services purchased by authorized individuals in accordance with Marine Corps policy. Designed to support Marine Corps auditability and property control, it can be used by the buyer or seller to validate the delivery or receipt of goods delivered or services rendered. This form will only be used in support of reimbursable transactions and will standardize and replace the locally generated Reimbursable Order Receiving Report (RORR).

(a) In the absence of a seller generated performance document, it can be completed by the buyer to sufficiently document receipt of delivered goods or services and can be used as an expense document.

(b) As the seller, the form can be completed and provided to the buyer as a performance document to identify goods delivered and/or services rendered. When signed by the buyer, it supports the creation of a corresponding invoice.

(4) Bill of Lading. In accordance with reference (i), when the Government accepts title of supplies at origin, and the contract specifies transportation terms of free on board to destination (contractor bears the expense of transportation), the contractor may be paid upon acceptance of title at origin, provided the invoice is supported by a copy of a signed commercial bill of lading or other document containing the carrier's signature, indicating the goods were received by the carrier.

(5) Other Forms. The following forms may be used to document performance and receipt of goods or services which provides justification for

the posting of an expense in the business system. Although many can be used to document order requirements, internal controls associated with the intragovernmental process prevent their stand-alone use as order initiating documents, especially as part of the reimbursable specific process. When used to support an order, they must be supported with a corresponding order/order acceptance document as identified in paragraph 6b above.

(a) Department of Defense Form 1149 (DD 1149), "Requisition and Invoice/Shipping Document."

(b) Department of Defense Form 1348-1A (DD 1348-1A), "Issue Release/Receipt Document."

(c) Standard Form (SF) 182 (SF 182), "Authorization, Agreement and Certification of Training."

(d) Department of Defense Form 1155 (DD 1155), "Requisition and Invoice/Shipping Document."

(e) Standard Form (SF) 44 (SF 44), "Purchase Order-Invoice Voucher."

(6) Seller generated form. Sellers may generate a performance document not previously identified which is unique to their specific agency. These documents can be used to support the receipt and acceptance and corresponding expense entry in the business system when the minimum required data elements are included or added by the buyer. This includes the corresponding order document number; support type order number (e.g., contract/purchase order number); national stock number/product service code/part number and detailed description/item nomenclatures of the good or service received; line/sub-line-item number corresponding with approved order; unit of measure; quantity received; date received; and printed name, rank, and signature of authorized receptor and acceptor.

d. Billing/Invoicing and Payment Vouchers

(1) Standard Form 1080 (SF 1080), "Voucher for Transfers Between Appropriations and/or Funds." Intragovernmental payments result from transactions between Federal entities for sales, services, or transfers between such entities. DoD Components may use the SF 1080 voucher as support for bills to other DoD Components and non-DoD Federal Agencies when unable to utilize electronic data interchange methods.

(2) Standard Form 1081 (SF 1081), "Voucher and Schedule of Withdrawals and Credits." DoD Components may use the SF 1081 voucher when a manual process is required to generate interagency payments and collections with non-DoD Federal Agencies.

(3) Department of Defense Form 250 (DD 250), "Material Inspection and Receiving Report." When used in conjunction with the receiving report, the DD 250 may serve as contracted vendor invoice.

(4) Wide Area Workflow Receiving Report. The electronic version of the DD 250. When used in conjunction with the receiving report it may serve as a contracted vendor invoice.

e. Document Retention.

(1) All Marine Corps organizations must adhere to documentation retention requirements in Volume 3 of reference (a).

(2) For acquisition related records, all Marine Corps organizations must adhere to documentation retention required in subpart 4.805 of reference (i), subpart 204.805 of reference (j), subpart 5204.805 or reference (u), and any applicable HCA policies and procedures.

f. System-generated equivalent forms. When generated within a Marine Corps-approved business system, the system-generated forms serve as the supporting KSD.

7. Data Requirements. Data is a vital aspect associated with any intragovernmental relationship which enables clear communications of requirements, expenditure transfers, effective reconciliation, and audit traceability. Equally important is the ability to transfer this data between supporting logistic and financial systems to reduce errors associated with manual entry when communicating requirements and key business events between trading partners. As a result, there are several inter-related data standards that have been developed to ensure data integrity and system interoperability between trading partners.

a. Federal Intragovernmental Data Standard (FIDS). As directed in Volume 1, Part 2, Chapter 4700, Appendix 8 of reference (l), FIDS is the mandatory data standard for intragovernmental reimbursable transactions which form the foundation of the U.S. Treasury IGT buy/sell intragovernmental reimbursable process model. Designed to capture the necessary financial management information, trading partners rely upon FIDS for the correct accounting of buy/sell intragovernmental reimbursable business events from initiation through settlement. Trading partners' consistent use and thorough communication of the FIDS facilitates the accurate recording of external business operations events in every stage of the buy/sell reimbursable transaction life cycle, including the expenditure transfers between trading partners, an effective reconciliation process, and audit traceability.

b. Standard Financial Information Structure (SFIS)/Standard Line of Accounting (SLOA). In accordance with Volume 1, Chapter 4 of reference (h), SFIS/SLOA compliance is required for all targeted accounting systems and all targeted financial business feeder systems that support financial transactions. SFIS/SLOA is a comprehensive data structure that supports requirements for budgeting, financial accounting, cost/performance, interoperability, and external reporting needs across the DoD enterprise. Essentially, it standardizes financial reporting across DoD and allows revenues and expenses to be reported by programs that align with major goals, rather than basing reporting primarily on appropriation categories. It also enables decision-makers to efficiently compare programs and their associated activities and costs across DoD and provides a basis for common valuation of DoD programs, assets, and liabilities. The SFIS matrix that defines each data element is available on the SFIS resources web page.

c. Intragovernmental Data Standard (IGDS). As directed in subpart 211.7001 of reference (aa), purchase requests transmitted between DoD requiring systems and DoD contract writing systems shall be transmitted via the Global Exchange system using the Purchase Request Data Standard (PRDS) Extensive Markup Language (XML) format. PRDS was established as an internal DoD system-agnostic data model using common language and business rules to

support all types of requirement reporting. PRDS version 2.0 incorporated the IGDS to support the exchange of intragovernmental data for orders within and outside DoD. Reference (ab) directed DoD Component use of IGDS for reimbursable intragovernmental transactions in addition to the Treasury mandated FIDS mentioned above.

## Acquisition Considerations

1. General. Acquisitions are an integral part of many intragovernmental relationships and may be executed as both reimbursable orders and direct citations. As such, commands must coordinate with the appropriate contracting office (e.g., contracting offices who receive contracting authority via the MARCORSYSCOM or HQMC I&L HCA, or other DON HCA with the unique contracting authority for the requirement) to ensure compliance with the current acquisition regulations.

a. The remaining portions of this enclosure may restate existing regulations in order to provide commands with a high-level understanding of acquisition considerations and provide additional emphasis to intragovernmental areas that may result in non-compliance with existing regulations. As a result, the content is subject to change as applicable authorities are modified and the authoritative source should always be consulted.

b. Appropriate contracting offices will guide commands through any acquisition related requirements as they apply to intragovernmental relationships to include validation of authorities and/or D&F requirements.

