

INDIAN AFFAIRS MANUAL

1.1 Purpose. This chapter establishes funding allocation procedures for Facilities Improvement & Repair (FI&R) programs for Education Construction, Public Safety and Justice (PS&J) Construction, and Other Construction across Indian Affairs (IA). This policy does not apply to Replacement School Construction or Replacement Facility Construction. However, this policy could be applied to initiate major renovation and/or focused FI&R when selecting Site Assessment and Capital Investment (SA-CI) projects.

The FI&R funding allocation procedures documented herein are used to allocate funding for FI&R across IA programs, and to identify and prioritize Deferred Maintenance (DM) requirements for programs. The timely identification and prioritization of DM requirements will enable funds to be allocated, and acquisition actions to be coordinated effectively and efficiently, to initiate the required corrective actions.

1.2 Scope. This policy applies to all IA headquarters, field, and program offices under the authority of the Assistant Secretary - Indian Affairs (AS-IA), including the Bureau of Indian Affairs (BIA) and the Bureau of Indian Education (BIE), that manage facilities as described in section 1.1 Purpose of this policy.

1.3 Policy. It is IA's policy to comply with all federal laws, regulations, guidance, and policies regarding the allocation and execution of appropriated funds.

1.4 Authority.

A. Statutes and Regulations.

- 1) 25 U.S.C. 13, Expenditure of appropriations by Bureau
- 2) 25 U.S.C. 14, Subchapter II, Indian Self Determination and Education Assistance
- 3) 25 U.S.C. 2802, Indian law enforcement responsibilities
- 4) 25 U.S.C. § 5351, School construction, acquisition, or renovation contracts
- 5) 40 U.S.C. Subtitle I, Federal Property and Administrative Services
- 6) 42 U.S.C. 55, National Environmental Policy
- 7) 54 U.S.C. Subtitle III, Division A - Historic Preservation
- 8) 2 CFR Part 1402, Financial Assistance Interior Regulation, Supplementing the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

INDIAN AFFAIRS MANUAL

Part 80
Chapter 9

Facilities Management Program
Construction FI&R Funding Allocation Methodology

Page 2

- 9) 25 CFR Part 900, Subpart J, Contracts under the Indian Self-Determination and Education Assistance Act – Construction
- 10) 25 CFR Part 1000, Subpart K, Compacts under the Indian Self-Determination and Education Assistance Act – Construction
- 11) 41 CFR 101, Federal Property Management Regulations
- 12) P.L. 100-297, Part B - Tribally Controlled School Act of 1988

B. Guidance.

- 1) 2021 IA Supplemental Attachment G Project Scoring Methodology
- 2) Department of the Interior's (DOI) Annual Budget Guidance – Deferred Maintenance and Capital Improvements (DMCI) Planning Guidelines
- 3) [BIA Office of Justice Services \(OJS\)/Detention Facilities Space Templates](#), June 30, 2011
- 4) [OJS/Detention Facilities Space Criteria](#), June 30, 2011
- 5) 400 Departmental Manual (DM) 3: Quarters Management
- 6) 20 IAM 8: Capital Planning and Investment Control

C. Handbooks.

- 1) [OJS/Detention Facilities Design Handbook](#), June 30, 2011
- 2) 80 IAM 2-H: Indian Affairs Education Space Criteria Handbook

1.5 Responsibilities.

- A. Deputy Assistant Secretary – Management (DASM)** is responsible for providing oversight and direction to the Office of Facilities, Property and Safety Management (OFPSM).
- B. Director, OFPSM** is responsible for implementing policies and providing oversight for facilities, property, and safety management programs for IA.

INDIAN AFFAIRS MANUAL

- C. **Division of Facilities Management and Construction (DFMC), OFPSM** is responsible for providing direct oversight for the implementation of this policy; developing the priority lists for all construction FI&R Major projects; calculating program funding allocations for FI&R Minor projects; and allocating funding to programs to execute FI&R Major and Minor projects.
- D. **Directors, BIA and BIE** are responsible for implementing policies within their areas of responsibility for IA.
- E. **BIA Regional Facility Managers and BIE School Operations** are responsible for working with field and program staff to ensure that facility deficiencies are identified and entered into the IA-Facility Management System (IA-FMS); validating data; developing priority lists of FI&R Major and Minor projects; tracking expenditures and project progress; and executing allocated funding in a prompt, effective, and efficient manner.
- F. **BIA and BIE Local-Level Facility Staff** are responsible for ensuring timely identification and entry of facility deficiencies, including safety inspection abatement plans, into IA-FMS; executing the allocated funding for projects effectively and efficiently; providing required documents to acquisition staff to ensure solicitations and contract awards are conducted in a timely manner; and managing projects from inception to contract close-out.

1.6 Definitions.

- A. **IA-FMS** is the Indian Affairs Facility Management System, which contains real property and other data on the condition of Education, PS&J, and other IA facilities.
- B. **Construction FI&R Major** are FI&R projects \$250,000 and above.
- C. **Construction FI&R Minor** are FI&R projects below \$250,000.

