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Governor



STATE OF WASHINGTON

GOVERNOR'S OFFICE OF REGULATORY ASSISTANCE

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Policy, Procedures, and Guidance **Use of Voluntary Cost-Reimbursement Agreements**

1. Purpose:

This policy adopts by reference the policy, procedures, and guidance of the Department of Ecology (Ecology) concerning use of voluntary cost-reimbursement agreements. Through such, the Governor's Office of Regulatory Assistance (ORA) intends to ensure its own compliance with Chapter 43.42 RCW concerning use of voluntary cost-reimbursement agreements by ORA.

2. Policy Adoption: Policy, Procedures, and Guidance Concerning Use of Voluntary Cost-Reimbursement Agreements.

ORA has reviewed and validated the policy, procedures, and guidance developed by Ecology concerning use of voluntary cost-reimbursement agreements. ORA operates within Ecology pursuant to the terms of an inter-agency agreement. ORA accordingly adopts, as applicable:

- All policies in Chapter 9 of Ecology's policy and procedure manual governing accounts payable, accounts receivable, and all other such financial transactions.
- Ecology's cost-reimbursement boilerplate agreement (parts A and B) establishing procedures for determining, collecting, and distributing cost-reimbursement funds, and establishing requirements for scheduling and reporting.
- Ecology's policy statement on reimbursement of legal expenses for cost-reimbursement projects.
- Ecology's cost-reimbursement procedural guidance.
- Office of Financial Management requirements for training employees who handle such contracts [[RCW 39.29.120](#)].

3. Background:

State law (Chapter 43.42 RCW) authorizes ORA, at the request of project applicants, to coordinate negotiation and implementation of written agreements between project applicants and state permit agencies to recover from project applicants the reasonable costs incurred by ORA and participating permit agencies.

4. ORA Statute Calls for Policy, Procedures, and Guidance:

- ORA shall adopt a policy to coordinate cost-reimbursement agreements with outside independent consultants [RCW 43.42.070(4)].
- ORA shall develop procedures for determining, collecting, and distributing cost reimbursement for carrying out the provisions of this chapter [RCW 43.42.070(6)].
- ORA shall develop guidance to ensure that, in developing cost-reimbursement agreements, conflicts of interest are eliminated [RCW 43.42.070(9)].

5. ORA Statute Requires ORA to Coordinate Negotiation of Certain Cost-Reimbursement Agreements [43.42.070(10)]:

For project permit processes that it coordinates, ORA will coordinate negotiation of all related cost-reimbursement agreements. The office and the agencies involved shall be signatories to the agreement. Each permit agency shall manage performance of its portion of the agreement.

6. Effective:

This policy was adopted and took effect on the 15th day of December, 2006.

Faith L. Lumsden, Director
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