## 2. Related References

a. Federal Acquisition Regulation (FAR) Subpart 17.5 (Interagency Acquisitions). Prescribes policies and procedures applicable to all interagency acquisitions under any authority, with noted exceptions. This is further supplemented and implemented by subpart 217.5 of reference (j), subpart 5217.5 of reference (u), and applicable HCA policy (e.g., references (v), (w), or other DON HCA policy).

b. Federal Acquisition Regulation (FAR) Subpart 17.7 (Interagency Acquisitions: Acquisitions by Non-Defense Agencies on Behalf of the Department of Defense). In addition to the policies and procedures for interagency acquisitions set forth in subpart 17.5, this subpart prescribes policies and procedures specific to acquisitions of supplies and services by nondefense agencies on behalf of the DoD. This is further supplemented and implemented by subpart 217.7 of reference (j), subpart 5217.7 of reference (u), and applicable HCA policy (e.g., references (v), (w), or other DON HCA policy).

c. Federal Acquisition Regulation (FAR) Part 8 (Required Sources of Supplies and Services). Prioritizes sources of supplies and services for use by the Government. Except as required in Subpart 8.003 or as otherwise provided by law, agencies shall satisfy requirements for supplies and services from or through the mandatory government sources and publications listed in subpart 8.002. This is further supplemented and implemented by part 208 of reference (j), part 5208 or reference (u), and applicable HCA policy (e.g., references (v), (w), or other DON HCA policy).

## 3. Key Terminology

a. Assisted Acquisition. Section 2.101 of reference (i) defines "Assisted acquisitions" as a type of interagency acquisition where a servicing agency performs acquisition activities on a requesting agency's behalf, such as awarding and administering a contract, task order, or delivery order.

b. Direct Acquisition. Section 2.101 of reference (i) defines "Direct acquisition" as a type of interagency acquisition where a requesting agency places an order directly against a servicing agency's indefinite-delivery contract. The servicing agency manages the indefinite-delivery contract but does not participate in the placement or administration of an order.

c. Coordinated Acquisition. Subpart 208.700 of reference (j) prescribes policy and procedures for acquisition of items for which contracting responsibility is assigned to one or more of the DoD departments/agencies or the General Services Administration (GSA). Contracting responsibility is assigned through the Coordinated Acquisition Program or the Integrated Materiel Management Program.

(1) Coordinated Acquisition Program. Under the DoD Coordinated Acquisition Program, contracting responsibility for certain commodities is assigned to a single DoD department, agency, or the GSA. Commodity assignments are listed in subpart 208.7006 of reference (aa).

(2) Integrated Materiel Management Program. In accordance with Volume 1 of reference (ac), the Integrated Materiel Management Program assigns an activity or agency the integrated wholesale materiel management responsibility for the DoD and participating Federal agencies. Integrated wholesale materiel management responsibilities include requirements determination, procurement, distribution, overhaul and repair of reparable materiel, and disposal of materiel. These commodity assignments are identified in the Standard Federal Supply Classification (FSC) Table provided in Volume 13, Chapter 2 of reference (ad).

#### 4. Determination and Findings (D&F) and Best Interest Determinations

a. Determination and Findings (D&F). Subpart 1.7 of reference (i) defines the D&F as a special form of written approval by an authorized official that is required by statute or regulation as a prerequisite to taking certain contract actions. The "determination" is a conclusion or decision supported by the "findings." The findings are statements of fact or rationale essential to support the determination and must cover each requirement of the statute or regulation. Note: Acquisition regulations do not impose a D&F requirement on Non-Economy Act assisted acquisitions; however, HCA policy may require that a D&F be executed for Non-Economy Act assisted acquisitions.

(1) Subpart 17.5 of reference (i), requires a D&F for each Economy Act order to obtain supplies or services by interagency acquisition. Volume 11A, Chapter 3 of reference (h) cites this requirement and adds that each Economy Act order requires a D&F that must be furnished to the servicing agency at the time of the order.

(2) Specific D&F requirements and Economy Act exceptions are further defined in section 217.503 of reference (j), subsection 5217.502-2 of reference (u), and applicable HCA policy (e.g., references (v), (w), or other DON HCA policy). In addition to those exceptions and examples of actions which do not require a D&F covered at the aforementioned references, the following types of orders do not require a D&F.

(a) The trading partner is designated as an HCA in accordance with subsection 5201.601-90 of reference (u).



(b) The DoD trading partner is designated as the source of supply executive agent in DoD policy, regulation, or instruction.

(3) In accordance with subpart 17.502-2(c) of reference (i), the D&F for each Economy Act order must include the following.

(a) State that use of an interagency acquisition is in the best interest of the government.

(b) State that the supplies or services cannot be obtained as conveniently or economically by contracting directly with a private source.

(c) Include a statement that at least one of the following circumstances applies.

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

2. The servicing agency has the capability or expertise to enter into a contract for such supplies or services that is not available within the requesting agency.

3. The servicing agency is specifically authorized by law or regulation to purchase such supplies or services on behalf of other agencies.

b. Best Interest Determinations

(1) In accordance with Volume 11A, Chapter 18 of reference (h), each requirement executed under non-Economy Act authority (i.e., not Economy Act) must be evaluated to ensure it is in the best interest of DoD. Factors that must be considered are provided below.

(a) Satisfying customer requirements.

(b) Schedule, performance, and delivery requirements.

(c) Cost effectiveness, taking into account the discounts and fees.

(d) Contract administration, to include oversight.

(2) Section 217.770 of reference (j) requires this determination for all direct acquisitions or assisted acquisitions under interagency (non-DoD) contracts, when the amount of the order exceeds the simplified acquisition threshold. Subsection 2.101 of reference (j) defines the simplified acquisition threshold; subsection 5217.770 of reference (u), and applicable HCA policy identifies the applicable approval authority. Contracting officers will make the determination required by section 217.770 of reference (j) when the acquisition falls within the scope of acquisition regulations and applicable HCA policies; however, when an acquisition requires a best interest determination in accordance with Volume 11A, Chapter 18 of reference (h) but is not within the scope of acquisition regulations and applicable HCA policies, the requiring activity is responsible for making the determination.

(3) Within the Marine Corps, a best interest determination is required for all intragovernmental orders which do not require a D&F with the below noted exceptions. The requiring activity is responsible for making the final determination.

(a) The trading partner is a mandatory source of supply in accordance with Part 8 of reference (i) and Part 208 of reference (j).

(b) Support is executed between Marine Corps commands.

Intragovernmental Reimbursable Orders

1. General. Also referred to as a buy/sell IGT, an intragovernmental reimbursable order occurs when a seller bills the buyer at an agreed-upon interval for reimbursement of services performed by the seller or contracted vendor or goods delivered from the seller's inventory or contracted vendor.

a. Marine Corps Considerations. The practice of sending reimbursable orders within and between Marine Corps Major Commands must be examined critically among General Fund activities. To avoid internal Marine Corps reimbursable activity the following alternatives must be considered.

(1) During budget development and funds execution, General Fund activities must seek opportunities to reduce reimbursable volume by recommending budget base transfers, funds realignment between organizations, or below threshold reprogramming actions where appropriate and in coordination with DC P&R. This includes exploring the feasibility of funds re-allocation within a current fiscal year and future year budget realignments to reduce the administrative burden of unnecessary reimbursable activity.

(2) Consolidate transactions into fewer document amendments during execution as much as possible.

(3) When applicable, considering business processes using intra-system functionality.

b. Marine Corps Limitations. In accordance with reference (k), only reimbursable orders between different appropriations are authorized.

(1) Marine Corps-to-Marine Corps reimbursable orders with the same appropriation type (i.e., Treasury Main Account Code) within the same department code (i.e., Treasury Department Regular Code) are prohibited without prior approval of DC P&R.

