

Directive 201.1
11/4/91

ASSISTANCE DOCUMENTS AND
MEMORANDUMS OF UNDERSTANDING

TABLE OF CONTENTS		Page
I.	PURPOSE	2
II.	REPLACEMENT HIGHLIGHTS	2
III.	POLICY	2
IV.	DEFINITIONS	2
V.	AUTHORITY TO SIGN DOCUMENTS	4
VI.	RESPONSIBILITIES OF THE FEDERAL ASSISTANCE OFFICER	4
VII.	CONDITIONS TO BE INCLUDED.....	4
VIII.	PREPARATION AND PROCESSING	11
IX.	OVERSIGHT	17

ATTACHMENT 1

ASSISTANCE DOCUMENT (COOPERATIVE AGREEMENT
OR GRANT)

ATTACHMENT 2

MEMORANDUM OF UNDERSTANDING

- I. PURPOSE This Directive states the policy, responsibilities, and procedures for developing, reviewing, and processing cooperative agreements, grants, and memorandums of understanding (MOU's).
- II. REPLACEMENT HIGHLIGHTS This Directive replaces AMS Directive 201.1, dated 3/9/89.
- III. POLICY It is AMS policy to:
- A. Develop assistance documents as defined in the Federal Grant and Cooperative Agreement Act of 1977, 31 U.S.C. 6301-6308.
 - B. Comply with applicable provisions of the U.S. Department of Agriculture's Uniform Federal Assistance Regulations, 7 CFR 3015 et seq.
 - C. Provide full and free competition, as feasible, among potential recipients of project- type assistance agreements such as research.
 - D. Prohibit the use of assistance documents that circumvent procurement, property, fiscal or personnel policies and procedures.
 - E. Initiate the performance of a proposed assistance document only after all necessary clearances and signatures have been obtained.
- IV. DEFINITIONS
- A. Assistance Document. As used in AMS, a grant or cooperative agreement.
 - B. Confirmation. Notification to the recipient, as stated in the duration clause of the original document, authorizing continuance of the agreement for an additional fiscal year. Agreements providing appropriated funds from year to year require annual confirmation.
 - C. Contract. A legal instrument reflecting a relationship between the Federal Government and a State or local government or other recipient when the principal purpose is the acquisition, by purchase, lease, or barter, of property or services for the direct benefit or use of the Federal Government.
 - D. Cooperative Agreement. A legal instrument reflecting a relationship between the Federal Government and a State or local government or other recipient when (1) the principal purpose is the transfer of money, property, services, or anything of value to the State or local government or other recipient to accomplish a public purpose of support or stimulation authorized by Federal statute; and (2) substantial involvement is anticipated between the Federal agency and the State or local government or other recipient during performance of the contemplated activity.
 - E. Cooperator or Grantee. A State or local government, federally recognized Indian tribe, university, nonprofit, for profit, or other organization that receives assistance or services from AMS.
 - F. Grant Agreement. A legal instrument reflecting a relationship between the Federal Government and a State or local government or other recipient when (1) the principal purpose of the relationship

is the transfer of money, property, services, or anything of value to the State or local government or other recipient to accomplish a public purpose of support or stimulation authorized by Federal statute; and (2) no substantial involvement is anticipated between the Federal agency and the State or local government or other recipient during performance of the activity.

G. MOU. A documented plan between two or more Federal agencies or between a Federal agency and one or more non-Federal parties for carrying out their separate activities in a project of mutual interest. Each party directs its own activities and uses its own resources. An MOU is not a fund obligation document since it does not directly involve a financial assistance or procurement transaction.

H. Nonprofit Organization. A public or private organization established by State charter to perform specialized functions or services for the benefit of all or part of the public. It provides functions or services without charge or at cost.

I. Renewal. An amendment to an assistance document that extends the duration of the agreement beyond the expiration date, usually for another fiscal year. It is a more purposeful action than a confirmation and usually changes the original agreement's work requirements and/or assistance provided.

J. Substantial Involvement. Federal influence that is more than purely advisory, regardless of its frequency, and that directly affects the conduct or results of an assisted project.

