**National Oceanic Atmospheric Administration**

**National Environmental Satellite, Data, and Information Service**

**User Fee Policy and Procedures**

**April 28, 2020**



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# PURPOSE AND SCOPE

The National Environmental Satellite, Data, and Information Service (NESDIS) User Fee Policy and Procedures (User Fee Manual) serve as supplemental clarification guidance to the *NOAA Finance Handbook,* Chapter 9, “Fees for Special Products or Services”. It provides guidance for user fee internal processes at NESDIS. The NESDIS User Fee Policy and Procedures Manual assigns responsibilities and provides specific direction for the NESDIS National Centers for Environmental Information (NCEI) to comply with Federal policies and requirements for calculating, approving, and reporting user fees for products or services provided to the public or other government agencies.

# BACKGROUND

NESDIS fulfills its mission by providing and ensuring timely access to global environmental data from satellites and other sources as well as providing information services and developing science products through the NESDIS NCEI program office. NCEI operates the Center for Weather and Climate (CWC) and Center for Coasts, Oceans, and Geophysics (CCOG). These centers archive, access, and assess valuable data and information products or services for the public.

NESDIS is authorized under 15 U.S.C. 1534 to assess fees for certain environmental data and information and products derived from, collected, and/or archived by NESDIS. The Office of Management and Budget (OMB) established policies for agencies providing products and services to non-Federal recipients. The Department of Commerce (DOC) and NOAA Financial Policy and Compliance Division provide procedural guidance for implementing the assessment of user fees.

# LEGAL AUTHORIZATIONS AND APPLICABLE REFERENCES

The following Federal laws and agency references provide the authorization and guidance for NESDIS to assess user fees. The details of each statute and guideline are not repeated entirely but may be accessed at the cited links.

1. 15 U.S.C. 1534, Assessment of Fees for Access to Environmental Data

The statute states that “…the Secretary [Department of Commerce] is authorized to assess fees, based on fair market value [FMV] for access to environmental data and information and products derived therefrom, collected, and/or archived by the National Ocean and Atmospheric Administration [NOAA].” For noncommercial purposes, the statute requires that NESDIS provide this data, information, and products to Federal, State, and local government agencies, universities, and other nonprofit institutions at the cost of reproduction and transmission, if such data, information, and products are to be used for research. Fees for foreign governments and international organizations shall be waived.

<http://www.law.cornell.edu/uscode/15/1534.html>

1. 15 U.S.C. 1525, Special Studies; Special Compilations, Lists, Bulletins, or Reports

NESDIS is authorized to collect actual or estimated costs for a special product or service provided at the request of any person, firm, organization, or others, public or private.

<http://www4.law.cornell.edu/uscode/15/1525.html>

1. 44 U.S.C. 3506 (d) (4) (D), Paperwork Reduction Act

With respect to information dissemination, each agency shall not, except where specifically authorized by statute, establish user fees for public information that exceed the cost of dissemination.

<https://www.law.cornell.edu/uscode/text/44/3506>

1. OMB Circular A-130 Revised, Managing Information as a Strategic Resource

Agencies will set user charges for information dissemination products at a level sufficient to recover the cost of dissemination.

<https://obamawhitehouse.archives.gov/omb/circulars_a025/>

1. OMB Circular No. A-25 Revised, User Charges

OMB establishes Federal policy regarding fees assessed for Government services and for sale or use of Government goods or resources. The circular provides information on the scope and types of activities subject to user charges and on the basis upon which user charges are to be set. It also provides guidance for agency implementation of charges and the disposition of collections.

<https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/assets/OMB/circulars/a025/a025.html>

1. DOC Accounting Principles and Standards Handbook, Chapter 11, “Fees and Revenues”

DOC prescribed procedures to bureaus for establishing and imposing user fees for services or products provided to non-Federal recipients.

<http://www.osec.doc.gov/ofm/Accounting/Final_Chapter_11_Acctg_Hdbk_6-3-16.pdf>

1. NOAA Finance Handbook, Chapter 9, “Fees for Special Products or Services”

Chapter 9 sets forth the financial and accounting policies, responsibilities, and procedures for determining fees for special products or services provided by NOAA to non-Federal recipients.