(2) The Marine Corps business system does allow an internal (i.e., intra-system) direct-cite funding process which may be leveraged to allow a Marine Corps command to authorize another Marine Corps command to direct-cite charges to their project-task structure. In these situations, the supported command desiring to allow the direct-cite will add the supporting command as an Expenditure Organization to their respective project-task enabling them to charge directly against the supported commands funding. Additional guidance on this process is addressed in enclosure (6).

2. Reimbursable Agreements. Refer to enclosure (2), paragraph 2 of this bulletin.

3. Reimbursable Order and Order Acceptance. The policy governing reimbursable orders (purchase request/approval and order acceptance) is provided by references (h), (k), and (ae). The following provides an overview of these policies as they relate to reimbursable orders.

a. Each reimbursable order (to include order modifications) must be issued pursuant to an active signed agreement (i.e., an open GT&C whose end date has not passed). Reimbursable order approvals (to include order acceptance) and the period of performance/required delivery date must fall

within the window of the effective dates of the active GT&C (i.e., start and end date of the GT&C).

b. Each reimbursable order must include clear requirements and outcomes, period of performance/required delivery date, any special requirements or restrictions, and appropriate funding citations. To support the reimbursable business process and audit readiness, reimbursable order data elements must be compliant with the DoD IGDS and the Treasury FIDS.

c. Each reimbursable order must be initiated in the approved business system to ensure minimum data requirements are captured and enforcement of established processes for review, approval, and internal control principles identified in Volumes 1 and 2 of reference (a), and references (1), and (ae).

(1) The only exception to the preceding paragraph is when access to the approved business system is not available due to a lack of connectivity in a forward deployed environment.

(2) The business system will generate the reimbursable order via an approved form identified in enclosure (2), paragraph 6b of this Bulletin.

d. Once the reimbursable order is generated and approved in accordance with references (a) and (ae), it generates a commitment of funds in the buyer's business system and is forwarded to the seller for review and acceptance.

e. Upon receipt of a reimbursable order, the seller validates the order is within the scope of an existing active agreement.

f. In coordination with the supporting entity, the seller reviews the reimbursable order to ensure it includes clear requirements and outcomes, period of performance/required delivery date, any special requirements or restrictions, and appropriate funding citations.

g. In coordination with the supporting entity, the seller determines feasibility of providing the requested goods or services in accordance with the buyer's order.

(1) If supportable, initiate and accept the order in the approved business system to ensure minimum data requirements are captured and enforcement of established processes for review, approval, and internal control principles identified in Volumes 1 and 2 of reference (a), and references (1) and (ae).

(a) The buyer's reimbursable order and supporting documentation is required to justify this entry. To support audit readiness, a copy of these documents must be attached to the corresponding transaction in the business system upon entry of the order acceptance. If the transaction was executed prior to fiscal year 2022, the documents must be posted to the Reimbursable Work Order Repository located at:  
[https://hqmcportal.hqi.usmc.mil/org/pr/fiscalops/accounting/MCFMOS/RWOR\\_Current\\_FY/Forms/AllItems.aspx](https://hqmcportal.hqi.usmc.mil/org/pr/fiscalops/accounting/MCFMOS/RWOR_Current_FY/Forms/AllItems.aspx).

(b) The only exception to the preceding paragraph is when access to the approved business system is not available due to a lack connectivity in a forward deployed environment. In these situations, the supporting

documentation must be posted to the Reimbursable Work Order Repository as soon as feasible.

(c) The business system will generate the reimbursable order acceptance via an approved form identified in enclosure (2), paragraph 6b of this bulletin.

(d) Due to system limitations, the business system may not be able to generate the required reimbursable order acceptance form as indicated in the previous paragraph. In these instances, users will be required to manually generate the applicable reimbursable order acceptance document after entry into the business system.

(2) If not supportable, cite the reasons for denial and return to the buyer.

h. Once the reimbursable order acceptance is generated and approved in accordance with references (a) and (ac), the business system generates a reimbursable record. This reimbursable record is unique to the buyer's order and identifies pertinent information prescribed by reference (k). The intent of the record is to record seller costs which will convert to charges to the buyer during the billing process. It is important to note the seller initially uses their own funds to execute the buyer's requirement.

i. The accepted reimbursable order is provided to the buyer to support their obligation of funds and begins the seller's actions to fill the reimbursable order requirements. The seller transitions to the performance/delivery process to document goods delivered or services provided (paragraph 4 of this enclosure).

j. Upon receipt of the seller's accepted reimbursable order, the buyer must enter the appropriate obligation in the business system. The seller's reimbursable acceptance document is required to justify this entry. To support audit readiness, a copy of the seller's reimbursable acceptance document and any supporting documents must be attached to the corresponding transaction in the business system upon entry of the obligation. Refer to enclosure (5) of the bulletin if the seller chooses to accept the order as a direct citation vice reimbursable.

k. After the appropriate obligations are entered, the buyer executes order management to monitor available funding balances and status of expected performance (delivery of goods or services rendered). At the time of performance, the buyer documents receipt and acceptance for goods delivered or services provided (paragraph 5 of this enclosure).

4. Reimbursable Performance/Delivery. The policy governing performance and delivery requirements is provided by Volume 4, Chapter 3 of reference (h). This is a necessary action by the seller which supports both the buyer's and seller's understanding of what was provided by the seller based on what was accepted on the order. When combined with the buyer's receipt and acceptance, the documents serve as the appropriate evidence that a good was received or a service was rendered and supports the validity of the reimbursable order through to settlement.

a. The seller performs the necessary actions to fill the buyer's order and generate a performance/delivery document which is forwarded to the buyer.

Simultaneously, the seller books a receivable (uncollected) in their business system in accordance with Volume 4, Chapter 3 of reference (h).

(1) Performance/delivery documentation consists of one of the documents in paragraph 6c of enclosure (2).

(2) To support the reimbursable business process and audit readiness, reimbursable performance/delivery data elements must be compliant with DoD IGDS and the Treasury FIDS.

(3) Copies of the performance/delivery documentation will be distributed with the shipment (delivery of goods or performance of services) and to the servicing and requesting agency funding and authorizing officials in accordance with reference (j).

b. Upon delivery, the buyer inspects the delivered goods or services to ensure they are correct and in working order and signs the performance/delivery document. This serves as the receipt and acceptance document and is returned to the seller as confirmation of receipt.

c. Upon receipt of the buyer's confirmation of receipt (receipt and acceptance), the seller begins the reimbursable settlement phase (paragraph 6 of this enclosure).

5. Reimbursable Receipt and Acceptance. The authority and policy governing receipt and acceptance requirements are provided by references (h), (k), (ae), (af), (ag) and sub-sections 1535 and 3321 of reference (r). The receipt and acceptance process provides an audit compliant source document to support the delivery of orders. This source document supports the recording of buyer's accounts payable in accordance with Volume 4, Chapter 9 of reference (h) and validates the seller's accounts receivable in accordance with Volume 4, Chapter 3 of reference (h). Proper receipt and acceptance reduce the risk of payment for goods or services that were not received or that did not satisfy the order.

a. The buyer and seller are required to produce evidence of receipt and acceptance as documented proof that the goods were delivered, or services performed.

(1) In accordance with Volume 5 of reference (ah), the buyer will record receipts no later than 5 business days from the date goods or services are received.

(2) Receipt and acceptance documentation consists of one of the documents in paragraph 6c of enclosure (2).

(3) To support the reimbursable business process and audit readiness, reimbursable receipt and acceptance data elements must be compliant with the DoD IGDS and the Treasury FIDS.

(4) Copies of the receipt and acceptance documentation will be distributed to the servicing and requesting agency funding and authorizing officials in accordance with reference (j).

b. In cases where the performance/delivery documentation is provided by the seller before or upon delivery of the goods or services to the buyer, the following applies.

