

Reclamation Manual

Directives and Standards

Subject:	Miscellaneous Obligations (MO)
Purpose:	To establish the Bureau of Reclamation's usage, requirements, and process for MOs. The benefits of this Directive and Standard (D&S) are to provide Reclamation-wide requirements for determining which actions qualify as MOs and to establish Reclamation's process for obligating such actions, in accordance with applicable regulations.
Authority:	Reclamation Act of 1902 and all supplementary amendments thereto; Indian Self-Determination and Education Assistance Act (Pub. L. 93-638); 31 USC 1501 ; Federal Acquisition Regulation (FAR) (48 CFR 1-99); 2 CFR , <i>Grants and Agreements</i> ; Office of Management and Budget (OMB) Circular A-11 , <i>Preparation, Submission and Execution of the Budget</i> ; OMB Circular A-123 , <i>Management's Responsibility for Internal Control</i> ; Department of the Interior Acquisition, Assistance, and Asset Policy (DOI AAAP)-0052, <i>Purchase of Training at DOI</i> ; DOI AAAP-0148, <i>Class Deviation – Increasing the Micro-purchase Threshold and the Simplified Acquisition Threshold</i>
Approving Official:	Director, Mission Support Organization
Contact:	Business Analysis Division, Compliance and Audit Team (84-27410)

1. **Introduction.** Laws authorize Reclamation to perform many activities to achieve its mission. When obligating funds to accomplish these activities, the FAR, 2 CFR, and Pub. L. 93-638 take precedence over processing an obligation as a MO. This D&S sets forth the requirements and process for obligations qualifying as MOs.
2. **Applicability.**
 - A. This D&S applies to all Reclamation employees who participate in the creating, approving, reviewing, and recording of MOs and all Reclamation employees involved in providing direction whether a micro-purchase, financial assistance, or contract is more appropriate.
 - B. Reclamation does not process obligations regulated by the FAR, 2 CFR, or Pub. L. 93-638 as an MO.
 - (1) The FAR regulates the acquiring by contract and interagency acquisitions with appropriated funds of supplies or services (including construction) by and for the use of Reclamation through purchase or lease, whether the supplies or services are already in existence or must be created, developed, demonstrated, and evaluated. The contracting officer (CO) is responsible for obligating government funds regulated by the FAR. The FAR also regulates micro-purchases acquired through a government purchase card (please contact your Purchase Line Card Coordinator (PLCC) for additional information).

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- (2) Title 2 of the Code of Federal Regulations (CFR) regulates the awarding of financial assistance agreements (grants and cooperative agreements). The grant officer (GO) is responsible for obligating funds regulated by 2 CFR.
- (3) Pub. L. 93-638 provides authority for Federally recognized tribes to enter into self-determination contracts and annual funding agreements with Reclamation for eligible project activities (see Reclamation Manual (RM) *D&S Requirements for Execution and Administration of Indian Self-Determination and Education Assistance Act (Pub. L. 93-638, as amended) Contracts and Annual Funding Agreements (AFAs)* ([NIA 10-01](#)) for additional information). Per RM [Delegations of Authority](#), delegated awarding officials (AO) are the only individuals authorized to enter into and administer Pub. L. 93-638 contracts and agreements on behalf of Reclamation.

3. Delegated Authority.

- A. Reclamation does not have a general delegation of authority for MOs. To determine what position has the authority to create a MO, first determine what authority Reclamation is using for the activity and who within Reclamation has been delegated that authority. As a starting point, refer to RM [Delegations of Authority](#) and any further re-delegations of that authority as described in Paragraph 3.E. of RM [Delegations of Authority](#).
- B. The person with delegated authority to create the MO (sign the obligating document) is responsible for:
 - (1) entering into obligations for actions and limits within their delegated authority;
 - (2) ensuring the obligation is in accordance with all regulations, policies, and directives applicable to the activity;
 - (3) signing the appropriate obligating document; and
 - (4) attaching a copy of their relevant delegation of authority memorandum to the obligating document.

4. Allowable MOs.

- A. Personnel with delegated authority to create MOs are responsible for contacting the CO, PLCC, GO, or AO for assistance, when needed, in determining whether a MO is appropriate. The CO, PLCC, or GO are responsible for providing direction, when contacted, on whether a specific obligation meets the criteria of the FAR (including micro-purchase through government charge cards) or 2 CFR, and thus will not be a MO. The AO is responsible for providing direction, when contacted, on whether programs, functions, services, or activities are eligible for contracting under Pub. L. 93-638, and thus will not be a MO.