<https://www.corporateservices.noaa.gov/finance/docs/Policy/FHCHAP9final.pdf>

1. NOAA Finance Handbook, Chapter 10, “Reimbursables”

The NOAA Finance Office, Receivables Branch has categorized the [NOAA Data Centers] data sales in the Reimbursable Sales/Fixed Fee (RSFF) process. The procedural guidelines for the RSFF process are outlined in Chapter 10 of the *NOAA Finance Handbook*.

<https://www.corporateservices.noaa.gov/finance/docs/Policy/Chapter10-Rev12-10-15.pdf>

1. NESDIS Procedures for Preparing and Approving Agreements, Chapter 5, “Agreement Provisions and Format,” , “Special Studies”.

These procedures provide specific information on special studies and a model agreement in the Appendix. A copy of the document can be requested from NESDIS OCFO BIB.

1. Open Data Policy: <https://www.archives.gov/data>

National Archives web page that describes the Federal Government’s policy on Open Data.

1. Executive Order (EO 13642) -  <https://obamawhitehouse.archives.gov/the-press-office/2013/05/09/executive-order-making-open-and-machine-readable-new-default-government->

Executive order that makes open and machine readable data the new default for Government.

1. NOAA Big Data - <https://www.noaa.gov/big-data-project-frequently-asked-questions>

NOAA web site that describes NOAA’s big data project.

# SPECIFIC GUIDANCE AND RESPONSIBILITIES

## BASIS OF FEE ASSESSMENT

Fees can be based on the marginal cost of dissemination, fair market value (FMV), or full cost recovery for special studies according to the guidelines below. The NCEI data centers must submit separate NOAA Product/Service Cost Computation Forms (Exhibit 9-1s) to NESDIS Data Analysis, Systems, and Information Branch (DASIB) for each product or service for which a fee is to be assessed. DASIB will then review the Form 9-1 and supporting documentation and approve the fee assessment.

* Marginal Cost of Dissemination

A data center may charge up to the marginal cost of dissemination for a data product in accordance with 44 U.S.C. 3506 (d) and OMB Circular A-130. Costs associated with the marginal cost of dissemination may include, but are not limited to, reproduction, infrastructure, shipping, handling, and consultation costs.

* FMV

A data center may charge FMV for a data product or service if that center determines the product is unique or requires special handling or processing. To obtain approval to use FMV, the data center must include a written justification with the Cost Computation Form. This justification must document the rationale behind the decision to charge FMV and demonstrate and document how the FMV was determined.

* Full Cost Recovery

When a data center prepares special studies from its records for unique compilations, lists, bulletins, or reports that are authorized by 15 U.S.C. 1525, the user charge should be sufficient to recover both the indirect and direct costs to the center of providing the service, resource, or good.

## PROCEDURES FOR COMPLETING NOAA PRODUCT/SERVICE COST COMPUTATION FORMS (EXHIBIT 9-1)

NCEI data centers must submit NOAA Product/Service Cost Computation Forms, Exhibit 9-1 for all products and services that are available offline, online, and through the NES-2 User Fee system. Exhibit 9-1s must be reviewed and approved by DASIB before a new product or service is made available or any sale is offered in coordination with NCEI Integrated Products List and Base Requirements staff. DASIB will ensure compliance with all OMB, DOC, and NOAA direction for completing the forms and serve as the point of reference for questions and responses to audit inquiries. DASIB will also maintain files of the signed Exhibit 9-1s with the supporting documents.

All Exhibit 9-1s must be updated and submitted to DASIB for review at least once every two years. Each data center (CCOG and CWC) will prepare Exhibit 9-1s for products and services specific to their center, but each center has authority to use any Exhibit 9-1 created by either center. When a data center submits an Exhibit 9-1 outside of the biennial review, DASIB will provide a written approval response within ten working days of receiving the new Exhibit 9-1. Each form must include all supporting documents to verify cost accuracy and completeness for each product or service.