1.7 Procedures.

The FI&R program prioritizes projects to improve the conditions of facilities under the authority of IA. Funds are used to correct priority deficiencies and support code compliance repairs that are necessary to provide safe, functional facilities and to minimize program personnel's exposure to potential life, safety, and health hazards. The following section documents the procedures required to identify needs, consolidate priorities, and finalize priorities as part of this process.

A. IA Programs Identify Needs

Beginning in the summer (June – August timeframe) prior to the fiscal year (FY) or the execution year, IA programs (including BIA regions, BIA Agencies and BIE School Operations) will engage with local-level field and program staff to validate, understand, and identify priority needs for new Major and Minor improvement and repair projects. BIA and BIE programs will work with the local-level field and program staff ensure deficiencies are input into IA-FMS.

B. BIA Regional Facility Managers and BIE School Operations Consolidate Priorities

- 1) BIA Regional Facility Managers and BIE School Operations will use data in IA-FMS to begin compiling the FI&R Minor priority lists for their responsible area(s). BIA Regional Facility Managers and BIE School Operations will develop two priority lists: (1) a list addressing Safety and Health (S&H) rank 1 & 2 Work Orders (WOs); and (2) a discretionary list of all other categories of DM WOs, as well as additional safety and health deficiencies, if needed.
- 2) BIA Regional Facility Managers and BIE School Operations will assemble the lists for FI&R Minor using the total score assessed in IA-FMS which uses the [IA Supplemental Attachment G Project Scoring Methodology](#), knowledge of customer need, and project benefits of packaging WOs in groups to achieve economies of scale for work performed at a specific site/building.
- 3) BIE Facility Staff and OJS Special Agents in Charge must submit their priority lists to the BIA Regional Facility Managers and BIE School Operations (as applicable) by mid-August. The BIA Regional Facility Managers and BIE School Operations will submit their FI&R Minor priority lists to the DFMC by mid-September of the preceding FY to be considered for the following FY. DFMC will not allocate funding until priority lists are received.

C. DFMC Reviews Data, Calculates Allocations for FI&R Minor, and Finalizes FI&R Major Priority List

- 1) In mid-August, DFMC will conduct an updated comprehensive data pull from IA-FMS. This “snapshot” will be used by DFMC to determine the percent allocations for each program, and specifically for each program funding their FI&R Minor project lists. DFMC will review data from each program’s obligation rates/status and status of legacy data validations when determining the final percent allocations. FI&R Minor project funding that is not obligated within two years of distribution will be pulled back to DFMC to be reissued for future projects.

INDIAN AFFAIRS MANUAL

2) ALL Construction FI&R Major (\$250,000 and above)

- DFMC will identify a list of FI&R Major projects ranked by total score (also known as the attachment G score). S&H rank 1 & 2 DM WOs are considered the highest priority for FI&R Major projects.
- DFMC will develop and review the list of FI&R Major projects, validate the list, and compile an initial list of FI&R Major projects to be funded.
 - DFMC uses the information in IA-FMS, listed category and ranks, attachment G information, and qualitative knowledge of the sites and building locations for developing the initial list.
 - Once the list is developed, DFMC will request that the programs confirm the supporting data for each WO under their management.
 - Subsequently, the projects will be funded, and the program will initiate the process for corrective action.
 - In addition to the current year funded list of WOs, DFMC will rank all remaining FI&R Major WOs as a “snapshot” of additional projects ranked for future years.

3) ALL Construction FI&R Minor (below \$250,000)

- The FI&R Minor DM WOs are prioritized more closely by the programs. DFMC requires the programs to apply a minimum 60 percent of their allocation toward correcting S&H rank 1 & 2 DM WOs, and the remaining (up to) 40 percent to be utilized at their discretion, with priority given to rank 1 and 2 DM WOs. The added flexibility allows the programs to “package” DM WOs to take advantage of economies of scale.
- The programs must provide the S&H (60 percent) and discretionary (40 percent) priority lists to DFMC for initiation of funding allocations. DFMC will not fund the discretionary list until the S&H list is provided.

4) Determining Funding Levels for FI&R Minor Planning Allocations

- The planning methodology begins before the final appropriation amount is known. Therefore, DFMC uses the requested budget and plans for 70 percent to be allocated in the first iteration of this process.