(1) The individual(s) authorized to receive/accept the items on behalf of the buyer sign the performance/delivery documentation received from the seller, ensuring the required minimum IGDS/FIDS data elements are annotated on the document. This serves as the receipt and acceptance documentation.

(2) The buyer provides a copy of the signed receipt and acceptance to the seller as confirmation that the goods or services have been received and accepted. Simultaneously, the buyer enters an expense in the business system (i.e., books a payable) to show that the goods or services were received. To support audit readiness, a copy of manually signed receipt and acceptance documents and any supporting documents must be attached to the corresponding transaction in the business system upon entry of the receipt. In addition, copies of the signed receipt and acceptance documentation are distributed in accordance with paragraph 4a(3) of this enclosure.

(3) Upon receipt, the seller initiates the intragovernmental reimbursable settlement process (paragraph 6 of this enclosure).

c. The following applies when the performance/delivery documentation is not provided by the seller before or upon delivery of the goods or services to the buyer.

(1) In order to document the Marine Corps receipt of goods or services when performance/delivery documentation is not provided by the seller, the buyer will create their own receipt and acceptance document.

(2) The individual(s) authorized to receive/accept the items on behalf of the buyer signs the buyer-generated receipt and acceptance document, ensuring the required minimum IGDS/FIDS data elements are annotated on the document. This serves as the receipt and acceptance documentation.

(3) The buyer provides a copy of the signed receipt and acceptance to the seller as confirmation that the goods or services have been received and accepted. Simultaneously, the buyer enters an expense (books a payable in the business system) to show that the goods or services were received. To support audit readiness, a copy of manually signed receipt and acceptance documents and any supporting documents must be attached to the corresponding transaction in the business system upon entry of the receipt. In addition, copies of the signed receipt and acceptance documentation are distributed in accordance with paragraph 4a(3).

(4) Upon receipt, the seller initiates the intragovernmental reimbursable settlement process (paragraph 6 of this enclosure).

d. In accordance with references (ae) and (ai), the individual who approved the reimbursable order cannot perform the receipt and acceptance confirmation for the goods or services ordered (i.e., they cannot sign the receipt and acceptance documentation).

6. Reimbursable Settlement. Submission, review, and validation of billed amounts and payments are integral steps in the reimbursable process. The policy to prepare, review, and submit bills (invoice) and payments (disbursement) are provided by Volume 4, Chapter 3, Volume 11A, Chapter 1 and Volume 11B, Chapter 11 of reference (h), and reference (k). The following

provides an overview of policies and procedures governing intragovernmental reimbursable orders.

a. Per Volume 4, Chapter 3 of reference (k), the seller shall charge the customer upon receiving documentation validating that goods or services were provided.

(1) Upon receipt and acceptance validation, the seller submits invoices and retains all documentation supporting the invoices. Supporting documentation for the bill includes the purchase order, order acceptance, performance/delivery and receipt and acceptance documentation.

(2) Per Volume 11A, Chapter 1 and Volume 11B, Chapter 11 of reference (h), sellers shall bill the buyer within 30 calendar days after the month in which performance occurred (e.g., performance occurring on 3 March and 30 March requires billing no later than 30 April). The payment due date shall not be more than 30 calendar days from the date of the bill.

b. All reimbursement disbursement and collection transactions are made via the access restricted IPAC system (<https://fiscal.treasury.gov/ipac>) in accordance with Volume 5, Chapter 11, paragraph 1104 of reference (h).

c. When the Marine Corps is the seller, the billing process within the business system is activated once an "expense" against the customer order is created.

(1) The business system produces the bill based on the amount recorded and previously unbilled expenses associated with the buyer's order.

(2) The seller's appropriations are initially charged for the goods or services consumed by the buyer. The disbursement collection provides the seller's appropriation with a credit to offset the initial outlay and transfers a charge to the buyer's appropriation data provided in the reimbursable order and acceptance.

d. When the Marine Corps is the buyer, commands have 90 calendar days from the time the IPAC payment is processed to dispute the charge and process the adjustment (chargeback). To facilitate this process and increase the availability of funds, the receipt and acceptance (if not already accomplished) must be accomplished no later than 30 calendar days after the IPAC payment posts in the supporting business system.

(1) Commands must review system generated reports within the business system to confirm all IPAC payments have been properly expensed. Transactions posted to the reports must be researched to determine if the goods or services have been delivered.

(a) If the goods or services have been delivered and the receipt and acceptance documentation is not available, commands must execute the actions outlined in paragraph 5c of this enclosure.

(b) If the goods or services have been delivered and the receipt and acceptance documentation is available, the buyer enters an expense in the business systems (i.e., book a payable). To support audit readiness, a copy of manually signed receipt and acceptance documents and any supporting documents must be attached to the corresponding transaction in the business system upon entry of the receipt.



(c) If the goods or services have not been delivered, the buyer will initiate dispute and chargeback procedures following the instructions provided in Volume 4, Chapter 3, paragraph 0305 of reference (h). Marine Corps activities are expected to work directly with trading partners to reconcile differences; however, if activities are not able to resolve the differences at their level it will be elevated to DC I&L. DC I&L will coordinate with DC P&R to initiate the dispute resolution process identified in paragraph 2.3.4 of reference (l).

(2) Refer to Chapter 5 of reference (k) for additional financial management details associated with the settlement process.

7. Reimbursable Reconciliation and Closeout. Volume 6B, Chapter 13 of reference (h) contains policy for reporting requirements associated with intragovernmental activity. In support of this reporting requirement, it is necessary that trading partners continuously monitor their reimbursable activity and review, reconcile, and closeout all reimbursable transactions when the terms and conditions as outlined in the order have been met. A key component to the Marine Corps overall reporting success largely relies on successful reimbursable order reconciliations at the transactional level. This not only increases the Marine Corps confidence level in the ability to substantiate and support recorded amounts as they relate to reimbursable orders, it will also serve as a means to eliminate numerous unmatched transactions which ultimately reduces the effort required when reconciling miss-matched transactions with trading partners. As a result, commands must establish processes to reconcile, and closeout reimbursable orders as established in references (k) and (ae) with the following additional guidance.

a. Coordinate review of final bills, completion of work, reconcile any discrepancies (e.g., unmatched disbursements and collections) and establish an agreement for final amendment to the order, if required, to return unused funds to the requesting organization. Timely reconciliation of orders provides ample opportunity to recoup funds for the optimal utilization of allocated resources.

(1) Implement procedures and controls to ensure the creation, obtaining, and maintaining of performance documents for goods delivered or services performed, and receipt and acceptance documents for good/services received.

(2) Complete reconciliation and closeout of orders within 30 calendar days, but no later than 60 calendar days, after the work completion date for unexpired funds.

(3) Complete reconciliation and closeout of orders that have remaining balances upon funds expiration to ensure the accuracy of related accounts payable and receivable balances in support of annual financial statement reporting as of 30 September.

(4) On a monthly basis, reconcile all intragovernmental transaction with the applicable trading partner to ensure accurate reporting in the respective business system.

(a) Correct abnormal accounts payable and receivable transactions by locating the applicable performance and/or receipt/acceptance

documentation and ensuring corresponding entry is entered in the applicable business system.

(b) Reconcile intragovernmental accounts payable balances with the trading partner accounts receivable balance to confirm the validity of the reported balance to facilitate intragovernmental trading partner eliminations.

(c) Reconcile intragovernmental accounts receivable balances with the trading partner accounts payable balance to confirm the validity of the reported balance to facilitate intragovernmental trading partner eliminations.

