

**CALIFORNIA MASTER COOPERATIVE WILDLAND FIRE MANAGEMENT AND STAFFORD ACT RESPONSE
AGREEMENT**

EXHIBIT C

Cost Sharing and Cost Share Agreement Templates

General Cost Sharing

A cost share agreement will be prepared when there is a multi-jurisdictional incident with a single or unified command and a decision has been made to share resources among jurisdictional agencies or an incident threatens to burn across DPAs of the State and Federal Agencies and the Mutual Aid period has been exceeded. The State and Federal Agencies also agree to jointly share the cost of incident support and coordination operations when and where appropriate (see Incident Support and Coordination below).

Four different methodologies are accepted for sharing costs for fires with multi-or single jurisdictional responsibility. These methods include:

1. **Initial Attack** – During initial attack, resources are dispatched per established Annual Operating Plans to multi-jurisdictional fire. The fire is controlled with initial attack resources and agency administrators/representatives may agree to cost share some or all costs for resources their agencies have provided under agreements in place. Cost share agreement may be needed if the incident goes beyond the Mutual Aid period as specified in the local agreement.
2. **You Order You Pay** – Under YOYP, each agency is fiscally responsible for the resources they order, regardless of where they are used on the incident.
3. **Acres Burned** – Costs are shared based on the acreage percentage of the fire within an agency's DPA. This method is used when agencies' responsibilities, objectives, and suppression costs are similar.
4. **Cost Apportionment** – Costs are shared based on the suppression effort expended to protect each agency's DPA, including the threat to another agency's DPA. This is a more complex system for identifying agency cost share and will require specific knowledge and skills to facilitate.

ALL METHODS REQUIRE DOCUMENTING THE RESULTS IN A COST SHARE AGREEMENT THAT IS INCIDENT SPECIFIC. The complexity and circumstances of each incident will dictate the method used, and the simplicity or complexity of each agreement. The cost share agreement identifies the jurisdictional parties, outlines the financial responsibility for the shareable costs of the incident and is signed by the delegated agency representative or line officer. Included below is the format and language used to develop a cost share agreement.

When assigned, Incident Management Teams will be expected to support the cost share agreement process, including participating in decision making, oversight and providing incident information and documents to support the agreement.

Cost share settlement meetings will be conducted in accordance with the "Operating Plan for Cooperative Incident Billings Procedures."

Incident Support and Coordination Cost Sharing

Separate cost share agreements will be developed for incident support and coordination operations. Redding and Riverside OCCs require special consideration. Absent a separate negotiated cost share agreement by the State and Federal OCC Coordinators, the costs involved with the Operation Coordination Centers at Redding and Riverside will be the responsibility of the ordering agency.

Typically, cost share agreements for incident support and coordination operations will include the costs generated by management groups and resources not ordered for a specific fire incident. The responsibility for the development of such an agreement will reside with the managers of the support or coordination operation that has been mobilized.

Actual costs should be accounted for separately by using an appropriate order number for each agency and support facility and not intermingled with specific fire incident costs. Cost shares should be developed for each unique support operation. As the methodology may vary with each location and situation, it will be documented in the resulting cost share agreement.

Guidelines on developing an Incident Support and Coordination Operations Cost Share are described in the "Cost Share Agreement Guideline."

Cost Apportionment Methodology

The cost apportionment process is a more complex system for identifying agency cost-shares and relieves the incident commanders, agency representatives, and line officers of much of the burden of estimating solely from observing how resources are used. This is of assistance in situations where there is a great deal of mobility of resources across protection boundaries.

Although more complex and time consuming, the cost apportionment process seeks to achieve cost sharing through an equitable process that takes into consideration the effort that was expended to meet an incident objective. The process develops agency percentages of incident costs. These percentages are driven by a value or cost of direct resources (e.g., crews, engines, helicopters, air tankers, retardant) used per operational period.