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- B. The regional office (including area and field offices) or directorate uses the purchase card or convenience checks wherever applicable and will not request a MO. Please contact your regional CO or PLCC for additional information.
- C. If the FAR, 2 CFR, or Pub. L. 93-638 does not regulate an activity, the person with delegated authority may create an MO to accomplish the activity, provided there is no other, more specific, business process or transaction type in Financial and Business Management System (FBMS).
- D. The following is a comprehensive list of allowable MOs. If a MO request is not on the list, Financial and Accounting Division, Denver Office/Washington Office Accounting and Fiscal Services (AFS) will not process it unless the regional office or directorate obtains an approved exception (see Paragraph 7). In certain circumstances, the FAR, 2 CFR, or Pub. L. 93-638 may regulate an item listed below. If the FAR, 2 CFR, or Pub. L. 93-638 may apply to an item on the list, contact the CO, PLCC, GO, or AO for direction. Allowable MOs are:
- (1) Training, when not a FAR based purchase in accordance with DOI AAAP-0052.
 - (2) Intra-agency agreements (IAA) for intra-departmental travel, cash awards, training, departmental assessments, departmental solicitor salaries, firefighting charges, land appraisal services from the Appraisal and Valuation Services Office, and strategic sourcing contract vehicles.
 - (3) Land and easement acquisitions including associated acquisition costs (soft costs), excluding real estate contracts for leased land acquisition costs covered by the FAR.
 - (4) Purchased buildings (not constructed).
 - (5) Transfers between Federal agencies of property with reimbursement.
 - (6) Prize competition awards.
 - (7) Technical Service Center funding agreements.
 - (8) Water-related contracts, including annual funding.
 - (9) Operations and maintenance contracts, including annual funding.
 - (10) General Service Administration (GSA) reimbursable work agreements (RWA).
 - (11) Licensing fees (see RM D&S, *Payment for State Licenses, Certification Fees, and Professional Credentials and Examinations* ([HRM 05-02](#))).
 - (12) Permits.

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- (13) Hazmat fees.
 - (14) Government Publishing Office requests.
 - (15) Legal authority/statute (attach excerpt of legislation to the obligating document).
 - (16) Legal settlements, indemnities, and court orders.
 - (17) Equal employment opportunity settlements and tort claims (do not process a purchase request (PR) through the preliminary purchase requisition (PPR) SharePoint, contact AFS for assistance due privacy concerns).
5. **Documentation and Segregation of Duties.** At a minimum, every MO request contains a copy of a delegation memorandum and the obligating document. If the regional director is signing the obligating document as the delegated authority, include a copy of the page from the RM *Delegations of Authority* with the section that delegates the authority to the regional director highlighted. At a minimum, three different people have responsibilities in the MO process. The person with the delegated authority, the certifying funds approver (CFA), and the supervisor approver must be different people on any specific request.
- A. **Person with Delegated Authority.** See Paragraph 3 for the person with delegated authority responsibilities.
 - B. **Certifying Funds Approver.** The CFA is responsible for:
 - (1) verifying the accuracy of the accounting string (e.g., fund, work breakdown structure); and
 - (2) verifying the accounting string has funds available for the MO.
 - C. **Supervisor Approver.** The person with the FBMS supervisor approver role, who is responsible for the program area pertaining to the MO, is responsible for approving the legitimacy of the request, including the appropriate accounting string.
6. **Process.**
- A. The regional office (including area and field offices) or directorate submits a PPR request into the PPR SharePoint site¹. The PPR request must include:
 - (1) a copy of the obligating document, the delegation memorandum, and any other pertinent supporting documentation to the PPR request (e.g., a copy of an approved exception in accordance with Paragraph 7, when applicable);

¹ FBMSSOP < Acquisitions/Financial Assistance/Charge Card < Preliminary PR Site < Preliminary PR Application