V.
AUTHORITY TO
SIGN
DOCUMENTS

The authority to sign documents has been delegated to the following officials:

- A. Deputy Administrator, Marketing Programs. New documents, Revisions, Supplements, Amendments, Renewals, Suspensions, and Terminations.
- B. Federal Assistance Officer (FAO). Confirmations.
- C. Designated Leaders of the Assistance Project or Their Authorized Representatives. Correspondence documenting mutual agreement on administrative details.

VI.
RESPONSI-
BILITIES OF
THE FAO

A. To determine the appropriate type of document and method of soliciting competing proposals.

B. To assure that the document complies with existing laws, regulations and procedures.

C. To aid in preparation.

D. To number documents as required.

E. To assist in negotiations.

F. To assist in resolving audit findings.

G. To report Federal assistance activities to other agencies and authorized petitioners.

VII.
CONDITIONS TO
BE INCLUDED

Certain conditions and standard paragraphs must be included, depending upon the type of document, type of recipient, and the work to be done. Some are required by the acts under which AMS is operating. Others cover fixed legal requirements and general policies of the Federal Government and the Department. The conditions outlined below do not include all conditions that might arise, nor would all of them be included in any one assistance document.

A. Federal Involvement. Each cooperative agreement shall include the type and extent of Federal involvement causing it to be different from a grant.

B. Employment Covering Any Persons Employed as a Result of an Assistance Agreement. For unusual circumstances, contact the Classification Branch, Personnel Division, for information, review, and approval.

C. Financial Arrangements. Include provisions as applicable, for:

1. Financial contributions and budgets.

2. The handling of financial contributions.

a. Project-type agreements such as research. Recipients of this type of agreement shall submit to AMS a properly completed Form SF-270, Request for Advance or Reimbursement, at least quarterly. This form will not be required, however, when Treasury check payments are made to the grantee automatically on a predetermined basis, as stated in the agreement, if the money is needed at such predetermined intervals. Agreements that contemplate an advance of funds should include a provision for final accounting of funds and reimbursement of any unexpended balance. Advances shall be limited to the minimum amounts needed to meet current disbursement needs and shall be scheduled so the funds are available to the recipient as close as possible to the actual disbursements by the recipient for program costs.

b. Trust Fund agreements. Indicate the party responsible

for collecting fees or funds, the use of and accounting methods for such fees or funds, and the process of disposing of such fees or funds upon termination of agreement.

- (1) Methods of accounting for State trust funds should conform to the following paragraph:

"The State Agency shall deposit fees and expenses collected for work performed under this agreement in a State trust fund and maintain records of such collections and disbursements therefrom. These records shall be accessible to the Federal Agency. The State Agency shall furnish the Federal Agency with an annual report of the fees collected and the cost of the work conducted hereunder, whether paid from fees or from appropriations. Audits shall be conducted as provided by applicable regulations of the Federal Agency, and shall cover the terms and provisions of this agreement."

- (2) Disposition of trust fund amounts upon termination of the agreement should conform to the following paragraphs:

(a) Federal Trust Fund. "If this agreement is terminated, user fees from the State deposited to the credit of the Federal trust fund will continue to be available for disbursement as provided for in this agreement, and any remaining unobligated balance and any assets purchased from such account shall be available for use in any related inspection and grading program of the Federal Agency."

(b) State Trust Fund. "If this agreement is terminated, all user fees and assets acquired from such fees held by the State that were acquired under this agreement, except a reasonable amount necessary to settle outstanding obligations, as documented by the State and agreed to by the Federal Agency, will be immediately transferred to any succeeding entity with which AMS has established a cooperative agreement. If no agreement is entered into with such succeeding entity and inspection services are then being provided by the Federal Agency or by another department or agency within the Federal Government, all such funds or property will immediately revert to the Federal Agency for disposition into a Federal trust fund account to be made available for use in any related inspection and grading program of the Federal Agency. If there is no Federal inspection provided in the State by the Federal Agency or by another department or agency within the Federal Government within one year from the termination of this agreement, all remaining funds, interest accrued and/or property, less reasonable administrative costs, as documented by the State and agreed to by the Federal Agency, will be promptly distributed by the State on a pro-rata basis to persons or organizations who received Federal-State inspection service from the State within three years prior to the termination of this agreement."

3. Agreements with parties other than States, providing for payments to AMS, shall contain the following:

"Payments due the Federal Agency must be received not later than the date specified on the invoice. Payments received after that date will be subject to a late payment charge at a rate specified by USDA."