(5) Confirm validity of open obligations and/or undelivered orders with no activity for more than three months.

(a) Proactively close aged obligations in the appropriate business system that are no longer active.

(b) For open obligations with a balance, support all activities recorded against the original obligation amount and validate the remaining unliquidated obligation (ULO) balance at the document level.

b. At year end, reconcile and confirm that the reported obligation balances in the business system matches the seller's obligation balance.

Intragovernmental Direct Citations Supported via the Acquisition Process

1. General. Also referred to as direct fund citations, intragovernmental direct citations occur when a paying/ordering entity (referred to as the seller for the purposes of this document) processes a disbursement and cites the line of accounting of another reporting entity (referred to as the buyer for the purposes of this document). Recent audits have revealed that DoD Reporting Entities have not consistently: (1) approved payments made by a seller; (2) obtained supporting documentation from the seller; or (3) validated supporting documentation is available during a financial statement audit. This is directly related to the lack of a uniformly designed and implemented internal controls to verify the validity and accuracy of direct citation orders, to include cross-disbursements and payments to other.

a. As a result, DoD issued reference (o) directing the use of direct citation orders to be minimized to the maximum extent possible. In lieu of direct citations, DoD reporting entities are encouraged to consider using reimbursable orders or non-expenditure transfers (i.e., baseline budget transfers). When these options are not feasible and there is a justifiable business need, trading partners may agree on utilization of a direct citation order.

b. When direct citation orders are necessary, Marine Corps activities must meet internal control requirements established within this bulletin in order to meet Marine Corps and DoD audit readiness requirements identified in reference (o) and summarized below.

(1) Completeness. Reporting entities must ensure that all direct citation orders are recorded in the correct reporting period and for the correct amount.

(2) Validation. Reporting entities must ensure that all direct citation order transactions are valid and accurate.

(3) Monitoring. Reporting entities must establish controls to ensure that direct citation orders meet audit requirements.

(4) Audit Support. The seller must be prepared to support the buyer's financial statement audit.

c. Financial reporting associated with the direct citation process is strictly aligned to the buyer, however it is highly reliant on critical data associated with steps performed by the seller. As a result, Marine Corps buyers must ensure the seller is aware of the following requirements identified in reference (o) prior to entering into a direct citation relationship.

(1) Seller business systems used to process direct citation orders on the buyer's behalf must be Federal Information System Controls Audit Manual (FISCAM) and Federal Financial Management Improvement Act (FFMIA) compliant. If the seller's underlying business systems are not FISCAM or FFMIA compliant, they must have established compensating controls that mitigate the deficiencies.

(2) In support of the buyer's financial statement audits, the seller must be prepared to:

(a) Upon request, provide the buyer direct citation related Risk and Financial Reporting Objective Matrices, internal control testing results, applicable end-to-end business process and underlying system walkthrough documentation (i.e., process flows and narratives), and accounting policies, to include identification of key controls. The end-to-end documentation must cover the buyer's obligation of funds through the transfer of asset(s)/performance and contract close-out processes.

(b) Support the buyer in the identification and correction of any buyer audit findings, including systems findings. This includes assisting as necessary with the development and implementation of related corrective action plans to resolve the findings.

(c) Upon request, provide the buyer supporting documents (i.e., contract, receiving reports and invoices) in response to "Provided by Client" requests from the auditors on direct citation cite orders.

2. Scope. The remaining portion of this enclosure is specific to direct citations supported via the acquisition process, specifically assisted acquisitions. Other functional areas, such as travel and transportation, are supported via a similar process, however, their uniqueness prevents their inclusion in this bulletin. In addition to the basic requirements identified in references (a), (k), and (ae) and Volume 4 of reference (h), the following references should be consulted for additional guidance.

(1) Volume 9 of reference (h) and reference (aj) for travel related support.

(2) Reference (ak) for transportation related support.

3. Marine Corps Limitations. Support provided by any Marine Corps contracting office does not require the use of a direct citation as it creates an unnecessary administrative burden for all parties. These situations are executed as purchase request routed to the appropriate Marine Corps contracting office.

4. Direct Citation Agreements. In accordance with reference (o), agreements are required to document the terms and conditions for the direct citation order. This agreement must include the identification of supporting documentation and how it will be made available to both the buyer and seller. The Marine Corps will document this agreement via the GT&C as described in enclosure (2), paragraph 2 of this bulletin.

5. Direct Citation Order and Order Acceptance. The policy governing direct citation orders is provided by references (h), (k), and (o). The following provides an overview of these policies as they relate to direct citation orders.

a. Each direct citation order (to include order modifications) must be issued pursuant to an active signed agreement (i.e., an open GT&C whose end date has not passed). Direct citation orders (to include order acceptance) and the period of performance/required delivery date must fall within the window of the effective dates of the active GT&C (i.e., start and end date of the GT&C).

b. Each direct citation order must include a specific Statement of Work with clear requirements and outcomes, period of performance/required delivery

date, any special requirements or restrictions, and appropriate funding citations.

c. Each direct citation order must be initiated in the approved business system to ensure minimum data requirements are captured and enforcement of established processes for review, approval, and internal control principles identified in Volumes 1 and 2 of reference (a), and reference (ae).

(1) The only exception to the preceding paragraph is when access to the approved business system is not available due to a lack connectivity in a forward deployed environment.

(2) The business system will generate the direct citation order via an approved form identified in enclosure (2), paragraph 6b of this bulletin.

d. Once the direct citation order is generated and approved in accordance with references (a) and (ae), it is forwarded to the seller for review and acceptance.

e. Upon receipt of a direct citation order, the seller validates the order is within the scope of an existing agreement. An agreement will need to be created and approved if one is not already established.

f. When the requirement is supported via an assisted acquisition, the seller in coordination with the supporting contracting office determines the feasibility of supporting the requested goods or services in accordance with the buyer's order. The customer order must include clear requirements and outcomes, period of performance/required delivery date, any special requirements or restrictions, and appropriate funding citations in order to make this determination.

(1) If supportable, initiate and accept the order in the approved business system to ensure minimum data requirements are captured and enforcement of established processes for review, approval, and internal control principles identified in Volumes 1 and 2 of reference (a), and reference (ae).

(a) The only exception to the preceding paragraph is when access to the approved business system is not available due to a lack connectivity in a forward deployed environment.

(b) The business system will generate the direct citation order acceptance via an approved form identified in enclosure (2), paragraph 6b of this bulletin.

(c) Due to system limitations, the business system may not be able to generate the required direct citation order acceptance form as indicated in the previous paragraph. In these instances, users will be required to manually generate the applicable direct citation order acceptance document after entry into the business system.

(2) If not supportable, cite the reasons for denial and return to the buyer.

g. Once the direct citation order acceptance is generated and approved in accordance with references (a) and (ae), the seller returns a copy to the

buyer. This provides the buyer with acknowledgement that the seller is able to support the requirement via the direct citations process.

h. The seller begins the applicable contracting process required to support the order. This process generates an obligation document (e.g., contract, purchase order, etc.) to fill the buyer's direct cite order, directly citing the buyer's line of accounting.

(1) Depending on the supporting business system, the contracting process to fill the buyer's order is initiated during the direct citation order acceptance process. However, some business systems may require additional actions by the seller to initiate the creation of the obligation document (i.e., the act of accepting the direct citation order will not automatically initiate the corresponding obligating action).

