

APPENDIX E

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

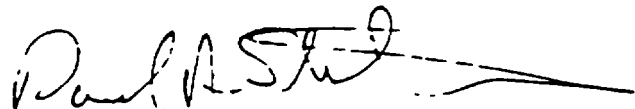
CIRCULAR NO. A-97
REVISED
TRANSMITTAL MEMORANDUM No. 1

March 27, 1981

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Reports to Congress

This Transmittal Memorandum revises Circular No. A-97, "Rules and regulations permitting Federal agencies to provide specialized or technical services to State and local units of government under Title III of the Intergovernmental and Cooperation Act of 1968," by rescinding paragraph 8, Reports to Congress. The Congressional reporting requirement referenced in paragraph 8 of the Circular was mandated under Section 304 of the Intergovernmental Cooperation Act of 1968. Section 304 was repealed by the Congressional Reports Elimination Act of 1980. The reports to the Congress are no longer required by statute or by the Circular.



David A. Stockman
Director

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22 Jun 92

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503

August 29, 1969

CIRCULAR NO. A-97

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Rules and regulations permitting Federal agencies to provide specialized or technical services to State and local units of government under Title III of the Intergovernmental Cooperation Act of 1968

1. Purpose. This Circular promulgates the rules and regulations which the Director of the Bureau of the Budget is authorized to issue pursuant to section 302 of the Intergovernmental Cooperation Act of 1968 (P.L. 90-577; 82 Stat. 1102). It also provides for the coordination of the action of Federal departments and agencies (hereinafter referred to as "Federal agencies") in exercising the authority contained in Title III of said Act as directed by the President's Memorandum of November 8, 1968 (33 F.R. 16487).

2. Background.

a. Title III of the Intergovernmental Cooperation Act of 1968 is intended to:

(1) Encourage intergovernmental cooperation in the conduct of specialized or technical services and provisions of facilities essential to the administration of State or local governmental activities.

(2) Enable State and local governments to avoid unnecessary duplication of special service functions.

(3) Authorize Federal agencies which do not have such authority to provide reimbursable specialized and technical services to State and local governments.

b. Title III of the Act authorizes the head of any Federal agency, within his discretion and upon written request from a State or political subdivision thereof, to provide specialized or technical services, upon payment to the Federal agency by the unit of government making the request, of salaries and all other identifiable direct or indirect costs of performing such services.

c. Title III of the Act requires that:

(1) Any services provided pursuant to Title III shall include only those which the Director of the Bureau of the Budget through rules and regulations determines Federal agencies have special competence to provide.

(2) The Director's rules and regulations shall be consistent with, and in furtherance of, the Government's policy of relying on the private enterprise system to provide those services which are reasonably and expeditiously available through ordinary business channels.

(3) All moneys received by any Federal agency in payment of furnishing specialized or technical services under Title III of the Act shall be deposited to the credit of the principal appropriation from which the cost of providing such services has been paid or is to be charged.

(4) The head of any Federal agency shall furnish annually to the respective Committees on Government Operations of the Senate and House of Representatives a summary report on the scope of the services provided under Title III.

3. Reservation of existing authority. The authority contained in Title III of the Act and this Circular is in addition to, and does not supersede, any existing authority now possessed by any Federal agency with respect to furnishing services, whether on a reimbursable or non-reimbursable basis, to State or local units of government. The reporting and other requirements and conditions contained in this Circular shall not apply to services furnished under such existing authorities.

4. Definitions. For purposes of this Circular:

a. The term "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State, but does not include the governments of the political subdivisions of a State.

b. The terms "political subdivision" or "local government" mean a local unit of government, including specifically a county, municipality, city, town, township, or a school or other special district created by or pursuant to State law, or combinations thereof.

c. "Specialized or technical services" means statistical and other studies and compilations, development projects, technical tests and evaluations, technical information, training activities, surveys, reports, documents, and any other similar service functions which any Federal agency is especially equipped and authorized by law to perform.

5. Policy. Federal agencies will cooperate to the maximum extent possible with State and local units of government to provide such specialized or technical services as may be authorized. Such services shall generally supplement, not supplant existing services, and Federal agencies should not provide services with full reimbursement under this Circular which have heretofore been furnished for less than full reimbursement under other authorities, unless specifically requested to do so.