D. General Conditions.

1. Assistance agreements are subject to USDA's Federal Assistance Regulations, 7 CFR 3015 et seq. These regulations incorporate the Office of Management and Budget (OMB) policy guidelines published as OMB circulars that standardize the administration of assistance projects and specify the principles for determining allowable costs.

2. Most assistance documents except as noted in VII.D.3. below will contain the following paragraphs:

a. "No member of Congress or Resident Commissioner will be admitted to any share or part of this Agreement or to any benefit to arise therefrom, unless it be made with a corporation for its general benefit.

b. "All aspects of this agreement shall be executed according to applicable parts of USDA's Uniform Federal Assistance Regulations (7 CFR 3015 et seq.) or as they may be later revised, and successive published regulations as appropriate, hereby incorporated by reference and made a part of this agreement. The recipient confirms that it understands and is bound by the above regulations, a copy of which is attached.

- c. "The following are attached and made a part of this agreement:

(1) "Attachment 1, Equal Opportunity Clause.

(2) "Standard Form 424B, Assurances - Non-Construction Programs.

(3) "Form AD-1047, Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions.

(4) "Form AD-1048, Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions. NOTE: The recipient is responsible for obtaining

the signatures and retaining the certificates, if warranted, from lower tier recipients or contractors as defined in 7 CFR 3017.

(5) "Form AD-1049, Certification Regarding Drug-Free Workplace requirements (Grants) Alternative I - For Grantees Other Than Individuals.

(6) "Certification Regarding Lobbying. NOTE: The appropriate lobbying disclosure report form, SF-111, is available from the Federal Agency, if applicable."

3. Exceptions to the above are as follows:

- a. Standard Form 424B, Assurances - Non-Construction Programs, need not be included as part of the agreement for project-type agreements, such as research, because this form is required as part of the pre-award requirements.
- b. Form AD-1048 certification is not required for programs of a regulatory or mandatory nature, user-fee supported programs, and market news programs not receiving Federal money.
- c. Certification Regarding Lobbying is not required from recipients of a Federal contract, grant, or cooperative agreement of \$100,000 or less.

4. Assistance agreements awarded to universities, non-profit organizations, and small business firms for performing experimental research and development work shall, with certain exceptions, contain the Patent Rights Clause specified in 37 CFR 401.

E. Administrative Arrangements. Include provisions in the agreement, as applicable, for:

1. Establishing ownership and responsibility for maintenance of equipment, if any, and disposition of equipment upon termination of the agreement.
 - a. Where Federal information systems are involved, the signatory parties shall (1) comply with all aspects of Agency and Departmental technical approval and procurement procedures and policies; and (2) comply with all Federal and Departmental regulations and policies for the loan or disposal of software and hardware. This includes those for sensitive property accountability and inventory tracking mechanisms.
 - b. Where information systems are involved, security measures shall be taken to protect Federal investments in hardware and software, including, but not limited to compliance with Federal copyright law, use of anti-virus software, use of passwords, and limited system access.
2. Furnishing space, utilities, supplies and so forth.
3. Ownership, use, and disposition of commodities, if any.

F. Supplementary Documentation. If the agreement states that any condition is to be made by mutual agreement, such agreement shall be in writing and shall refer to the original document. A copy of any mutually arrived at understanding or correspondence relating to it shall be sent to the FAO, who shall be responsible for maintaining the AMS file and for sending copies to other management Divisions concerned.

G. Duration of the Document. Specify the period the agreement will remain in effect and include provisions, as applicable, for continuing or terminating the agreement. Provisions for continuing the agreement depend upon whether the work is financed by trust funds or by appropriated funds, and if by appropriated funds, whether it is a cooperative agreement or a grant.

1. Trust Funds. The duration may be definite or indefinite. Agreements financed from user-fee funded accounts may continue in force without confirmation or renewal by use of a paragraph such as the following:

"Subject to the availability of funds in the Federal trust fund account, and continuation of the necessary legal authority, this agreement shall continue in force unless amended or terminated by mutual consent of the parties in writing, or terminated by either party upon ____ days notice in writing."
2. Appropriated Funds. These funds can be obligated only in the year they are appropriated.
 - a. Cooperative Agreement.
 - (1) When agreements require an obligation of funds only in the year the agreement was signed, such as in research agreements for specified periods, the agreement may continue (within statutory limitations) without renewal or confirmation by use of a paragraph such as the following:

"Subject to the necessary authority and funds, this agreement shall continue in force until _____, 19__.

unless amended or terminated by mutual consent of the parties in writing, or terminated by either party upon ____ days notice in writing."