(2) Within three days of establishing the obligating document, the seller provides the buyer with a copy of the document which cites the buyer's line of accounting.

i. To formally document the terms of the direct citation order, the buyer must record an obligation in the business system upon receipt of the direct citation obligation document generated by the seller. On a weekly basis, buyers must contact the seller and/or query the Electronic Document Access (EDA) system to ensure obligation documents are attained and subsequently recorded in the buyer's business system.

j. After the appropriate obligations are entered, the buyer monitors the delivery of the goods or services which initiates the direct citation receipt and acceptance process to document goods or services received (paragraph 6 of this enclosure).

6. Direct Citation Performance/Delivery, Receipt and Acceptance, and Settlement. Performance/Delivery is a necessary action which supports both the buyer's and service provider's understanding of what was provided by the service provider based on what was accepted on the subsequent direct citation obligating document. The receipt and acceptance process provides an audit compliant source document to support the delivery of orders and validates the recording of accounts payable in the buyer's respective business system. When combined, these documents collectively serve as the appropriate evidence that a good was received or a service was rendered and supports the validity of the direct citation order through to settlement (submission, review, and validation of billed amounts and payments).

a. In addition to the basic requirements identified in references (a), (i), and (ae) and Volume 4 of reference (h), specific details associated with the contracted vendor's performance/delivery, the buyer's receipt and acceptance, and settlement requirements are documented in references (i), (j), (u), (v), (w) and Volume 10 of (h).

b. In addition to the requirements identified in the references above, the below actions are necessary to ensure effective direct citation internal controls are in place.

(1) Upon delivery, the buyer inspects the delivered goods or services to ensure they are correct and in working order and signs the performance/delivery document. This serves as the receipt and acceptance document and is returned to the contracted vendor as confirmation of receipt.

To support audit readiness, a copy of manually signed receipt and acceptance documents and any supporting documents must be attached to the corresponding transaction in the business system upon entry of the receipt.

(a) In accordance with Volume 5 of reference (ah), the buyer will record receipts no later than 5 business days from the date goods or services are received.

(b) To meet the "separation of duties" requirement prescribed by references (ae) and (ai), the individual who approved the direct citation order cannot perform the receipt and acceptance confirmation for the goods or services ordered (i.e., they cannot sign the receipt and acceptance documentation).

(c) An individual delegated the authority to receive goods and/or services for the buyer who is not also authorized to accept goods and/or services for the buyer, must provide documented evidence of receipt to the authorized acceptor to ensure all directed citation transactions are accurately and timely recorded.

(2) Copies of the receipt and acceptance documentation will be distributed to the contracted vendor and requesting agency funding and authorizing officials in accordance with reference (j).

7. Direct Citation Reconciliation and Closeout. It is necessary that trading partners continuously monitor their direct citation activity and review, reconcile, and closeout all direct citation transactions (buyer) or contracting vehicles (seller) when the terms and conditions as outlined in the order and contract have been met. A key component to the Marine Corps overall financial reporting success largely relies on successful direct citation order reconciliation at the transactional level. As a result, commands must establish processes to reconcile, and closeout direct citation orders as established in references (k) and (ae) with the following additional guidance.

a. To support the direct citation transaction validity, the buyer must maintain all source documentation used to initiate the cross-disbursement charge.

b. The buyer must coordinate the review of final bills, completion of work, and establishment of final amendments to the order, if required, to return unused funds to the requesting organization.

c. On a monthly basis, the buyer reconciles all direct citation transaction obligations between the contract administration and entitlement systems (i.e., the Mechanization of Contract Administration Services) and the business system to verify completeness of direct fund cite and self-entitled transactions. After reconciliation, adjust balances appropriately, obtain, and maintain evidentiary supporting documentation to substantiate the reported balances that can be timely retrieved in response to audit responses.

d. Within 10 business days of payment certification, the buyer obtains supporting documentation (contract or contract modifications, invoices, and receiving reports) to verify payment made against the direct fund cite was valid and accurate.

e. On a monthly basis, the buyer performs reconciliations of direct citation orders between all entitlement systems and the buyer's business system to record disbursements in-transit (accrual) in order to identify in-transit disbursements that have not yet been recorded.

f. On a quarterly basis, the buyer and seller perform a quarterly unliquidated obligation review to ensure financial records are in agreement and balances are still valid in order to support transaction validity and buyer obligation balances. These reviews must be fully documented.



Marine Corps Direct Cite

1. General. In accordance with reference (k) and enclosure (4) of this Bulletin, Marine Corps-to-Marine Corps reimbursable orders between the same appropriation type (i.e., Treasury Main Account Code) within the same department code (i.e., Treasury Department Regular Code) are prohibited without prior approval of DC P&R. In these situations, support is executed via the Marine Corps direct cite process (not to be confused with the Intragovernmental direct citation discussed in enclosure (5)) which enables a Marine Corps requisition authority activity to grant authority to another Marine Corps requisition authority activity to directly cite their funding for subsequent purchasing of goods and/or services. The supported activity (referred to as the buyer/requestor for the purposes of this document) desiring to allow the direct-cite will add the supporting activity (referred to as the seller/performer for the purposes of this document) as an Expenditure Organization to the respective project-task. This enables the supporting command to charge directly against the supported commands funding. This enclosure establishes the roles and responsibilities associated with this process to ensure Marine Corps activities meet internal control requirements in order to meet Marine Corps and DoD audit readiness requirements.

a. The Marine Corps direct cite process is only applicable when both Marine Corps activities are requisition authority activities (i.e., both have "00" authority DoD Activity Address Codes) and are executing within the same appropriation type (e.g., 1106, 1105, BSSI, etc.) and the same department code (e.g., 017 or 097).

b. Exclusions. The Marine Corps to Marine Corps direct cite process is not applicable in the following situations.

(1) Marine Corps to Marine Corps support between appropriation types or department codes will be executed as intragovernmental reimbursable (enclosure (4) of this bulletin).

(2) Support provided by a Marine Corps contracting office is executed as an internal purchase request.

(3) In accordance with reference (k), the Marine Corps direct-cite is not applicable to fund labor costs between two Marine Corps commands. These charges will be transferred from the buying command to the selling command through the on-line allocation process. The buying command will provide the selling command the SLOA and other required financial accounting information required by the supporting business system to be used in processing direct to direct labor allocations.

c. As indicated in enclosure (2), paragraph 2b(1) of this bulletin, an agreement is not required for the Marine Corps direct cite process. The essential roles and responsibilities are identified in this enclosure and eliminate the need for individual agreements. However, it does not preclude the activities from using an agreement to document the supported/supporting relationship if the activities deem it appropriate.

d. Marine Corps direct cite transactions will reflect on the requestor/buyer accounting records utilizing the seller/performer's document number. As a result, communication is imperative to support accurate financial reporting and reconciliation process (e.g., ULO validations and

Dormant Account Review Quarterly Reviews). All documentation associated with the direct cite transaction must be shared and maintained by both the seller/performer and buyer/requestor.

2. Roles and Responsibilities. The effective management and use of Marine Corps direct cite is a shared responsibility of the buyer/requestor and the seller/performer. The following roles and responsibilities, which are derived from reference (a), (h), (k), and (ae), are necessary to meet Marine Corps and DoD audit readiness requirements.

a. Buyer/Requestor

(1) Initiate request for good and/or services and be responsible for the buyer requirements associated with their respective order.

(2) Orders for goods and/or services will be initiated via formal letter from the buyer/requestor to the seller performer.

(a) Each order must include clear requirements and outcomes, period of performance/required delivery dates, and any special requirements or restrictions.

(b) Each order must include the full Standard Line of Accounting (SLOA).

(c) Each order will clearly identify the Product Service Code / Federal Supply Class, quantity, and estimate cost for each line item.