6. Types of services that may be provided.

a. It is hereby determined that Federal agencies have the special competence to provide, and may provide the following specialized or technical services, and facilities related thereto, pursuant to Title III of the Intergovernmental Cooperation Act of 1968:

(1) Any existing statistical or other studies and compilations, results of technical tests and evaluations, technical information, surveys, reports, and documents, and any such materials which may be developed or prepared in the future to meet the needs of the Federal Government or to carry out the normal program responsibilities of the Federal agencies involved.

(2) Preparation of statistical or other studies and compilations, technical tests and evaluations, technical information, surveys, reports, and documents, and assistance in the conduct of such activities and in the preparation of such materials, provided they are of a type similar to those which the Federal agency is authorized by law to conduct or prepare.

(3) Training of the type which the Federal agency is authorized by law to conduct for Federal personnel and others or which is similar to such training.

(4) Technical aid in the preparation of proposals for development and other projects for which the Federal agency provides grants-in-aid or other assistance, provided such aid primarily strengthens the ability of the recipient in developing its own capacity to prepare proposals.

(5) Technical information, data processing, communications and personnel management systems services, and technical advice on improving logistical and management services which the Federal agency normally provides for itself or others under existing authorities.

b. Any of the above specialized or technical services provided to the States and their political subdivisions under existing authorities may also be provided under Title III of the Act and the terms of this Circular.

c. If a Federal agency receives a request for specialized or technical services which are not covered in subparagraph a above and which it believes is consistent with the Act and which it has a special competence to provide, it should forward such request to the Bureau of the Budget

for action. Similarly, if there is doubt as to whether the service requested is covered by subparagraph a, the request should be forwarded to the Bureau of the Budget for action.

7. Conditions under which services may be provided. The specialized or technical services provided under Title III of the Act and this Circular may be provided, in the discretion of the heads of Federal agencies, only under the following conditions:

a. Such services will be provided only to the States, political subdivisions thereof, and combinations or associations of such governments or their agencies and instrumentalities.

b. Such services will be provided only upon the written request of a State or political subdivision thereof. Requests will normally be made by the chief executives of such entities and will be addressed to the head of the agency involved.

c. Such services will not be provided unless the agency providing the services is providing similar services for its own use under the policies set forth in Bureau of the Budget Circular No. A-76, "Policies for acquiring commercial or industrial products and services for Government use" (Revised August 30, 1967). In addition, in accordance with the policies set forth in Circular No. A-76, the requesting entity must certify that such services cannot be procured reasonably and expeditiously by it through ordinary business channels.

d. Such services will not be provided if they require any additions of staff or involve outlays for additional equipment or other facilities solely for the purpose of providing such services, except where the costs thereof are charged to the user of such services. Further, no staff additions may be made which impede the implementation of or adherence to the employment ceilings contained in Bureau of the Budget allowance letters.

e. Such services will be provided only upon payment or provision for reimbursement to the Federal agency involved, by the unit of government making the request, of salaries and all other identifiable direct and indirect costs of performing such services. For cost determination purposes, Federal agencies will be guided by the policies set forth in Bureau of the Budget Circular No. A-25, "User Charges" (September 23, 1959).

f. Any payments or reimbursements received by Federal agencies for the costs of such services will be deposited to the credit of the principal appropriation or other account from which the costs of providing the services have been paid or are to be charged.

g. In the event a request for a service is denied, the Federal agency shall furnish the entity making the request with a statement indicating the reasons for the denial.

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8. Reports to Congress. The head of each Federal agency will furnish annually to the respective Committees on Government Operations of the Senate and House of Representatives a summary report on the scope of the services provided under Title III of the Act and this Circular. Such reports will be prepared as of the end of each calendar year and will indicate the nature of the services rendered, the names of the States and political subdivisions involved, where practical, and the cost of the work. Services provided under other authorities are not to be included in the reports. Copies of the reports will be submitted to the Bureau of the Budget not later than March 30 of each year.

9. Effective date. This Circular is effective immediately. It supersedes the "Interim Regulation under Title III of the Intergovernmental Cooperation Act of 1968 (P.L. 90-577)," dated December 19, 1968, concerning training by the U.S. Civil Service Commission.

10. Inquiries. Inquiries regarding this Circular may be addressed to the Office of Executive Management, Bureau of the Budget, Washington, D. C. 20503, or telephone (202) 395-4934 (Government dial code 103-4934).

ROBERT P. MAYO
Director