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- (2) the names of the required approvers (at a minimum the supervisor approver and the CFA but, if applicable, must include additional approvers such as property or information technology personnel depending on the User Product Code (UPC)- refer to the UPC Lookup spreadsheet²); and
 - (3) pertinent information on the PPR request, e.g., period of performance (see the MO PR and IAA PR Instructions³ for required fields).
- B. AFS reviews the request no later than 5 days after submission into the PPR SharePoint site. AFS performs a general review of the PPR request but it is the person with delegated authority's (the person who signed the obligating document) responsibility to ensure the actions and amount are within their delegated authority; and the supervisor approver's responsibility to ensure the legitimacy and accuracy of the transaction. AFS is responsible for:
- (1) confirming the supporting documentation includes, at a minimum, the obligating document and delegation memorandum;
 - (2) confirming the supporting documentation and the information on the PPR request reflects the action (new, modification, or deobligation) requested;
 - (3) ensuring the signature on the obligating document matches the name on the delegation memorandum (if the delegation memorandum references only a title, please provide confirmation, from someone other than the person with the delegated authority, that the person signing the obligating document holds the title specified in the delegation memorandum);
 - (4) reviewing the MO to ensure the person signing the obligating document, the supervisor approver, and the CFA are different personnel on any specific request;
 - (5) reviewing the period of performance; and
 - (6) verifying the type of request is on the list of allowable MOs (see Paragraph 4.D.) or contains an approved exception (see Paragraph 7).
- C. If the PPR request is for a deobligation or a zero-dollar modification, AFS makes the necessary changes in FBMS. If the PPR request is a new obligation or is a modification for additional funds, AFS enters a PR in FBMS. FBMS routes the PR through the specified approvals. After receiving all specified approvals, AFS creates the obligation and attaches the documentation in FBMS.

² FBMS SOP < Acquisitions/Financial Assistance/Charge Card < Preliminary PR Site < UPC Lookup

³ FBMS SOP < Acquisitions/Financial Assistance/Charge Card < Preliminary PR Site < MO PR and IAA PR Instructions

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7. **Approved Exceptions.**

- A. AFS only processes a MO request if it is on the list of allowable MOs in Paragraph 4.D., or they receive a copy of an email from the CO, GO, or AO. It is the CO, GO, or AO's responsibility to determine whether FAR, 2 CFR, or Pub. L. 93-638 applies to the activity and thus will not be an MO. If the CO, GO, or AO determine the FAR, 2 CFR, or Pub. L. 93-638 does not apply, the person with delegated authority obtains an email stating so. Attach a copy of the email to the obligating document as an approved exception.
- B. The approval of an exception is for the life of that particular MO. When requesting modifications, include a comment in the PPR request stating the approved exception was previously provided. For changes to MOs already in the system as of the date of this D&S, include the approval of an exception with the first modification.
- C. The person with delegated authority is responsible for determining when a change of scope requires an updated approved exception.

8. **Definitions.**

- A. **Micro-purchase.** Defined in FAR 2.101 and DOI AAAP-0148 with procedures prescribed in FAR 13.2.
 - B. **Miscellaneous Obligation.** For the purpose of this D&S, a valid obligation not regulated by FAR, 2 CFR, or Pub. L. 93-638. See Paragraph 8.D. for the definition of an obligation.
 - C. **Obligating Document.** The form, agreement, contract, etc. signed by the person with delegated authority to obligate funds to achieve an activity. Examples include annual funding for water service agreements, *SF-182 Authorization, Agreement and Certification of Training*, and GSA RWA.
 - D. **Obligation.** Binding agreement that will result in outlays immediately or in the future. When Reclamation places an order, signs a contract, awards a grant, purchases a service, or takes other actions that require Reclamation to make payments to the public or another government entity, Reclamation incurs an obligation.
 - E. **Simplified Acquisition.** Defined in FAR 2.101 and DOI AAAP-0148 with procedures prescribed in FAR 13.
9. **Review Period.** The originating office will review this release review every 2 years.

RECLAMATION MANUAL TRANSMITTAL SHEET

Effective Date: _____

Release No. _____

Ensure all employees needing this information are provided a copy of this release.

Reclamation Manual Release Number and Subject

Summary of Changes

NOTE: This Reclamation Manual release applies to all Reclamation employees. When an exclusive bargaining unit exists, changes to this release may be subject to the provisions of collective bargaining agreements.

Filing instructions

Remove Sheets

Insert Sheets

All Reclamation Manual releases are available at <http://www.usbr.gov/recman/>

Filed by: _____

Date: _____