- Pre-determined values are used for direct ground resources and actual costs are used for direct aviation resources. These values are developed and published by the California Interagency Incident Finance Advisor (CIIFA) group.
- Values and costs are documented on a daily basis and approved by the Incident Commander(s) or other designated incident agency personnel.
- Values and costs are allocated and shared based upon resource assignment in the Incident Action Plan or actual use.
- Support costs (e.g., overhead team, caterer) are then shared proportionally to the direct costs at the time of the final settlement.

Final cost apportionment percentages identified in the cost share agreement are applied to each agency's final cost package. Final cost packages are developed per the "Operating Plan for Cooperative Incident Billing Procedures."

To maintain the integrity of the methodology, cost apportionment must be run from the start of initial attack until the agencies determine to stop accumulating costs on the incident. Generally, the need to continue the cost collection effort will exist until the incident is down to local unit resources. For information on how to terminate a cost share agreement, see the “Cost Share Agreement Guideline.”

The cost apportionment methodology is labor intensive and may require a **Cost Share Technical Specialist (CSTS)** to oversee the development of the cost share agreement. Parties to this agreement utilize multi-agency Cost Share Teams to assist incident agencies in tracking, documenting, and advising incident commanders, agency representatives, and line officers on these agreements. As soon as a decision is made to use the cost apportionment method, an order should be placed for the CSTS. These positions are assigned to the incident and typically report to the Finance Section Chief.

Detailed procedures and guidelines on the cost apportionment process and development of the cost share agreement, including other reference material, tracking documentation, and Cost Share Team responsibilities, are outlined in the “Cost Share Agreement Guideline.”

COST SHARE AGREEMENT for the _____ Incident.

COST SHARE AGREEMENT

DEPARTMENT
FEDERAL AGENCY NAME

And

STATE OF CALIFORNIA
DEPARTMENT OF FORESTRY AND FIRE PROTECTION
(CAL FIRE)

USE THESE STANDARD STATEMENTS FOR YOYP, ACRES BURNED, AND COST APPORTIONMENT AGREEMENTS

The following is the cost share agreement between the above named agencies as it was negotiated for the following incident.

INCIDENT NAME:

INCIDENT NUMBER BY AGENCY:

INCIDENT START DATE AND TIME:

JURISDICTIONS:

INCIDENT CAUSE:

COMMAND STRUCTURE:

COST SHARE PERIOD:

START:

END:

INCIDENT COMMANDER:

INCIDENT COMMANDER:

AGENCY REPRESENTATIVE:
AGENCY REPRESENTATIVE:

UNIFIED ORDERING POINT:

Agency Representatives participating in development of this cost share agreement.

NAME, AGENCY
NAME, AGENCY
NAME, AGENCY

This cost share agreement between the Department of _____, [\[Enter Federal Agency Name\(s\)\]](#) and the State of California, Department of Forestry and Fire Protection (CAL FIRE) was prepared under the following guidelines:

1. In accordance with the California Master Cooperative Wildland Fire Management and Stafford Act Response Agreement (CFMA) between the USDA, Forest Service, USDI, Bureau of Land Management, USDI, National Park Service, USDI, Fish and Wildlife Service, USDI, Bureau of Indian Affairs, and the California Department of Forestry and Fire Protection (CAL FIRE).

ANY ADDITIONAL AGREEMENTS SHOULD BE INSERTED HERE.

2. All costs originating from orders placed by and for the incident that can be reasonably obtained and estimated for the cost share period will be included in this agreement and will be shared on the basis of the Incident Commander(s), Agency Representative(s), or Line Officer(s) mutual agreement.
3. Costs for non-expendable property purchases by each agency will be charged direct to that agency and will not be shared.
4. Agency specific costs will not be shared as defined in the *Cooperative Incident Billing Procedures*.
5. Responsibility for tort claim costs or compensation for injury costs will not be a part of this agreement. Responsibility for these costs will be determined outside of this agreement.
6. Non-suppression rehabilitation costs are the responsibility of the jurisdictional agency and will not be shared.

USE THE FOLLOWING STATEMENTS FOR COST APPORTIONMENT AGREEMENTS.

