***********DRAFT 2026***********

****Please use this guide throughout the 2026 season and provide feedback to your Agency Incident Business contact or mtnrc.finance@firenet.gov. This guide is being considered for adoption in the NRGA. ****

Northern Rockies Cost Share Agreement Methodology Implementation Options

Cost share methodologies are determined by the Statewide Cooperative Fire Protection Agreements & Operating Plans. While policy restricts agencies to using only the methodologies defined in the respective statewide agreements, authorized officials from all signatory agencies can negotiate how the methodologies are implemented.

This job aid provides a few options for implementation however other strategies may be more appropriate based on the circumstances of the incident. Additionally, state and federal policy requires that final disposition of cost share agreements be applied to actual costs as identified in each agency's accounting system. However, most federal and state accounting systems cannot isolate costs by a cost share period therefore the following implementation strategies were developed to calculate a cost share agreement that results in percentages that are then applied to the final actual costs per each agency's accounting system.

It is important to engage with your Incident Business resource(s) early to ensure the proposed cost share agreement aligns with policy, clearly states the intent of sharing costs, is implementable, and can be reconciled.

Methodologies & Implementation:

Cost Share by Acres:

This methodology is based on percentage of acres burned by protection responsibility. It is normally used when agency responsibilities, objectives, and suppression costs are similar.

Example: Total acres burned within fire perimeter: 10,000 acres
Acres burned within State Protection: 2,500 = 25% of total acres burned
Acres burned within Federal Protection: 7,500 = 75% of total acres burned
These percentages (25% and 75%) are applied to the total actual cost of $800,000

Expectations of IMT: GISS/SITL to provide map with acres burned by **protection** agency

Expectation of AA: Review final acres for use in reconciliation of cost share agreement

Reconciliation Example: Fed share is combination of two separate Federal Agencies.

Agency	Acres	Percentages	$ Amount
State	2,500 acres	25 %	$ 200,000
BLM	500 acres	5%	$ 40,000
USFS	7,000 acres	70%	$ 560,000
Totals	10,000 acres	100 %	$ 800,000

Cost Share by Effort:

Note: If this methodology is being considered tracking must start as soon as possible. Re-creating percent of effort after the fact is very difficult.

Use this methodology when critical Values at Risk (VAR) are **not** equitable, as determined by Agency Administrators/Line Officers, across all protection agencies. As an example, Agency As protection with urban interface vs Agency Bs protection in wilderness with little to no resource needs or VARs. Keep in mind that when implementing a % of effort cost share in any fashion, consideration should be given to which Agency is benefitting from the effort of firefighting actions.

Implementation Option A (Best used on small to medium sized fires where the manual tagging of resources in e-ISuite is not overly cumbersome):

Geographic Division based effort - by way of tagging resources in e-ISuite

Example: Division K (using a map as an attachment) is in place to protect Agency As VARs/protection responsibility. Tag resources (tactical/air) working in Division K in e-ISuite to a “Agency A” cost group.

All other Divisions are in support of Agency B and will not need tagged.

Expectations of IMT:

Consider Division breaks be located on protection responsibility lines

IAPs will be reviewed/corrected to accurately reflect the resources assigned to each Division (204)

IMT Cost Unit Leader will tag Resources daily in e-ISuite using corrected IAPs

Expectation of AAs:

Review the IAP and concur with who is receiving the effort from each Division and communicate their decision with the INBA who will then coordinate with the IMT.

Reconciliation Example:

Date	Daily e-ISuite Total Direct Costs	DIV K (Tagged 100% Agency A)	All Other non-tagged Direct are Agency B
8/9/2023	$ 200,000.00	$ 10,599.00	$ 189,401.00
8/10/2023	$ 250,000.00	$ 14,500.00	$ 235,500.00
8/11/2023	$ 300,000.00	$ 20,032.00	$ 279,968.00
8/12/2023	$ 350,000.00	$ 45,786.00	$ 304,214.00
8/13/2023	$ 300,000.00	$ 55,558.00	$ 244,442.00
8/14/2023	$ 250,000.00	$ 60,931.00	$ 189,069.00
8/15/2023	$ 200,000.00	$ 45,564.00	$ 154,436.00
Totals	**$ 1,850,000.00**	**$ 252,970.00**	**$ 1,597,030.00**
% to apply to all e-ISuite cost categories within the CSA period		13.7%	86.3%

$ amount in e-ISuite for all cost categories within the CSA period	$6,500,000.00	
Adjusted estimated Agency responsibility for all cost categories	$888,813.51	$5,611,186.49
Final e-ISuite total for all days all cost categories for the entire incident	$10,000,000.00	
Adjusted Agency responsibility after CSA has ended (Agency B 100% after CSA ended in this example)	$888,813.51	$9,111,186.49
Adjusted % to apply to Agency Actuals during the final cost share settlement	**8.9%**	**91.1%**
	Agency A	Agency B

<u>Implementation Option B (Best used on larger fires when tagging individual resources is too cumbersome):</u>

AA/IMT(IC/Ops) Discussion & Agreement – by way of map & IAP review (Direct Air and Ground resources may be reviewed and a % applied separately or together)