(2) When agreements require an obligation of funds during each successive year, as with regulatory and Market News-type agreements, and with research-type agreements where additional fund requirements are anticipated, the duration is limited to 1 fiscal year subject to renewal or confirmation by use of a paragraph such as the following:

"This agreement shall continue in force through September 30, 19__, and as long thereafter as Congress shall provide the necessary authority and funds, subject to annual confirmation (or renewal) by a duly authorized officer of the United States Department of Agriculture, provided, however, that this agreement may be amended or terminated by mutual consent of the parties in writing, or terminated by either party upon ____ days notice in writing."

b. Grant. When agreements require an obligation of funds only in the year the grant was signed, such as in research-type grants for specified periods, the agreement may continue (within statutory limitations) without renewal or confirmation by use of a paragraph such as the following:

"This agreement shall continue in force until _____, 19__, unless amended or terminated by mutual consent of the parties in writing, or terminated by either party upon ____ days notice in writing."

3. MOU's. The duration of MOU's may be definite or indefinite. A paragraph such as the following may be used:

"This agreement shall continue in force indefinitely (or until...). It may be amended or terminated by mutual consent, or terminated by either party upon ____ days notice in writing."

VIII. PREPARATION AND PROCESSING
A. Assistance Documents, MOU's, and Revisions and Amendments Thereto.

1. Preparation.

a. Responsibility for Preparation.

(1) When the work to be done is within one Division, that Division shall prepare the document. The FAO is available for consultation and assistance.

(2) When the work to be done is within more than one Division, the FAO, in collaboration with the Divisions concerned, shall coordinate information for and assist as needed in preparing the document.

b. Format and Contents.

(1) Assistance Documents and MOU's. It is not practical to attempt to outline in detail or to provide samples of every variation of assistance document. However, Attachment 1, Form AMS-20, for agreements with State agencies (Form AMS-20-1 should be used for agreements with nonState organizations), illustrates the format and subdivisions that are generally included in assistance documents. A grant format is identical to that of a cooperative agreement, but lacks the degree of Federal involvement in the project. Program requirements are to be clearly and adequately defined or should include by reference any separate proposals or written understanding between the parties involved. General conditions and standard paragraphs as outlined in Section VII. shall be included as applicable. Attachment 2 illustrates the format and the subdivisions generally included in MOU's.

(2) Application Forms. Assistance proposals that are funded as projects, such as research, shall be submitted with the following:

(a) SF-424, Application for Federal Assistance. This form must be completely filled out. Block 15, Estimated Funding, must correctly reflect the final funding amount.

(b) SF-424B, Assurances - Nonconstruction Programs.

2. Clearances.

a. The initiating Division shall:

(1) Prepare an original and one copy of Form AMS-180, Request for Clearance of Cooperative Document, and obtain any necessary internal Division signatures in the spaces provided on the form.

(2) Forward the document to be cleared in original and four copies to the FAO, together with the original and one copy of Form AMS-180. If there is

more than one recipient, add an extra copy of the document for each, with provision for additional signatures. (Divisions should submit for review by electronic mail a preliminary draft of the proposed document in MS-DOS WordPerfect format, version 5.0 or greater. This will eliminate unnecessary retyping if changes are necessary.) Assistance proposals that are funded as projects, such as research, should include the documentation discussed in section VIII.A.1.b.(2), above.

- b. The FAO shall review the proposed document; assure that the recipient has not been debarred, suspended, or under criminal indictment; and discuss any required or recommended changes with the initiating Division. When the document is in order, the FAO shall:

- 1) Confirm the correctness of all changes and obtain clearances within AMS, as required, by forwarding a copy of the document and a copy of AMS-180 requesting clearance to the:

(a) Personnel Division, if necessary, for review of personnel arrangements.

(b) Information Resources Management Division (IRMD), if necessary, for technical review on projects subject to IRMD's normal technical approval process.

