Interdepartmental Service Agreement (ISA) Instructions

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About

The Interdepartmental Service Agreement (ISA) Form is issued by the Office of the Comptroller (CTR) pursuant to 815 CMR 6.00 for use by all Commonwealth departments. These ISA Instructions are provided to assist both Buyer/Parent and Seller/Child Commonwealth departments with the interpretation and completion of the ISA Form, and are incorporated by reference into the ISA. The ISA Form is the "Contract" that documents the business agreement (joint venture) between two Commonwealth departments within the Executive, Judicial and Legislative Branches of government.

A department must be recognized as a department in the statewide enterprise accounting and financial reporting system (hereinafter referred to as "Mosaic") in order to transfer or receive funding under an ISA. The ISA must comply with funding language in any appropriation act funding the ISA, as well as all applicable general and special state or federal laws or regulations. The Buyer/Parent and Seller/Child are responsible for reviewing and complying with applicable CTR policies (including, but not limited to, the ISA policy and electronic signature guidance) located at macomptroller.org/policies. While reasonable efforts have been made to assure the accuracy of the legal requirements for ISAs, departments should consult with their legal counsel to ensure compliance with all legal requirements related to their performance under an ISA.

Completing the ISA Form

Budget Fiscal Year

Enter the Budget Fiscal Year of the ISA or ISA Amendment, as appropriate.

Mosaic Transaction ID

Enter the Mosaic BGCN or BGCS or other authorized Mosaic Transaction ID number associated with this ISA. ISA-related Transaction ID Numbering must be done as described below. The Transaction ID must be the Transaction ID entered into Mosaic and reflected on the supporting ISA paperwork. All ISA Transaction IDs MUST START WITH "ISA", as follows:

EXAMPLE Transaction ID Number: **ISACTR12345678HRD24A**

First 3 Characters	Second 3 Characters	Next 8 Characters	Next 3 Characters	Next 2 Characters	Last Character
ISA	Buyer/Parent Department Alpha	Buyer/Parent defined. May be numeric, alpha or a combination.	Seller/Child Department Alpha	Fiscal Year	A (Initial Transaction) B (1st Amendment) C (2nd Amendment)
ISA	**CTR**	**12345678**	**HRD**	**26**	**A**

Buyer/Parent Department Code

Enter the 3 Character Mosaic Department Code. For example, “CTR” for the Office of the Comptroller.

ISA Manager

Identify the ISA Manager who will be responsible for managing the ISA.

Mailing Address

Enter the address where all correspondence to the ISA Manager must be sent.

Phone/Email

Identify the phone and email address of the ISA Manager.

New ISA / ISA Amendment

Check off whether this is a new ISA or an ISA Amendment.

For New ISAs, enter the total maximum obligation for the duration of the ISA or select “New ISA, Non-Financial”.

For ISA Amendment, check off any of the amendments that are being made and complete any information in the blanks provided and the attachments that are identified.

Brief description of performance goals to be accomplished by this ISA. If this ISA is an ISA amendment, identify what is being amended.

Include a brief description of the ISA, ISA name and performance to be accomplished under the ISA.

If an ISA Amendment, identify what is being amended. Merely stating “see attached” or referencing attachments without a narrative description of performance is insufficient *and will result in ISA or Amendment being returned to the Mosaic Liaison for the Buyer/Parent department*. The description is used to specifically identify the ISA performance, match the ISA with attachments, and determine if the appropriate process has been selected.

Account Information

- Check the correct option for either a BGCN – non-subsidiarized (federal, capital, trust); BGCS – subsidiarized (budgetary); CT; RPO; or OT.
- Identify for each account under the ISA whether the account is “new ”, “change,” or “no change”. **This section must be completed for amendments even if the account information has not changed.** Enter each ISA account, fund, major program code and program code for all funding under the ISA.
  Attachment B must be completed for all financial ISAs and ISA Amendments (with budgetary or account amendments).
  Attachment C must be completed for any financial ISA or ISA Amendments with involving federal funds.

Anticipated Start Date

The Buyer/Parent and Seller/Child Departments must certify when obligations under this ISA or Amendment may be incurred. Pursuant to 815 CMR 6.03(2), the effective date of an ISA shall be the latest of the following:

- The date the ISA was executed by an authorized signatory of the Buyer Department;
- The date the ISA was executed by an authorized signatory of the Seller Department; or
- A later date as specified in the ISA

ISAs can be executed for the duration that makes sense from a business perspective. Multi-year ISAs are encouraged if it best supports the Buyer/Parent and Seller/Child business processes. Similar to other types of contracts, all ISAs are subject to appropriation or other available funding. Therefore, departments can enter into a multi-year ISA even if funding transactions have to be processed annually to support each fiscal year of the ISA. Buyer/Parent and Seller/Child departments are responsible for ensuring that the funding is in place in the authorized Seller/Child account(s) to ensure that the Seller/Child department can timely encumber funds and pay employees, contractors, grantees, etc. from the authorized ISA Seller/Child account(s)in accordance with the ISA Terms and Conditions. All settlement payments require justification and must be under the same object codes as the Seller/Child payments/obligations.