The process for the required biennial review is as follows:

1. A data call will be sent from DASIB asking the data centers to submit all Exhibit 9-1s for the biennial review. The NESDIS User Fee Data Call Schedule is outlined in Appendix A.
2. The data centers will prepare all forms using Exhibit 9-1 in accordance with the guidelines established in Appendix C and will submit the forms to DASIB.
3. DASIB will review each form, complete the review section of the form, and ask the centers to make corrections if necessary.
4. The centers will make the corrections, the Data Center Directors will review and sign the form(s), and the centers will forward the revised documents to DASIB for the CFO or Deputy CFO review and signature.
5. DASIB will notify the appropriate center(s) when the CFO or Deputy CFO has signed the forms. DASIB will then forward copies of the approved forms to the appropriate center point(s) of contact. DASIB will retain the original forms with the original signatures.
6. DASIB will forward copies of all approved NESDIS forms to the appropriate center point of contact for each data center.
7. DASIB will coordinate the publication of the new fee schedule in the Federal Register with the data centers.

## ANNUAL REPORT OF USER FEES (EXHIBIT 9-2)

The *NOAA Finance Handbook* details the requirements for the Annual Report of User Fees, Exhibit 9-2. This report is required for the DOC Performance and Accountability Report and represents sales made during the first nine months of the fiscal year. The Annual Report of User Fees is initiated through a datacall email from NOAA Finance normally around July of each year. The NESDIS CFO Financial Accountability Branch (FAB) then forwards the datacall to the NCEI data center points of contact.

The Annual Report of User Fees Exhibit 9-2s will be prepared by the data centers and submitted back to FAB. FAB will review the Exhibit 9-2s for completeness and accuracy, verify unit prices with Exhibit 9-1s, and reconciles cash collected by Pay.gov and other sources to sales reported. FAB will obtain NESDIS CFO or DCFO approval and signatures on the Exhibit 9-2s and submit them back to NOAA Finance.

The online store system (NES-2) routes credit card customers to Pay.gov to enter credit card payments. Customer Service Representatives (CSRs) also enter credit card payments into Pay.gov for orders placed offline or over the phone. Pay.gov accepts payments on behalf of NOAA and sends them out for processing. NCEI tracks payments made via Pay.gov using a CBS Collections report in order to distribute the payments to the appropriate sales account (e.g., CCOG or CWC).

## FEDERAL REGISTER PROCESS

15 U.S.C. 1534 Section (c) states that any subsequent amendment to the initial fee schedule shall be published in the Federal Register at least 30 days before such fees will take effect. NESDIS will update the fee schedule published in the Federal Register at least once every two years.

DASIB will initiate and lead this process and should try and publish the new fee schedule in August to attain an effective date of October 1st for implementation of new pricing in a new fiscal year.

## WAIVING FEES

The United States Code, 15 U.S.C 1534 Section (b) (1-3), provides guidance on waiving fees for the following eligible recipients:

1. Federal, State, and local government agencies, universities, and other nonprofit institutions at the cost of reproduction and transmission, if such data, information, and products are to be used for research and not for commercial purposes;
2. Foreign governments and international organizations based on data, information, or product exchanges or by international agreement;
3. As necessary to continue to provide weather warnings, watches, and similar products and services essential to the mission of NOAA.

The data centers should retain documentation supporting the waiver of fees or data/information exchanges. Upon request, NCEI should provide to DASIB a report of fee waivers and exchanges and who received them.

The following are examples of organizations or situations where fee waivers can be appropriate:

* + Other NOAA offices;
    - If the order cost is greater than $2,500, the data center must obtain approval from the NESDIS Deputy Assistant Administrator. The request must be in writing and explain the intended use of the data.
  + U.S. Congress, Executive Office of the President, and Office of Secretary of Commerce;
  + Federal Emergency Management Agency and National Transportation Safety Board investigating national disasters;
  + Federal Agencies (FBI, Federal Marshal, etc.) investigation of violation of laws, regulations, etc.;
  + Defense of the U.S. Government or Government prosecution of Federal crimes (U.S. Attorneys, etc.);
  + Assistance to DOC education (school packets to assist teachers and students), outreach, and marketing efforts (DOC attendance at conferences, meetings, etc.); and
  + School packets and Internet access to data center information will be provided to teachers and students to achieve DOC education goals.
  + Online data are FREE of charge for everyone unless there is an agreement that limits redistribution.
  + Data may be offered at no cost to replace data to correct an erroneous order or legitimate customer service complaint.