7. Daily cost sharing will be documented and approved by the Incident Commander(s), Agency Representative(s), or Line Officer(s) for cost apportionment.
8. Shared costs will be based on the Incident Commander(s), Agency Representative(s), or Line Officer(s) mutual judgment and agreement as to threat, incident objectives, and resources assigned for each agency's area of responsibility.
9. Aircraft and retardant costs will be shared on an actual use basis as determined by the Incident Commander(s), Agency Representative(s), or Line Officer(s) and will be calculated as a separate cost.
10. Sharing of final actual costs between the agencies will be based on a summary of daily estimated incident suppression costs and each agency's proportionate share thereof as agreed to by the jurisdictional representatives.

IF APPLICABLE, ADD ANY ADDITIONAL STATEMENTS SPECIFIC TO YOYP, ACRES BURNED, AND COST APPORTIONMENT AGREEMENTS.

11. _____

12. _____

13. _____

USE THE FOLLOWING STATEMENTS FOR ACRES BURNED AND COST APPORTIONMENT AGREEMENTS.

14. In accordance with the attached documentation, it is hereby agreed that the cost sharing of this incident will be:

AGENCY	GROUND RESOURCES	AIRCRAFT/RETARDANT
FEDERAL	%	%
CAL FIRE	%	%
TOTAL	100%	100%

OR

AGENCY	ACRES BURNED	
FEDERAL	(_____ Acres Burned)	(____%)
CAL FIRE	(_____ Acres Burned)	(____%)
	TOTAL	100%

15. The following agencies will be responsible for collecting actual cost/expenditure data that will make up the cost pool of shareable costs.

COST SOURCES	RESPONSIBLE AGENCY
Federal Agency	Agency Name (i.e. USFS, BLM, NPS, BIA, FWS)
State Agency	CAL FIRE – Unit

16. Within 10 (5 if a FMAG incident) months the parties to this agreement will meet to determine the total costs of each agency. Agency cost packages will be developed per the *Cooperative Incident Billing Procedures*. The agency whose total actual costs exceed their proportional share of the overall incident final costs as determined within this agreement will bill the other agency. The billing, when paid, will result in each agency sharing overall incident costs as herein agreed.

USE THE FOLLOWING STANDARD STATEMENTS FOR YOYP, ACRES BURNED, AND COST APPORTIONMENT AGREEMENTS.

17. An administrative charge, the pre-established percentage set by each agency, will be applied pursuant to agency policy by the agency issuing the settlement billing for the net amount owed.

This agreement and the allocation are our best judgment of agency cost responsibilities.

Name
Federal Agency

Name
State of California, Department of
Forestry and Fire Protection

Agency Administrator
Agency
Address

Agency Administrator
State of California, Department of
Forestry and Fire Protection
Address

Telephone Number

Telephone Number

Date of this finalized agreement: _____

Contacts:

Name

Title

Agency

Address

INITIAL ATTACK COST SHARE AGREEMENT

DEPARTMENT
FEDERAL AGENCY NAME

And

STATE OF CALIFORNIA
DEPARTMENT OF FORESTRY AND FIRE PROTECTION
(CAL FIRE)

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INCIDENT NAME:

INCIDENT NUMBER BY AGENCY:

INCIDENT START DATE AND TIME:

JURISDICTIONS:

INCIDENT CAUSE:

COMMAND STRUCTURE:

COST SHARE PERIOD:

START:

END:

INCIDENT COMMANDER:

INCIDENT COMMANDER:

AGENCY REPRESENTATIVE:
AGENCY REPRESENTATIVE:

UNIFIED ORDERING POINT:

Agency Representatives participating in development of this cost share agreement.

NAME, AGENCY
NAME, AGENCY
NAME, AGENCY
NAME, AGENCY

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2. _____

3. _____

COMPONENTS OF AN INITIAL ATTACK COST SHARE AGREEMENT SHOULD INCLUDE THE FOLLOWING:

- Incident name and numbers
- Jurisdictional agencies involved
- Start date and time
- Contact information for key agency personnel involved
- Reference of applicable cooperative fire agreement(s)
- Specific terms of the cost share agreement with clear intent
- Signatures of parties involved