Termination Date of this ISA

The Buyer/Parent department must enter the date the ISA will terminate. An ISA must be signed for the full duration and amount in accordance with what is negotiated between the Buyer/Parent and Seller/Child department. Amendments to extend the termination date, such as renewals, must be made using the ISA Form and must be signed by authorized Department Head signatories (with appropriate Mosaic authorized signatory security roles) of both the Buyer/Parent and the Seller/Child department contemporaneously with the need for the amendment, but no later than the termination date (or as previously amended) in accordance with 815 CMR 6.00.

Authorized Signature for Buyer/Parent Department and Seller/Child Department

The authorized department signatory must sign and date the ISA at the same time. Rubber stamps and typed signatures are not acceptable. See CTR Signature Guidance.

Attachment A: Terms of Performance and Conditions

Attachment A is required for all new ISAs and for all ISA Amendments.

Departments must use this attachment and insert the required information in addition to other terms of performance negotiated by the parties under Section 9. Sections 1 through 8 are mandatory and must be answered in detail or the ISA will be returned to the Buyer/Parent Department Mosaic Liaison. All information must be inserted into Attachment A using as many pages as necessary. If amending the ISA, complete all applicable sections by identifying what is being amended and the reason(s) for the amendment.

Attachment B: Budget

Attachment B is required for all New ISAs and for all ISA Amendments with budget and accounting transactions.

Departments must use this form. Insert all required information and use as many additional lines and pages as necessary. This attachment must break down the specifics of the ISA funding, by fiscal year, Seller/Child account, object class, description and amount. For multi-year ISAs, the Attachment must provide a subtotal each fiscal year of the ISA (which equals each fiscal year's anticipated maximum obligation). All ISAs must provide a total maximum obligation for the total duration of the ISA (which must equal the total of all fiscal year subtotals) and must match the "Total Maximum Obligation for Duration of ISA" on the executed ISA.

- Check "Initial ISA Budget" or "Amend ISA".
- Enter Amended information, if applicable.
- Identify the prior Mosaic Transaction ID if the ISA is being amended and the Current Mosaic Transaction ID.

Complete Columns A-E for New ISAs. Complete Columns A-I for Amendments.

Column A (Budget Fiscal Year)

Enter the fiscal year of the funding, or amendment. For multi-year ISAs, column A must list planned expenditures by each fiscal year of the ISA.

Column B (Seller/Child Account)

Enter the number of each Seller/Child account listed on the ISA Form. For ISAs using multiple Seller/Child accounts, Column B must list planned expenditures for each Seller/Child account.

Column C (Object Class)

Enter the Object Class (subsidiary) as outlined in the CTR Expenditure Classification Handbook (for example, "AA" for Employee compensation, "EE" for Administrative Expenses, "HH" for Consultant Contracts, etc.). If the line item is authorized for multiple fiscal years, enter a separate line-item for each fiscal year of the ISA in which the line-item is authorized, specifying the estimated amount of the authorized expenditure. Line-item break downs of estimated expenditures by Object Class are required even if the Buyer/Parent account is non-subsidiarized, since the Budget acts as the authorization for the ISA expenditures. For subsequent fiscal years, entering "Balance Forward Amount" for federal, bond and trust accounts is insufficient, since good project management practices presume that departments will be managing estimated expenditures over the life of a project with planned fiscal year obligations, rather than managing projects solely based upon remaining uncommitted estimated receipts or uncommitted balances.

Column D (Description)

Enter a brief description of the type of authorized budget expenditure or category, (e.g., "Conference Materials", "Program Manager", "Health Evaluations" etc.)

Column E (Initial ISA Amount/or Amount Prior to Amendment)

Enter the amount for the budget item authorized under the ISA for each fiscal year. If the ISA is being amended, enter the current amount for this line-item, prior to the amendment. The amendment amount will be entered in Column G and the new total will be entered in Column I.

Column F (Add or Reduce +/-)

This is only used if the ISA is being amended to add or reduce a budget line item. Enter "+" for budget addition or "-" for a budget reduction.

Column G (Amendment Amount)

This is only used if the ISA is being amended to add or reduce a budget line item. Enter the amount of the budget line being increased or decreased.

Column H (Carry-In)

This is only used if the ISA is being amended to reduce a prior year federal grants fund line item with uncommitted estimated receipts that are being re-authorized in the current or a future fiscal year. Enter "YES" in this column for each line item being amended (by object class and description) to reflect a reduction in the budget in a prior fiscal year line item, and for each line item being added (by object class and description) to reflect a reauthorization of the funds in the current or a future fiscal year.