## DATA EXCHANGE

NCEI runs four World Data Services and maintains agreements with other Federal agencies and foreign governments through appropriate mechanisms.

## FREEDOM OF INFORMATION ACT (FOIA)

FOIA guarantees the public access to records of U.S. Government agencies that are not otherwise exempt from disclosure under FOIA. NOAA’s Data Centers routinely make all their data available to the public in a full and open manner as part of a regular Department activity. Therefore, in handling requests for archived data, NOAA’s Data Centers are not required to follow Department of Commerce FOIA regulations. *See* 15 C.F.R. § 4.1(a).

## DATA SALES AND DEPOSITS

NCEI sales require payment at the time the order is made and the product shipped to the customer (credit card, Automated Clearing House [ACH], and wire). Project code 56N3ANE is the initial collection account. Based on calculations by NCEI, the NOAA Finance Office, Accounting Operations Division (AOD), will make quarterly distributions from this account to the data center accounts responsible for the sale.

1. NCEI user fees are earned through three ordering processes: a) online sales; b) off-line sales; and c) subscriptions. All orders are paid in advance (fixed fee). For online orders, the customer’s payment is recorded instantly using an internal order- tracking system. For off-line and subscription renewal orders, the payment is recorded when the order is closed in NES2. Data center revenue is earned upon verification the service is rendered. The actual payments for NES-2 are received at one of the Treasury’s designated bank accounts. NOAA’s Finance Office, AOD, distributes all bank collections to NCEI on a quarterly basis.
2. NCEI performs quality assurance on a bi-weekly basis to ensure record counts match. Any differences in account credits and debits are researched to resolve the reason (e.g., refunds). Monthly reconciliation is performed to ensure the amount in sales (as tracked internally) agrees with the collections reported by the NOAA Finance Office. Documentation is retained. Senior management analysts perform the quality assurance, and their work is reviewed by the Chief of the Financial and Acquisitions Branch at NCEI.
3. NCEI user fees are not deferred with the minor exception of sales made at the end of September. Payments received at the banks that post on the October statements will be entered by the NOAA Finance Office, AOD, as prior year collections. The NOAA Finance Office, AOD, also performs any rollover needed to distribute these end-of-year collections to the data centers. Purchases sponsored under reimbursable work authority are tracked by individual project accounting codes within the internal order tracking system. These project codes have been established by the NOAA Finance Office, AOD, based upon individual reimbursable agreements. Billing for these collections is performed quarterly by the NOAA Finance Office, AOD.
4. Monthly graphs are prepared and reviewed for trends both by financial management staff and customer services management.
5. The NOAA Finance Office, AOD, manages the Commerce Business System (CBS) reimbursable modules used by NOAA. Collection reports (AR540D) are available. NESDIS coordinates with the NOAA Finance Office, AOD, to ensure accuracy of project type and associated revenue.

## COLLECTIONS FROM DATA SALES

The NESDIS specific authority 15 U.S.C. 1534 (e) states that fees collected for archived data shall be available for expenses incurred in the operation of the data archive centers. Fees collected under 15 U.S.C. 1525 for special products/services should be used to pay for the costs of such products or services.

The collected fees should be applied to costs at least quarterly, thereby reducing the collection balance. To comply with the NOAA Finance Office policies and procedures, NESDIS has implemented the following procedures to account for the fees collected:

* Project codes are established to capture all fees and track total collections.
* Allotment estimates are established to allow obligation authority of the fees.
* Collections are reviewed to adjust allotment estimates and to verify costs.

## DATA SALES COLLECTIONS – BUDGET EXECUTION PROCESS

Allotment Requests

* 1. Each July, NOAA Budget will ask NESDIS to provide estimated reimbursements for NCEI accounts for the next fiscal year. These estimates should be based on prior year collections plus any anticipated change in the volume of collections. The data centers should ensure this information is coordinated between their budget analysts and those responsible for data sales.
  2. The data centers will submit this information to DASIB who will forward the information to NOAA Budget.
  3. NOAA Budget will request an update to this information in late August.
  4. NOAA Budget will enter an allotment in CBS by the end of October.