(d) When warranted, a specific Statement of Work can be utilized to provide required details.

(e) Each order will be approved by the CO/AO or their appointed approving official.

(3) Upon acceptance of the buyer/requestor's order by the seller/performer, initiate the required actions within the supporting business system to authorize seller access to the buyer's line of accounting.

(a) The seller/performer acceptance endorsement serves as confirmation that the seller/performer is able to support the requirement and validates the amount of funding necessary for the support.

(b) Prior to entry, the buyer/requestor must confirm the availability of sufficient uncommitted funds to cover the amount to be authorized in the direct cite request.

(c) Upon completion, the buyer/requestor contacts the seller/performer to notify them of the appropriate entry in the business system.

(4) Recoup funds within the business system when there is an uncommitted balance amount or when the seller/performer rejects the transaction.

(5) Upon delivery, the Requesting Agency inspects the delivered goods or services rendered to ensure they are correct and in working order (meet

the quantitative and qualitative terms of the order) and signs the performance/delivery document which serves as their receipt and acceptance.

(a) Upon delivery or performance via the seller/performer (i.e., goods or services were directly delivered or performed by the seller/performer), the buyer/requestor inspects the delivered goods or services and signs the performance delivery document which serves as the receipt. A copy of this document will be provided to the seller/performer as confirmation of receipt. In this situation, the seller/performer has already performed the transactional receipt and acceptance and the buyer/requestor receipt serves as a chain of custody confirmation.

(b) Upon delivery or performance by a third party (i.e., good or services was directly delivered or performed by a third party and not via the seller/performer), the buyer/requestor will inspect the delivered goods or services rendered and signs the performance delivery document which serves as the receipt. A copy of this document will be provided to the seller/Performer as confirmation of receipt and support the seller/performer's transactional acceptance.

(6) As necessary, assist the seller/performer with the close out of all direct cite related orders. This includes assisting with reviewing, researching, and clearing unmatched disbursements related to the approved direct cite and subsequent orders.

(7) Complete a reconciliation and closeout of direct cite orders no later than 60 days after the work completion date and maintain documentation of this review.

b. Seller/Performer

(1) When warranted, coordinate with the buyer/requestor to coordinate the Statement of Work and detailed costs estimates to support the Requesting Agency IGT purchase request/order for goods and/or services.

(2) Upon receipt of a buyer/requestor's order, assess feasibility of support.

(a) If supportable, the Servicing Agency will accept the order via endorsement of the official request and return to the buyer/requestor.

(b) If not supportable, cite the reasons and return to the buyer/requestor.

(3) Upon notification from the buyer/requestor that their actions have been executed within the supporting business system to authorize seller/performers access to the buyer's line of accounting, the seller/performer accepts the funding with the supporting business system.

(a) Direct cite authorizations must be accepted in the business system with 30 days. Failure results in aged-actions which puts the buying command at risk of losing funding. Continuous communication is encouraged to deter inadvertent loss of funds.

(b) Compliance with this 30-day acceptance rule helps ensure proper funds management and accountability from both the buying and selling command.

(4) Assume responsibility for any indirect costs incurred in filling the buyer/requestor requirements.

(a) Indirect cost will not be transferred via the direct cite process or labor allocation.

(b) Seller/performer will monitor indirect costs of supporting buying/requesting activities and submit these amounts for future funding consideration.

(5) Execute actions to support the direct cite order and ensure a performance/delivery document is provided to the buyer/requestor, by the seller/performer or contracted vendor, to document the goods delivered or services performed. The performance/delivery document will be provided upon delivery of the goods/services or on a predictable schedule as indicated in the order acceptance.

(a) When orders are delivered by the seller/performer, performance and delivery documents are generated by the seller/performer. In this situation, the seller/performer has already performed the transactional receipt and acceptance and the subsequent buyer/requestor receipt serves as a chain of custody confirmation (i.e., proof the goods and/or services were delivered and received by the buyer/requestor).

(b) When orders are delivered by a third party, the performance and delivery documents are generated by the third party. The receipt provided by the buyer/requestor will provide the seller/performer with validation that the goods were delivered, or services rendered by the third party and will be used to support the transactional acceptance to authorize payment.

(6) Ensure all payments are made prior to closing out respective direct cites and subsequent orders.

(7) Review, research, and clear unmatched disbursements related to the approved direct cite and subsequent orders.

(8) When necessary, assist the buyer/requestor with their direct cite reconciliation to ensure direct cite related order closeout no later than 60 days after the work completion.

(9) Either 30 days before the end of the Fiscal Year or 30 days prior to the expiration of a direct cite issued under this agreement, identify all unobligated funds or obligated funds that are not anticipated to be expended in the performance of the direct cite to the buyer/requestor.

## APPENDIX A

### Glossary of Terms and Definitions

Acceptance. Payment authentication by an authorized government official for goods received or services rendered. Receipt of goods does not ordinarily provide a basis for payment and acceptance must occur as a condition of payment, with limited exceptions.

Accounts Payable. Liabilities owed by the DoD for goods and services received from, progress in contract performance made by, and rents due to other entities.

Accounts Receivable. Receivables arise from claims to cash or other assets against another entity. At the time revenue is recognized and payment has not been received in advance, a receivable must be established. Receivables include, but are not limited to, monies due for the sale of goods and services and monies due for indebtedness.

Business System. Also referred to as "Defense Business System", a business system is an information system that is operated by, for or on behalf of the DoD, including a financial system, a financial data feeder system, a contracting system, a logistics system, a planning and budgeting system, an installations management system, a human resources management system or a training and readiness system.

Commitment. A firm administrative reservation of funds, based upon firm procurement directives, orders, requisitions, authorizations to issue travel orders, or requests which authorize the recipient to create obligations without further recourse to the official responsible for certifying the availability of funds. The act of entering into a commitment is usually the first step in the process of spending available funds. The effect of entering into a commitment and the recording of that commitment on the records of the allotment is to reserve funds for future obligations. A commitment is subject to cancellation by the approving authority to the extent that it is not already obligated.

Direct Citation. An order for goods or services where the paying/ordering entity (seller) processes a disbursement and cites the line of accounting of another reporting entity (Buyer or fund holder). Also referred to as direct fund cite.

DoD Owned Establishment. Any DoD-owned and operated activity (that is, not contractor owned or operated). Such activities include working capital fund activities; other revolving fund activities; and those appropriated fund activities engaged in reimbursable operations that reasonably are not severable into fiscal year segments and where such operations can be forecasted with reasonable accuracy.

Expense. An expense occurs when material and services ordered are received and accepted by a designated authorized receiving point. The expense amount creates the accounts payable amount in the accounting system and controls the amount billed for reimbursable transactions.

Federal Agency. A department, agency, or instrumentality of the Federal Government.

General Terms and Conditions (GT&C). Defines the terms, conditions, and scope of the exchange of goods or services between federal government trading partners. Also referred to as an "agreement".

Interagency. A relationship between two Federal Government agencies, such as a DoD Component and a non-DoD federal agency (e.g., an agreement between the Marine Corps and the Department of Energy).

Internal Controls. Relates to an organization's system of internal control that is designed to provide reasonable assurance of achieving effective and efficient operations, reliable financial and performance reporting, and compliance with applicable laws and regulations. Internal controls comprise the plans, policies, methods, and procedures used to meet the organization's mission, goals, and objectives. Internal controls include the processes and procedures for planning, organizing, directing, and controlling program operations, and management's system for measuring, reporting, and monitoring program performance.

Interservice. A relationship between two separate major entities within the same agency (e.g., a relationship between DON (to include the Marine Corps) and the Department of the Army).