(c) Deputy Administrator for program review.

(d) Appropriate offices in the Department for clearances as required.

(2) Coordinate any suggestions received from AMS and Department offices, contacting the applicable Division about any changes.

(3) Return the original and three copies, with a copy for each additional signatory if more than one, of the cleared document to the initiating Division, retaining all other copies of the document in a pending file. The appropriate certification forms to be signed will be attached to the back of the original agreement by the FAO.

3. Completion.

a. Signature and Numbering.

- (1) Upon receipt of the cleared document from the FAO, the initiating Division shall:

(a) Send all copies of the document and certification forms to the recipient(s) to be signed and returned. (Documents may be signed first by AMS when State regulations require it or it is necessary to expedite it.)

(b) Forward all signed copies to the FAO.

- (2) The FAO shall:

(a) Obtain signature for AMS.

(b) Assign a number to the document.

(c) Return signed copies of the document to the initiating Division.

b. Distribution.

- (1) Upon receipt of the signed copies from the FAO, the initiating Division shall:

(a) Send a copy to each recipient.

(b) Retain one copy for Division file.

- (2) The FAO shall file two signed copies in the Federal Assistance Office of the Budget Estimates and Allotments Branch, FMD. (The signed copies, the original copy of Form AMS-180 on which clearances are indicated, the signed certifications, copies of all pertinent budgetary information, and correspondence will constitute the official AMS file.)

4. Timeliness.

a. Assistance documents, including revisions and amendments, requiring the obligation of appropriated funds in the present fiscal year shall be:

- (1) Submitted to the FAO for initial approval by August 1.

- (2) Signed by the recipient and resubmitted to the FAO by September 15 for final AMS signature.

b. Revisions and amendments to

agreements, including renewals and extensions, shall be cleared and signed before the expiration of the agreement. They cannot be added to expired agreements.

B. Renewals. In July of each year, the FAO shall send each Division a list of its assistance documents, including those that require renewal. A renewal is accomplished as an amendment to the original document. The procedure and time constraints are the same as outlined in Section VIII.A., above.

C. Confirmations. In July of each year, the FAO shall send each Division a list of each agreement that provides for extension by confirmation.

1. Clearance. The Division Director shall:

(a) Initial the list, noting any agreements not to be confirmed and adding any agreements needing confirmation, but not on the list.

(b) Return the list to the FAO by August 15.

2. Completion. The FAO shall prepare, sign, and distribute confirmations as follows:

(a) One copy to each recipient.

(b) One copy to the Division.

(c) One copy to the AMS file.

D. Terminations, Suspensions, and Closeouts.

1. Terminations. Terminations shall be made according to the duration paragraph of the document. If the document requires annual confirmation or renewal, failure to do so automatically terminates the agreement.

a. Termination for Convenience. AMS may cancel agreements in whole or in part upon agreement of both parties.

b. Termination for Cause. AMS may terminate any assistance agreement, in whole or in part, when the recipient has not complied with its conditions. AMS shall notify the recipient in writing, giving reasons for terminating and the effective date.

c. Procedure. Any termination or suspension action will be by letter signed by the appropriate Deputy Administrator.

(1) If AMS is terminating the agreement:

(a) The Division shall prepare a letter to the recipient and send it to the FAO.

(b) The FAO shall obtain a signature for AMS.

(2) If the recipient is terminating the agreement, the Division shall send a copy of the letter to the FAO.

(3) The FAO shall send copies of all correspondence terminating an assistance endeavor, whether from AMS or recipient, to the same Divisions that received copies of the assistance document concerned.

2. Suspension. Assistance may be suspended pending corrective action on the part of the recipient. AMS shall notify the recipient in writing of the effective date of the suspension, the reasons, and the corrective action required.

3. Closeout. Upon termination or completion of an assistance agreement:

a. The Division shall make prompt payments to the recipient for allowable costs.

b. The recipient shall immediately refund to AMS any balance of unobligated funds advanced, including late payment interest, if appropriate. Disposition of funds remaining in trust funds will be specifically addressed in the agreement (Section VII.C.2.b.(2)).

c. AMS shall obtain from the recipient within 90 days after the date of completion of the project a Financial Status Report (SF-269), a performance report and other reports required as a condition of the agreement. Extensions may be granted upon request.

d. AMS shall make a settlement for any upward or downward

adjustment to the Federal share of costs after the above reports are received.