Review of Collections

1. Every quarter, NCEI will review collections and recorded costs relative to the products and services sold. The centers should ensure the timeliness of costs applied to collections and attempt to spend the collections through the end of August.
2. At the end of the third quarter, the data centers will review allotments vs. collections and submit a Reimbursable Project Allotment/Unfilled Customer Order (UCO) Request to DASIB to increase or decrease the allotment if necessary. DASIB will review, approve, and forward the UCO form to NOAA Finance for approval. Once approved, NOAA Finance will forward the form to NOAA Budget to enter into CBS.

# APPENDIX A: USER FEE TIMETABLE

|  |  |  |
| --- | --- | --- |
| **Approximate Due Dates** | **Annual Requirements** | **Biennial Requirements (Even Fiscal Years)** |
| Early January |  | DASIB will provide to the data centers all additional relevant information (such as proposed pay increases, leave surcharge, employer’s contribution surcharge, NOAA support, rent, and accounting data) for preparing Cost Computation Forms that become effective the following fiscal year. Cost Computation Forms (Exhibit 9-1) for current products/services must be submitted at least once every two years. <https://www.corporateservices.noaa.gov/finance/docs/Policy/EXHIBIT9-1.xlsx> |
| Mid-February | NOAA Finance sends out an email with an updated User Fee Financial Management Service (FMS) Memo. The purpose of this memo is to update the cost amount that Treasury charges NOAA to collect the User Fees. This memo can also be found on the NOAA web site: <https://www.corporateservices.noaa.gov/finance/policymemos.html>  FAB User Fee coordinator should forward the FMS Memo to NCEI CWC and CCOG Points of Contact to be incorporated into the next biennial Exhibit 9-1 calculations. The memo should also be forwarded to the DASIB Financial Management Specialist for informational purposes. |  |
| Mid-February to Early March (Approximately 1 month) |  | NCEI CWC and CCOG will complete and submit unsigned NOAA Product/Service Cost Computation Forms (Exhibit 9-1) to DASIB for the preliminary review, approval, and certification of products and services. The Cost Computation Forms should include copies of all supporting documents referenced on Worksheet 3. The Estimated Annual Volume (Worksheet 2, column G) will be based on average sales made during the most recent three-year period. |
| Early March to End of March (Approximately 1 month) |  | DASIB will complete Exhibit 9-1 reviews and checklists and notify NCEI CWC and CCOG points of contact and provide any additional comments to the data centers to finalize the Cost Computation Forms. |
| Early April to Mid-April |  | NCEI CWC and CCOG will submit finalized Cost Computation Forms signed by the NCEI Director to DASIB. DASIB provides all documentation and Exhibit 9-1s to NESDIS Deputy CFO for review and signatures. |
| Mid-April through Mid-July (Approximately 3 months) | After June 30th, FAB User Fee Coordinator should send out data call to NCEI CWC and CCOG points of contact requesting completion of the User Fee Annual Report (Exhibit 9-2). | DASIB prepares the schedule of fee summary in the DOC format and completes the approval process that requires approvals by the following offices:   * NOAA OGC * DOC OGC * OMB |
| End of July | NCEI CWC and CCOG will submit the User Fee Annual Reports (Exhibit 9-2s) and supporting documentation back to FAB User Fee Coordinator. | Contact NOAA CRA (Congressional Review Act) liaison to draft and submit letter for publication of the fee schedule in the Federal Register.  Also complete forms and provide ink signatures of CFO and submit to NOAA CRA Liaison for distribution to:   * President of the Senate * Speaker of the House of Representatives * GAO |
| End of August | FAB User Fee Coordinator will review Exhibit 9-2s and supporting documentation and route them to the Deputy CFO for review and approval. The signed Exhibit 9-2s should be submitted to NOAA Finance per their datacall email due date. | DASIB will ensure that user fees are published in the Federal Register no later than August 31 so that the user fees will be effective by October 1 (beginning of new fiscal year) When user fees are published, DASIB should contact NCEI CWC and CCOG points of contact so new user fees can be entered into the on-line store and NES2 systems to be effective October 1. |

