

VOLUME 11A, CHAPTER 11: “SPECIAL OR TECHNICAL SERVICES TO STATE AND LOCAL GOVERNMENTS”

SUMMARY OF MAJOR CHANGES

All changes are denoted by **blue font**.

Substantive revisions are denoted by an * symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by **bold, italic, blue and underlined font**.

The previous version dated October 2008 is archived.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
	This updated chapter in its entirety supersedes the previously published version dated October 2008.	
110101	Insert “...to State and Local Units of Government...” consistent with the Office of Management and Budget (OMB) official title of OMB Circular 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 Cooperation Act of 1968”.	Correction
Multiple	Establish hyperlinks throughout the chapter.	Update

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CHAPTER 11

SPECIAL OR TECHNICAL SERVICES TO STATE AND LOCAL GOVERNMENTS

1101 OVERVIEW

110101. Purpose

This chapter provides the financial policy for sale of special or technical services to both state and local governments, as authorized by [United States Code Title 31 Section 6505](#) and further delineated in [OMB 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 Cooperation Act of 1968.” The chapter provides guidance on the amounts that shall be recouped when the DoD Components perform special or technical services for either state or local governments. This chapter does not provide legal authority to sell to state or local governments. Specific legal authority must be identified to make such sales. This guidance supplements the standards for financial accounting for receivables, and budgetary accounting for reimbursements, discussed respectively in Volume 4, Chapter 3 and Volume 3, Chapter 15.

110102. General

It is the policy of the Department to cooperate to the maximum extent possible with state and local governments to provide specialized or technical services. Such services generally shall supplement and not supplant any services provided under other authority.

A. **Pricing.** Specialized or technical services to state and local governments shall be priced as a sale to private parties at the full costs to the Department. General rules on determining amounts to be reimbursed are found in Chapter 1.

B. **Disposition of Proceeds.** Payments received by DoD Components for providing service shall be deposited to the credit of the appropriation or account from which the costs of providing the services have been paid or are to be charged. Unfunded portions of the costs of such services shall be deposited to the U.S. Treasury as miscellaneous receipts.

1102 POLICY AND PROCEDURES

110201. Types of Services

A. The following are specialized or technical services that may be provided.

1. Any existing statistical or other studies and compilations, results of technical tests and evaluations, technical information, surveys, reports, 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 a DoD Component’s normal responsibilities.

2. Preparation of statistical or other studies and compilations, technical tests and evaluations, technical information, surveys, reports, documents, and assistance in the conduct of such activities, and in the preparation of such materials, provided they are similar to those that the DoD Component is authorized by law to conduct or prepare.

3. Training of the type that the DoD Components are authorized by law to conduct for DoD personnel.

4. Technical aid in the preparation of proposals for developmental and other projects, for which the DoD Components provide grants-in-aid or other assistance, provided such aid primarily develops recipients' capability to prepare their own proposals.

5. Technical information, data processing, communications and personnel management systems services, and technical advice on improving logistical and management services that the DoD Components normally provide the DoD for themselves or others under existing authorities.

B. Any of the above listed specialized or technical services provided by a DoD Component to states and their political subdivisions under other authorities also may be provided under the authority of [OMB Circular No. A-97](#).

C. If a DoD Component receives a request for specialized or technical services that is not covered above, but that is consistent with the [OMB Circular No. A-97](#), and which the Component has a special competence to provide, the Component shall forward the request to the Deputy Under Secretary of Defense (Logistics) (DUSD(L)) for submission to the Office of Management and Budget (OMB) for review. If there is doubt whether the service requested is covered, the Component should forward the request to the DUSD(L) for review.

110202. Conditions Under Which Services May Be Provided

Specialized or technical services covered under [OMB Circular No. A-97](#) may be provided at the discretion of the DoD Component head only under the following conditions:

A. Such services shall be provided only to states, their political subdivisions, and combinations or associations of such governments, their agencies, and instrumentalities.

B. Such services shall be provided only upon the written request of a state or its political subdivision. Requests normally shall be made by the chief executive of such entities and shall be addressed to the head of the DoD Component involved.

C. Such services may not be provided unless the servicing DoD Component maintains similar services for its own use under the policies and procedures set forth in [OMB Circular No. A-76](#), "Performance of Commercial Activities", and subsequent changes thereto. In addition, in accordance with the policies set forth in [OMB Circular No. A-97](#), the requesting entity shall certify that such services cannot be procured reasonably and quickly through ordinary business channels.

D. Such services may not be offered if they require any staff additions or involve expenditures for additional equipment or other facilities solely for the purpose of providing such services, except when the costs of such services are charged to the user.

E. Such services shall be provided only upon payment or arrangement for reimbursement to the DoD Component involved by the unit of government making the request. This includes salaries and all other identifiable direct and indirect costs of performing such services.

F. Technical information provided in accordance with this chapter may not be disseminated further to third party governmental entities or associations, unless expressly authorized by the originating DoD Component.

G. If a request for a service is denied, the DoD Component shall furnish a statement to the entity making the request indicating the reasons for the denial.