- e. The recipient shall account for any property acquired with Federal funds or received from the Federal Government according to 7 CFR 3015, Subpart R, or 7 CFR 3016, Subpart C.
- f. If a final audit has not been performed before the closeout, AMS shall retain the right to recover an appropriate amount after considering the recommendations on disallowed costs resulting from the audit.

IX. A. Each Division shall:
OVERSIGHT

- 1. Make periodic inspections and followups to assure that work is conducted according to the terms of the document.
- 2. Monitor financial reports, paying particular attention to all costs submitted as detailed in 7 CFR 3015, Subpart T -- Cost Principles.
- 3. Contact the FAO promptly if corrective action is necessary.
- 4. Assist FMD personnel in the resolution and closure of audit findings.
- 5. Regularly review and revise existing documents that no longer reflect present conditions, organizational structures and rules.

B. The FAO shall be responsible for interpreting and applying Federal guidance and for initiating any corrective actions, including resolving audit findings.

L. P. Massaro
Deputy Administrator, Management

Attachment 1
AMS Directive 201.1
11/4/91

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 Agreement No. 12-25-A-
 COOPERATIVE AGREEMENT

between the
 AGRICULTURAL MARKETING SERVICE
 UNITED STATES DEPARTMENT OF AGRICULTURE
 WASHINGTON, D.C. 20250
 (hereinafter called the Federal Agency)
 and the
 (Organization Name)
 (City, State & Zip Code)
 (hereinafter called the State Agency)

- 1. Title of Agreement:
- 2. Objective:
- 3. Statement of Work: This cooperative agreement shall be carried out by the organizational units or officials of the Federal Agency and the Cooperator in the manner and subject to the conditions provided in the Statement of Work, Form AMS-20-2, attached hereto and made a part of this agreement.
- 4. Legal Authority:
- 5. Revision: (N/A if this is a new agreement)
- 6. Effective Date:
- 7. Approvals: The signatories hereby certify that they have authority to enter into said cooperative agreement.

This agreement is hereby approved for the State Agency.

Done at _____ on _____
(City and State) (Date)

Signature

Title

This agreement is hereby approved for the Federal Agency.

Done at Washington, D.C. on _____
(Date)

Administrator, Agricultural Marketing Service

?-----?
Form AMS-20 (4-2-73)

Page 2 of

?-----?
STATEMENT OF WORK - COOPERATIVE AGREEMENT NO 12-25-A-
?-----?

This STATEMENT OF WORK is part of the Cooperative Agreement between the
Agricultural Marketing Service, United States Department of Agriculture
and the effective having the title of

I Introduction - Federal and State employees conducting activities under terms of this
agreement shall be as follows:

- A. For the Federal Agency - (Insert title of the Division director in
AMS responsible for the project; state what Federal employees are to be
used in carrying out the work; and indicate any conditions.)

- B. For the State Agency - (Insert title of the head of the State Agency;
state which State Agency's employees are to be used in carrying out the
work; and indicate any conditions. A principal investigator may be
designated by name here.)

II Responsibilities

(State in three main subdivisions under this heading what the Federal Agency
agrees to do, what the State Agency agrees to do, and what the parties mutually
agree to do. State what each will furnish, such as facilities, supplies,
monetary contributions and personnel. Indicate how the project or program is
to be managed, the degree of Federal involvement, where the work will be done,
and from where the work will be directed. Finally, include the financial
arrangements, standard paragraphs, additional conditions, as applicable, and
duration of the agreement.)

- A. The Federal Agency will:

- B. The State Agency will:

- C. It is mutually understood and agreed that:
 - o "All aspects of this agreement shall be executed according to
all applicable parts of USDA's Uniform Federal Assistance
Regulations (7 CFR 3015 et seq) or as they may be later
revised, and successive published regulations as appropriate,
hereby incorporated by reference and made a part of this
agreement. The cooperator confirms that it understands and
is bound by the above regulations, a copy of which is attached.