# APPENDIX B: NESDIS USER FEE LIST OF CONTACTS

### NESDIS CFO/CAO OFFICE

|  |  |  |
| --- | --- | --- |
| Acting Chief Financial Officer/Chief Administrative Officer | James Donnellon[james.donnellon@noaa.gov](mailto:james.donnellon@noaa.gov) | 301-713-4734 |
| Data Analysis, Systems, and Information Branch (DASIB) Chief | Hong Le[hong.le@noaa.gov](mailto:hong.le@noaa.gov) | 301-713-4896 |
| DASIB Financial Management Specialist | Amy Craigamy.c.craig@noaa.gov | 301-713-7063 |
| Financial Accountability Branch (FAB) Chief | Marcin Skomial[marcin.skomial@noaa.gov](mailto:marcin.skomial@noaa.gov) | 301-427-2568 |
| FAB Internal Auditor | Larry Vaught[larry.vaught@noaa.gov](mailto:larry.vaught@noaa.gov) | 301-713-4833 |

### NATIONAL CENTER FOR INFORMATION (NCEI)

|  |  |  |
| --- | --- | --- |
| NCEI Director | Mary Wohlgemuth[mary.wohlgemuth@noaa.gov](file:///\\nesdis.noaa.local\dfsroot\HQ-HQShare\Finance%20and%20Accountability%20Branch\FAB%20-%20AUDITS\User%20Fees\mary.wohlgemuth@noaa.gov) | 828-271-4476 |
| NCEI Finance and Acquisition Branch Chief | Jolene McGill[jolene.mcgill@noaa.gov](mailto:jolene.mcgill@noaa.gov) | 828-271-4296 |
| Center for Weather and Climate (CWC) Point of Contact | Michael Brewer[michael.brewer@noaa.gov](file:///\\nesdis.noaa.local\dfsroot\HQ-HQShare\Finance%20and%20Accountability%20Branch\FAB%20-%20AUDITS\User%20Fees\michael.brewer@noaa.gov) | 828-271-4479 |
| Center for Coasts, Oceans, and Geophysics (CCOG) Point of Contact | Constance Slusser[constance.slusser@noaa.gov](file:///\\nesdis.noaa.local\dfsroot\HQ-HQShare\Finance%20and%20Accountability%20Branch\FAB%20-%20AUDITS\User%20Fees\constance.slusser@noaa.gov) | 303-497-5442 |

# APPENDIX C: NOAA DATA CENTER COST COMPUTATION PREPARATION GUIDELINES

**For costs to include in price computation (Yes/No)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Standard Products (15 U.S.C. 1534, 44**  **U.S.C. 3506 (d) and OMB Circular A-130)** | **Charge ($) or Free (F)** | **Infrastructure (2)** | **Shipping (3)** | **Handling (4)** | **Consultation (5)** |
| **Offline** | $ | Y | Y | Y | Y |
| **Online (Commercial Customer)** | $ (some products) | Y | N | N | N |
| **Online (Non-Commercial Customer)** | F | N | N | N | N |
| **NESDIS e-Commerce System (NES-2) Online store** | $ | Y | Y | Y | N |
| **Special Products (15 U.S.C. 1525)** | **Charge ($) or Free (F)** | **Infrastructure** | **Shipping** | **Handling** | **Consultation** |
| **Commercial Customer MOU** | $ (full cost) | Y | Y | Y | Y |
| **Non-Commercial Customer MOU** | $ (full or partial cost-- defined in MOU) | TBD | Y | Y | Y |