Column I (New Amount After Amendment)

This is only used if the ISA is being amended to add or reduce a budget line item. Enter new ISA Amount after the adding or reduction of the line-item amount referenced in Column G.

Fiscal Year Subtotals and Total Maximum Obligation for Duration of ISA

Fiscal Year Subtotals

For single fiscal year ISAs, enter the fiscal year (e.g., "Fiscal Year 2026") and enter the subtotal of all "Current Amounts" (Column E) for that fiscal year. For multi-year ISAs, enter each fiscal year of the ISA as a separate subtotal and enter the subtotal of all "Current Amounts" for each fiscal year.

Total Maximum Obligation for Duration of ISA

Enter the Total Maximum Obligation for the Duration ISA for all fiscal years (as identified on the executed ISA Form). For single fiscal year ISAs, this amount should be the same as the Fiscal Year Subtotal. For multi-year ISAs, this amount should equal the total of all the listed fiscal year subtotals.

Attachment C: Federal Grant Seller/Child Account

Complete Attachment C only if Buyer/Parent account is a federal account.

- Enter whether this is a new ISA or an ISA Amendment and enter the budget fiscal year.
- Enter the Buyer/Parent and Seller/Child departments, which must match the ISA.
- Skip the Revenue Budget and Revenue Source, which will be completed by CTR.

Central Budget Structure (BGCN – BQ89)

Appropriation Number

Enter the Appropriation Number assigned by A&F.

Payroll Indicator

Enter a Payroll indicator of Yes or No.

Estimated Budgetary Receipts

Enter the amount of the Estimated Budgetary Receipts (the amount estimated in the ISA or Amendment for the current state fiscal year).

BGCN Transaction ID

Enter the Mosaic Transaction ID Number for the Central Expense Document (BGCN). The BGCN must be entered and submitted to Pend in Mosaic. Providing a screen print of the BGCN aids CTR in the processing of the ISA and setup of the accounts or account changes.

Cost Accounting Structure (BGRG – BQ88)

Total Maximum Obligation of ISA or ISA Amendment Amount

For new ISAs, enter the Total Maximum Obligation of the ISA for the full duration of the ISA. For ISA Amendments, enter the amount of the modification.

BGRG Transaction ID

Enter the Mosaic Transaction ID for the Reimbursable Grant Budget Document (BGRG). The BGRG must be entered and submitted to Pend in Mosaic.

Major Program Table Setup

This sets up the cost accounting hierarchy with groups of activities (programs) all part of one structure. For example – a major program could be wastewater management – WASTE. All documents (contracts, encumbrances, payments) will reference this code.

Major Program

Enter the 6 (or fewer) character Major Program Code assigned by the department.

Major Program Name

Enter the full Major Program Name.

Major Program Short Name

Enter the Major Program Short Name.

Program Period Table Setup OR Extended Program Period

Enter the program period or extended program period (EPP) information. This establishes the effective period of the grant. Please note that end dates are "hard edited" by the system, thus please take into account the accounts payable period for grants when establishing this date. Multiple periods allow for easy periodic reporting aligned to federal reporting dates. However, a Buyer/Parent department may choose to use 1 reporting period – EPP – that encompasses all dates. The downside of this method is that specific periodic federal reporting by the system is not achieved.

- Enter the program Effective From Date and Effective to Date.
- Enter the Program Period or Extended Program Period (EPP) information.
- Enter the Program Period Name and Program Period Short Name.

Program Table Setup

Program Name

Enter the Program Name. For example, a program could be for "storm water discharge."

Program Short Name

Enter Program Short Name.

Program Code

Enter the 10 (or fewer) characters. All federal program codes must begin with the letter "F". This is the second level of the cost accounting hierarchy. Programs are individual activities within a major program. Using the major program example, a program could be for storm water discharge – the program code would be "Fstormdis". All documents (Recurring Payment Order (RPO)), payments will reference this code.

Sub Account

The Sub Account must be the Sub Account in the award letter or the draw on the federal grant will fail. If a sub-account changes, this code must change.

Funding Profile – Funding Line

This must be filled out properly – indicating the federal payment system to be used. If the wrong payment system is indicated, the draws on the federal grant will fail. Enter a check next to the appropriate Payment System Code.

Funding Identification

Federal Catalog Agency

Enter the 2-digit Federal Catalog Agency code.

Federal Catalog Suffix

Enter the 3-digit Federal Catalog Suffix code from your award letter or contact the appropriate agency. This must align to the grant award. The proper grant identification information is a federal reporting requirement.

Letter of Credit Number

Enter the Letter of Credit Number for this grant award.

Submitting the Form

Submit completed ISAs along with the Encumbrance/Contract Transmittal Form to the Office of the Comptroller at ctrdigitalisas@mass.gov for processing.