

Exception to Policy Procedures on Service First Agreements Not Exceeding \$25,000

- 1) The Regional Chief Financial Officers (Assistant Regional Directors – Budget and Administration) may approve exceptions to policies for Service First reimbursable agreements that do not exceed \$25,000. For Region 9 requests, the Service’s Chief Financial Officer (Assistant Director – Business Management and Operations) may approve the requests.
- 2) The responsible Assistant Regional Director (ARD) or Assistant Manager will prepare a memorandum to the Regional Chief Financial Officer (CFO) requesting to reduce or waive the indirect costs on a Service First agreement. The memorandum should detail the following:
 - a. Summary of work and cost of agreement.
 - b. How the agreement complies with the Service First MOU and is mutually beneficial for both parties of the agreement.
 - c. How the work uses Service employees and does not divert resources from more critical Service mission programs and projects (excess capacity).
 - d. The estimated indirect costs to be waived from entering into the reimbursable agreement.
- 3) The Regional CFO office will review the memorandum and will approve or deny the exception to policy. An approved exception to policy is valid for the life of the agreement. However, any modifications that increase funding over \$5,000 must be separately approved by the Regional CFO. Modifications that increase funding over \$25,000 must be approved by the Director.
- 4) The Region must send a copy of the approved or denied request to the Chief, Division of Financial Management to maintain a log of Exception to Service Policies.