|  |
| --- |
| **AUTHORITY:** |
| **NESDIS User Fee Assessment is governed by United State Codes, 15 U.S.C. 1534, 15 U.S.C. 1525, 44 U.S.C. 3506 (d) and OMB Circular A-130:** |
| **15 U.S.C. 1534** - NESDIS is authorized to assess fees, based on fair market value (up to FMV as clarified by NOAA OGC) for access to environmental data and information and products derived from, collected, and/or archived by NOAA. NESDIS shall provide this data, information, and products to Federal, State, and local government agencies, to universities, and to other nonprofit institutions at the cost of reproduction and transmission, if such data, information, and products are to be used for research and not for commercial purposes. |
| **15 U.S.C. 1525** - The Secretary of Commerce is authorized, upon the request of any person, firm, organization, or others, public or private, to make special studies on matters within the authority of the Department of Commerce; to prepare from its records special compilations, lists, bulletins, or reports; to perform the functions authorized by section 1152 of this title; and to furnish transcripts or copies of its studies, compilations, and other records; upon the payment of the actual or estimated cost of such special work.  In the case of nonprofit organizations, research organizations, or public organizations or agencies, the Secretary may engage in joint projects, or perform services, on matters of mutual interest, the cost of which shall be apportioned equitably, as determined by the Secretary, who may, however, waive payment of any portion of such costs by others, when authorized to do so under regulations approved by the Office of Management and Budget. |
| ***NESDIS Procedures for Preparing and Approving Agreements*** requires a Memorandum of Understanding (MOU) for special products. Refer to Appendix K for the Special Studies Authority Agreement Model. <http://www.nesdisia.noaa.gov/NESDIS_AgreementsManual_09-19-06_Final.pdf> |
| **44 U.S.C. 3506 (d) - Paperwork Reduction Act -** With respect to information dissemination, each agency shall not, except where specifically authorized by statute, establish user fees for public information that exceed the cost of dissemination. |
| **OMB Circular A-130** - Agencies can set user charges for information dissemination products at a level sufficient to recover the cost of dissemination but no higher. |

|  |
| --- |
| **44 U.S.C. 3506 (d) and OMB Circular A-130** limit fees an agency can charge for information dissemination unless an agency has a statute that states it can charge more. 15 U.S.C.1534 is such a statute. |
| **NESDIS Internal Policy -** Data centers may choose to charge no more than the marginal cost of dissemination, FMV or full cost recovery for data products. If a data center chooses to charge FMV for any of its data products, the data center must be able to (1) show the product is unique or a special situation, (2) document the rationale behind the decision, and (3) demonstrate how FMV was determined. |
| **NOTES:** |
| 1) Shipping, handling, and consultation costs will each have a separate Cost Computation Form. |
| 2) Infrastructure = development (if applicable) + media + hardware maintenance (depreciated over 3 years) + software maintenance (depreciated over 3 years). Note: NES-2 and Online Store maintenance and security costs are borne by NCEI. |
| 3) Shipping = mail / shipment cost. This includes standard postage, express carriers and foreign surcharges. A single value of shipping is expected for all of NCEI as reported by NES2. |
| 4) Handling = packaging material(s) + preparation of the order (if applicable). Rush fees will have one Cost Computation Form that will apply to all data centers and will be prepared by NCEI. |
| 5) Consultation = phone and e-mail time with customers. 1 Cost Computation Form per data center--this cost mainly applies to NCEI. |
| 6) Carryover funds from data sales will be used to cover operations, hardware and software replacement/maintenance costs each year. |
| **DEFINITIONS:** |
| **Standard products (15 U.S.C. 1534, 44 U.S.C. 3506 (d) and OMB Circular A-130):** |
| - Fully available to the general public. |
| - Some require payment by the customer, based on cost of distribution. |
| - In many cases, the product is available online, often generated dynamically. |
| - No additional software development is required to produce the product, whether online or for an off-line order; only the ongoing software maintenance. |
| - Includes both digital data/products and hard-copy publications. |
| - Utilizes software already developed and available at the data center. |
| **Commercial Customers:** Users not identified as non-commercial |
| **Non-Commercial Customers:** Users identified as Federal, State, and local government agencies, universities, and other nonprofit institutions |
| **Offline:** A request for products/services by e-mail, fax, telephone, or walk-in |
| **Online:** Products/services available on a data center website are free and available to all users unless there is an agreement that limits redistribution. |
| **NESDIS e-Commerce System (NES-2) Online Store -** http://ols.nndc.noaa.gov; product ordered online but delivered offline (e.g., DVD ordered online, delivered by mail) |
| **Special products (15 U.S.C. 1525):** |
| - Do not use software currently available at the data center. |
| - Require software development at the data center (e.g., for a new special product). |
| - Require funding from the requesting agency or company, based on cost of development. |
| - When completed, the product is normally available to all customers. |
| - Often become "standard products" after a period of time. |