



DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
WASHINGTON, D.C. 20314-1000

CECW-P

JUL 2 2007

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Contributed Funds

1. References:

a. ER 1165-2-30, Acceptance and Return of Required, Contributed or Advanced Funds, dated 30 October 1998.

b. Assistant Secretary of the Army (Civil Works) (ASA(CW)) Memorandum, dated 16 June 2006, Subject: Bogue Inlet, North Carolina, Federal Navigation Project – Memorandum of Agreement (MOA) to Accept Contributed Funds from the State of North Carolina for Maintenance Dredging.

2. By reference 1.b., the ASA(CW) delegated approval of all requests and approval and execution of all Contributed Funds MOAs to HQUSACE. This memorandum describes the process for approving requests to accept Contributed Funds and for approving Contributed Funds MOAs for work that is not subject to cost sharing. In the case where the work is subject to cost sharing and is covered by an existing project cooperation agreement (PCA), the same process will be followed except an amendment to the PCA will be required instead of an MOA.

3. Contributed Funds are those funds above any statutorily required cost share provided by a State or political subdivision voluntarily and gratuitously, with no expectation of repayment or cost share credit. Pursuant to 33 U.S.C. 560 and 33 U.S.C. 701h, Contributed Funds may be accepted for expenditure on authorized projects for navigation, flood damage reduction, or ecosystem restoration. These authorities do not provide for the acceptance of Contributed Funds for other project purposes, such as coastal storm damage reduction (hurricane and storm damage reduction).

4. Requests involving less than \$2,000,000 for dredging non-Federal berthing areas and channels/ slips or for beneficial disposal of dredged material may be approved by the District Commander if all other requirements set out in paragraph 10.a. of ER 1165-2-30 are met. All other requests and the MOAs for such requests require approval by HQUSACE in Washington. The processing of the request and the MOA will follow the general procedures in place for review and approval of agreements by HQUSACE. Six copies of the MOA package, which includes the following information, should be submitted to the applicable HQUSACE Regional Integration Team (RIT):

CECW-P
SUBJECT: Contributed Funds

- a. The contributor's written offer to gratuitously contribute funds with no expectation of repayment of or credit for such contributed funds;
- b. The district's information paper which describes the contributor; the work to be performed with the contributed funds; the estimated cost of such work; the relation of such work to the Federal work underway; and the rationale on why accomplishment of such work is advantageous to the interests of navigation, if contributed in connection with a navigation project, or advantageous in the public interest, if contributed in connection with a flood damage reduction or ecosystem restoration project.
- c. Draft MOA, which should be based on the model in Appendix A of ER 1165-2-30 or a draft PCA amendment;
- d. A list of deviations from the model MOA and detailed reasons for any deviations;
- e. The Certificate of Legal Review signed by District Counsel;
- f. Documentation that all necessary environmental coordination and documentation has been completed - see Section VIII.d. of the PCA Checklist for a list of necessary environmental coordination requirements; and
- g. Draft Committee notification letters, if required.

5. Committee notification requirements are as follows:

- a. If Federal funds have not been appropriated for the work to which the contributed funds relate, notification of the House and Senate Appropriations Committees, Subcommittees on Energy and Water Development (Committees) is required prior to approval and execution of the Contributed Funds MOA or PCA amendment. This determination on whether Committee notification is required should be made in consultation with the applicable HQUSACE RIT. The Committee notification is provided by the ASA(CW) following clearance of the draft letters by the Office of Management and Budget in accordance with current CECW-I procedures for Committee notification. Because the process of Committee notification can be time consuming, it should be initiated as early as possible.
- b. If Federal funds have been appropriated and are available for the work to which the contributed funds relate, Committee notification is not required.

6. The Director of Civil Works is the approving official for those Contributed Funds requests and Contributed Funds agreements (MOAs and PCA amendments) requiring HQUSACE approval. No request requiring Committee notification will be approved until

CECW-P
SUBJECT: Contributed Funds

HQUSACE receives the Committees' acknowledgment that the Corps intends to accept such funds. The signature authority will be delegated to the District Commander concurrent with approval of the MOA by HQUSACE.

7. HQUSACE is beginning a general review of guidance on accelerated, contributed, and advanced funds. Once this review is complete, further guidance on these actions will be issued.

FOR THE COMMANDER:



DON T. RILEY
Major General, USA
Director of Civil Works

DISTRIBUTION:

COMMANDER, GREAT LAKES AND OHIO RIVER DIVISION
COMMANDER, MISSISSIPPI VALLEY DIVISION
COMMANDER, NORTH ATLANTIC DIVISION
COMMANDER, NORTHWESTERN DIVISION
COMMANDER, PACIFIC OCEAN DIVISION
COMMANDER, SOUTH ATLANTIC DIVISION
COMMANDER, SOUTH PACIFIC DIVISION
COMMANDER, SOUTHWESTERN DIVISION
CECW-LRD
CECW-MVD
CECW-NWD
CECW-SAD
CEMP-NAD
CEMP-POD
CEMP-SPD
CEMP-SWD
CECC-G