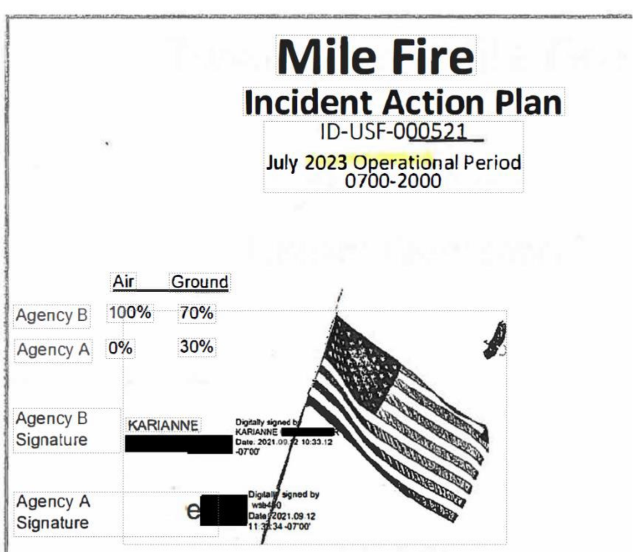
Example: Divisions A & B (using a map & IAP for review/discussion) are in place to protect Agency As VARs/ protection responsibility. There are many resources in this area and more than 50% of the resources are committed to these protection actions.

Divisions C & D are in place to protect Agency Bs VARs/protection responsibility. Fewer resources are committed to this area of the fire.

Division Z is a combination of both Agency A & B benefiting from the suppression actions. Remaining resources are committed to this area.

Overall review of the fire as a whole, the associated divisions that are benefiting each agency as reviewed on the map, IAP, and discussions with Ops/IC, a % of effort for each agency is applied to that day. I.e., Agency A = 70%, Agency B = 30%.

Air % of effort may be calculated separately from ground resources. Review aircraft use by benefitting agency with Ops/Air Ops/IC and provide an overall % of Air to be applied to that day. I.e. Aircraft flew mostly in support of Agency B, the % split for air would be higher for Agency B than Agency A.



Expectations of IMT:

Daily, Operations and Air Operations will provide AAs with an overview of operation actions taken, including which agency benefitted from those operations.

Daily, the % of effort, either for total direct resources or separate for Air vs Ground resources will be documented on the front of the IAP for AA review, concurrence, and signature.

Expectation of AAs:

Review and negotiate to adjust and/or concur with the %(s) by way of signing the front of the IAP approving the documented %.

Reconciliation Example:

GROUND % of EFFORT

Date	Agency A % per IAP	Agency B % per IAP	Daily e-ISuite Total Direct Ground Resource Cost	Estimated Agency A Responsibility	Estimated Agency B Responsibility
7/16/2023	65%	35%	$ 300,000.00	$ 195,000.00	$ 105,000.00
7/17/2023	50%	50%	$ 300,000.00	$ 150,000.00	$ 150,000.00
7/18/2023	30%	70%	$ 250,000.00	$ 75,000.00	$ 175,000.00
7/19/2023	30%	70%	$ 200,000.00	$ 60,000.00	$ 140,000.00
Total Ground Effort			**$ 1,050,000.00**	**$ 480,000.00**	**$ 570,000.00**

AIR % of EFFORT

Date	Agency A % per IAP	Agency B % per IAP	Daily e-ISuite Total Direct Air Resource Cost	Estimated Agency A Responsibility	Estimated Agency B Responsibility
7/16/2023	80%	20%	$ 250,000.00	$ 200,000.00	$ 50,000.00
7/17/2023	50%	50%	$ 200,000.00	$ 100,000.00	$ 100,000.00
7/18/2023	50%	50%	$ 200,000.00	$ 100,000.00	$ 100,000.00
7/19/2023	0%	100%	$ 150,000.00	$ -	$ 150,000.00
Total Air Effort			**$ 800,000.00**	**$ 400,000.00**	**$ 400,000.00**

Total Direct Effort (Air + Ground)	**$ 1,850,000.00**	**$ 880,000.00**	**$ 970,000.00**
% to apply to all e-ISuite cost categories within the CSA Period		47.6%	52.4%
$ amount in e-ISuite for all cost categories within the CSA Period		$6,500,000.00	
Adjusted estimated Agency responsibility for all cost categories		$3,091,891.89	$3,408,108.11
Final e-ISuite total for all cost categories for the entire incident		$10,000,000.00	
Adjusted Agency responsibility after CSA has ended (Agency B 100% after CSA ended in this example)		$3,091,891.89	$6,908,108.11
Adjusted % to apply to Agency Actuals during the final cost share settlement		**30.9%**	**69.1%**

Cost Share by You Order, You Pay*

Each agency is fiscally responsible for the resources they order, regardless of where those resources are used on the fire. To avoid disjointed operational efforts, a unified command structure is highly recommended.

This methodology can be challenging to track at Interagency Dispatch Centers. Dispatch must know exactly which agency ordered a resource to ensure proper billing and payment. Therefore, a unified ordering point is required per the NWCG Standards for Incident Business Management (SIIBM).

Cost Share by Each Agency Pays for their own Resources*

Each agency is financially responsible for its own resources. Services rendered should approximate the percentage of protection responsibility, but cross billing is not generally expected between agencies; however, a formal cost share agreement signed by all parties is required.

*Nationally contracted USFS resources (e.g., T2IA, T2 Crews, Showers, Caterers, etc.) are initially paid for by the USFS even when requested/ordered by another agency. A reimbursable bill may need to occur outside of the incident for these resources to be charged to the appropriate agency.