Intra-agency. A relationship between two entities within a single Federal Government agency (e.g., a relationship between the Marine Corps and Department of the Army). Further defined into two categories: "inter-service" and "intra-service".

Intragovernment. A relationship between two entities of the federal government. Further defined into two categories: "intra-agency" and "interagency".

Intragovernmental Transaction (IGT). The transaction that results from business activities conducted by two different federal government entities included in the Financial Report of the United States Government. Within the scope of the supply chain, it is the transaction that occurs when a commander (head of an agency or major organization within an agency) places an order for goods or services with a commander within the same agency or another agency within the federal government.

Intraservice. A relationship within a single major entity within the same agency (e.g., a relationship between the Navy and Marine Corps).

Invoice. An accounting document showing particulars of property transferred or services rendered, setting forth the date, quantity, description, price, and total amount, together with the terms of the transaction (including discount, if any, and reference to the applicable contract or other procuring instrument) and an accounting document used to transfer accountability for Marine Corps supplies and equipment from one accountable unit to another.

Key Supporting Document. Document that constitutes financial transaction evidence substantiating the accuracy of relevant financial statement assertions.

Liquidation. The payment for goods or services that were ordered and received. Liquidations or payments are made after the finance officer receives an invoice from a vendor or government agency requesting payment.

Non-Severable. Work or services that represent a single undertaking that cannot be feasibly subdivided. If the services produce a single or unified outcome, product, or report, the services are considered non-severable. Requires the servicing agency to complete and deliver a specified end product.

Obligation. A definite commitment that creates a legal liability of the government for the payment of goods and services ordered or received, or a legal duty on the part of the United States that could mature into a legal liability by virtue of actions on the part of the other party beyond the control of the United States. Payment may be made immediately or in the future. An agency incurs an obligation, for example, when it places an order, signs a contract, awards a grant, purchases a service, or takes other actions that require the government to make payments to the public or from one government account to another. Once funds are obligated, the official unobligated available balance of the fund manager's account is decreased. An obligation may be de-obligated when both parties agree and supporting documentation is provided to update the accounting system.

Order. An agreement or transaction with another entity that results in a financial obligation of government funds when fully approved/accepted by both entities.

Payment. Within the context of this Bulletin, the action by the buyer to pay the seller or contracted vendor for goods delivered or services received.

Performance. Within the context of this Bulletin, the action of the seller or contracted vendor to fill and deliver goods and/or services to the buyer.

Receipt. A transmission or other acknowledgment made by a receiving entity to indicate that a good, or service has been satisfactorily received. Receipt is often denoted by signing a situation specific form, such as DD Form 250, "Material Inspection and Receiving Report," DD Form 1149, "Requisition and Invoice/Shipping Document," or DD Form 1348-1, "Issue Release/Receipt Document."

Reimbursable. A written order or authorization between two Federal Agencies, or one Federal Agency and a private party wherein goods or services are provided in exchange for payment.

Reimbursement. Amounts earned and collected by a seller for materials sold or services furnished as a result of an agreement between a buyer and seller.

Requesting Agency. The customer activity that places an order for goods or services to another federal agency or DoD component. They account for services, goods, and products received and accepted. Also referred to as "Buyer," "Receiver," "Ordering Activity," "Requestor," or "Requesting Trading Partner".

Requisition. An order for materiel initiated by an established, authorized organization (i.e., a DoD or non-DoD organization that has been assigned a DoDAAC) that is transmitted either electronically, by mail, or telephoned to a supply source within the DoD or external to the DoD (the GSA, the FAA, or other organizations assigned management responsibility for categories of materiel), in accordance with established MILSTRIP procedures.

Requisition Authority. The lawful authority to obligate appropriated funds whereby accountability and liability for such obligation can be attached to an individual delegated to perform such obligations.

Servicing Agency. The provider activity that fills an order for goods or services from another federal agency or DoD component. They account for work in progress and services performed to date. Also referred to as "Seller", "Supporting Agency", "Performing Activity", "Performer," or "Supporting Trading Partner".

Settlement. The act of a transaction clearing the Department of the Treasury's operating cash account, that is, the operating cash balance is either increased by a deposit or decreased by a payment.

Severable. Work or services that are continuing and recurring where the receiving agency realizes a benefit at the time that work, or services are provided even if the work or services has not been performed to completion. Work and services are considered severable if they can be separated into components that independently provide value to meet an agency's needs.

Trading Partner. A federal entity that is party to intragovernmental relationship. Typically referred to as "Requesting Agency" or "Servicing Agency".

Transaction. Any mutual agreement, contract, understanding or exchange or transfer of cash or property between an entity and an individual or group of individuals that affects the assets, liabilities, or capital of the entity. Generally, any event that affects the accounts of an entity in any way.



APPENDIX B

Glossary of Acronyms and Abbreviations

ADC	Assistant Deputy Commandant
ADC I&L (LB)	Assistant Deputy Commandant, Installations and Logistics, Contracts
ADC I&L (LP)	Assistant Deputy Commandant, Installations and Logistics, Logistics Plans, Policies and Strategic Mobility
AO	Accountable Officer
ASF	Acquisition Service Fund
CO	Commanding Officer
D&F	Determination and Findings
DC I&L	Deputy Commandant, Installation and Logistics
DC P&R	Deputy Commandant, Programs and Resources
DD Form	Department of Defense Form
DFARS	Defense Federal Acquisition Regulation Supplement
DoD	Department of Defense
DON	Department of the Navy
DON/AA	Department of Navy/Assistant for Administration
DRMD	Directives and Records Management Division
DWCF	Defense Working Capital Fund
FAR	Federal Acquisition Regulation
FFMIA	Federal Financial Management Improvement Act
FIDS	Federal Intragovernmental Data Standard
FISCAM	Federal Information System Controls Audit Manual
FMPM	Financial Management Policy Manual
FS	Fiscal Service Form
FY	Fiscal Year
G-Invoicing	Government Invoicing
GSA	General Services Administration
GT&C	General Terms and Condition
HCA	Head of the Contracting Activity
HQMC	Headquarters Marine Corps
IGDS	Intragovernmental Data Standard
IGT	Intragovernmental Transaction
IMM	Integrated Materiel Management
IPAC	Intragovernmental Payment and Collection
KSD	Key Supporting Document
LPS	Sustainment Branch
LPS-1	Supply Policy and Sustainment Section
MARCORLOGCOM	Marine Corps Logistics Command

MARCORSYSCOM	Marine Corps Systems Command
MCICOM	Marine Corps Installations Command
MEF	Marine Expeditionary Force
MILSTRIP	Military Standard Requisitioning and Issue Procedures
MIPR	Military Interdepartmental Purchase Request
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
NAVCOMPT	Navy Comptroller Form
NAVMC	Navy and Marine Corps
NMCARS	<u>Navy Marine Corps Acquisition Regulation Supplement</u>
OMB	Office of Management and Budget
OUSD(C)	Office of the Under Secretary of Defense (Comptroller)
PGI	Procedures, Guidance, and Information
PII	Personally Identifiable Information
PRDS	Purchase Request Data Standard
RCO	Regional Contracting Office
RORR	Reimbursable Order Receiving Report
RWO	Reimbursable Work Order
SAAR	System Authorization Access Request
SF	Standard Form
SFIS	Standard Financial Information Structure
SLOA	Standard Line of Accounting
Treasury	Department of the Treasury
U.S.	United States
UAM	User Access Manager
ULO	Unliquidated Obligation
USSGL	United States Standard General Ledger
WAWF	Wide Area Workflow
XML	Extensive Markup Language