 - o "The following are attached and made a part of this agreement:
 - Attachment 1, Equal Opportunity Clause.
 - Standard Form 424B, Assurances - Non-Construction Programs.
 - Form AD-1047, Certification Regarding Debarment,
Suspension, and Other Responsibility Matters - Primary
Covered Transactions.
 - Form AD-1048, Certification Regarding Debarment,
Suspension, Ineligibility and Voluntary Exclusion -
Lower Tier Covered Transactions. Note: The recipient
is responsible for obtaining the signatures and
retaining the certificates, if warranted, from lower
tier recipients or contractors as defined in 7 CFR 3017.
 - Form AD-1049, Certification Regarding Drug-Free
Workplace Requirements (Grants) Alternative I - For
Grantees Other Than Individuals.

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Form AMS-20-2 (4-2-73)

Page 3 of

CONTINUATION SHEET

- Certification Regarding Lobbying.
Note: The appropriate lobbying disclosure report form,
SF-LLL, is available from the Federal Agency if applicable."

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Exceptions to the above:	
1. Standard Form 424B need not be included in project type agreements	because it is a pre-award requirement.
2. Form AD-1048 certification is not required for programs of a regulatory	or mandatory nature, user-fee supported programs, and marke
3. Certification Regarding Lobbying is not required from recipients of a	Federal contract, grant, or cooperative agreement of \$100,0
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- o "No member of Congress or resident commissioner shall be admitted to any share or part of this agreement or to

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Form AMS-20-4 (4-2-73)

Attachment 2
AMS Directive 201.1
11/4/91

MEMORANDUM OF UNDERSTANDING
Between the
(Insert Name of Cooperator)
and the
Agricultural Marketing Service
United States Department of Agriculture

NAME OF PROJECT..... (Short title)

OBJECTIVE..... (Summarize concisely the purpose of the memorandum
establishing mutuality of interest)

LEGAL AUTHORITY..... (Identify the Act(s) authorizing the Federal
part of the program. If the Cooperator is a State Agency, add the words,
"...and applicable laws of the State of_____." If the Cooperator is
another organization, it should reference its legal authority.)

REVISION..... (If this is a revision of a previous Memorandum
of Understanding, include the following reference to that understanding:

"This is a revision of and shall supersede
Memorandum of Understanding No. effective
(date), between the (Cooperator Organization) and
the Agricultural Marketing Service)."

EFFECTIVE DATE..... (Date agreement is entered into)

ORGANIZATION..... (For AMS and each cooperator, insert the
project leader's position title, employees used to carry out the work, and any conditions)

LOCATION..... (Where work is to be done)

RESPONSIBILITIES..... (State in three main subdivisions (1)
what the cooperator(s) agrees to do, (2) what AMS agrees to do, and (3)
what the parties mutually agree upon. Establish what each will furnish,
such as facilities, personnel and so forth. Include conditions of employment
and standard paragraphs as applicable.)

BASIS OF COOPERATION..... (Insert the following:

"This Memorandum of Understanding defines in
general terms the basis on which the parties
concerned will cooperate, and does not constitute
a financial obligation to serve as a basis for
expenditures. Each party will handle and expend
its own funds. Any and all expenditures from
Federal funds in the Department of Agriculture
made in conformity with the plans outlined in the
Memorandum of Understanding must be in accord with
Department rules and regulations and in each instance
based upon appropriate finance papers. Expenditures
made by any other cooperator will be in accord
with its rules and regulations."

"The responsibilities assumed by the
cooperating parties under this
Memorandum of Understanding are
contingent upon funds being available
from which expenditures legally
may be met."

MEMBER OF CONGRESS CLAUSE.. (Insert the standard clause as follows:

"No member of Congress or resident commissioner shall
be admitted to any share or part of this agreement or
to any benefit to arise therefrom, unless it be made
with a corporation for its general benefit."

DURATION..... (Provide for duration of the document. Wording
similar to the following may be used:

"This agreement shall continue in
force indefinitely (or until...). It
may be amended or terminated by mutual
consent of the parties in writing. It

may be terminated by either party
upon _____ days' notice in writing to
the other party."

This agreement is hereby approved for the Federal Agency.

Done at Washington, D.C. on _____
(Date)

Administrator, Agricultural Marketing Service

This agreement is hereby approved for the (Cooperator Organization)

Done at (Location) on _____
(Date)

(Insert title of signatory and name of
cooperating organization)

Distribution: G05

Responsible Office: C&A-BEA