INDIAN AFFAIRS MANUAL

- In September, DFMC calculates each program's projected allocation for FI&R Minor, allowing programs to identify and prioritize the FI&R Minor DM WOs for their clients.
- DFMC, BIA Regional, or BIE Facilities programs that are Budget and Project Execution, Ranking and Management (BPERM) certified, will initiate the Financial and Business Management System (FBMS) Entry Documents (FEDs) to fund the projects; these are processed as soon as the Continuing Resolution (CR) and/or final appropriation is made available. Programs will conduct the pre-planning, market research, and other required acquisition process activities that ensure the Purchase Request packages and Statement of Works (SOWs) are ready for acquisitions to solicit.
- Similarly, DFMC will apply the same 70 percent target to developing first iteration priority lists for the FI&R Major, all supplemental programs, and non-education program priority lists.
- In February, a second iteration of the methodology will be initiated.
 - This iteration is planned to allocate the remaining appropriation (30 percent), plus any additional carry-over or recovered funds. As a result, all funding will be allocated against specific DM WOs within the first half of the FY with the majority allocated in the first quarter. This will enable the programs to initiate the acquisition process with sufficient time to get projects into contracts at the beginning of the construction cycle.
- It is expected that BIA and BIE programs will commit and obligate the allocated funding for their share of FI&R Minor at an execution rate that will result in full obligation, or at least commitment, before the end of the FY.
 - DFMC will monitor the execution rate for each program's FI&R Minor funding. If the execution rate does not appear to be on an acceptable path for full commitment (preferably obligation) by the end of the FY, then DFMC will require the program to provide their plan to achieve the goal.
 - If a plan is not provided or is insufficient, DFMC may withhold some or all of a program's allocation at the next iteration and distribute that portion of the allocation among the other programs that are able to meet the goal. The intent is to ensure that the distributed funding can be used in a timely manner.
 - As a program catches up to their target execution rate, they will be provided the calculated allocation during the next iteration process.
 - If a program has not expended their funding at a reasonable execution rate, funding may be pulled back for future distribution for other projects.

INDIAN AFFAIRS MANUAL

5) Determining Funding Allocations for FI&R Minor

- FI&R Minor funds are allocated as a prorated share of the available funds based on percent of “need” using the total DM WOs in IA-FMS for all S&H categories grouped together and all “Other” categories grouped together.
 - For example, the total universe of DM WOs for S&H is broken down as a percentage for each program; then each program’s percentage is applied to the total allocation.
 - The same calculation methodology is used to calculate the 40 percent discretionary share for each program using the total universe for all non-S&H categories (“Other”).
 - This example reflects the procedure for calculating the allocations at the beginning of a FY based on 70 percent of the expected appropriation. During the mid-year review (around February/March); the remainder of the appropriated funds and any other funds will be similarly allocated.
- The result is that the allocations distributed are based on “need.” Therefore, each program must work with their clients to stress how critically important it is that all DM WOs and abatement plans are current and accurate in IA-FMS.

6) Project Savings and Carryover Funds Management

- To manage carryover funds more effectively and efficiently, all construction funds that are not directly obligated to a specific ongoing project after two years will be returned to DFMC for reallocation.
 - Funds provided for a specific project WBS may only be used for the DM WOs identified in that project WBS.
- All identified project savings (e.g., recovered, close-out, overestimated scope, etc.) are required to be returned to DFMC for reallocation.
 - As an incentive to the programs returning identified “savings” on a project, programs will be given a two-week period to identify specific DM WOs and request using a portion of the savings (up to the total) to fund them.
 - The funds must first be returned, and then will be reallocated properly toward the specific DM WOs. After the two-week period, the funds will become part of the general funds available for that funding category.
 - Funding is provided for a specific project WBS which represents a “specific” set of DM WOs; consequently, programs ARE NOT AUTHORIZED to re-administer those funds outside the original WBS for any other purpose.

INDIAN AFFAIRS MANUAL

7) Budget Planning

- Preliminary Five-Year Plans are established utilizing IA's 20 IAM 8: Capital Planning and Investment Control policy, and in alignment with the DOI's Annual Budget Guidance – Deferred Maintenance and Capital Improvements (DMCI) Planning Guidelines for developing Five-Year Plans. Five-Year Plans are typically completed prior to the Congressional Budget Justification being submitted to DOI and the Office of Management and Budget (OMB) in September, two years prior to the execution FY.
 - It is impractical to expect detailed future planning for individual FI&R DM projects estimated less than \$2 million as changes may occur over the two-year planning to execution period. For most of Education, PS&J, and Other agency construction DM planning, DFMC will provide current (at time of planning) and past trend analysis of DM current (at time of planning) requirements, annual growth of DM WOs for at least the two previous years, and an assessment of the effect that each year's DM funding has had on the trend-line.
 - Similarly, Education Construction FI&R Major (>\$250,000) or other program (PS&J or Other agency) FI&R >\$2 million unscheduled maintenance does not lend itself to long-term planning models for specific individual actions.
- Larger Capital Improvement (CI) projects (e.g., schools, detention, or agency facilities) are more conducive to long-range planning.

INDIAN AFFAIRS MANUAL

1.8 Summary Timeline of Events.

June – August Timeframe Before FY	<ul style="list-style-type: none"> • Programs will work with clients to validate priority lists for the intended FY. • Program Facility Managers will coordinate the consolidation of the priorities.
Mid-August	<ul style="list-style-type: none"> • DFMC will pull data from IA-FMS on DM WOs.
Mid/Late-August	<ul style="list-style-type: none"> • DFMC will calculate 70 percent allocations for FI&R Minor and finalize FI&R Major priority list. • DFMC will also calculate the planned 70 percent funding level and priority lists for all other Education Construction supplemental programs and for all non-Education programs.
September	<ul style="list-style-type: none"> • Programs will provide FI&R Minor priority lists to DFMC per 60/40 allocation requirements.
CR/Final Appropriation Bill AND Acquisition Allows	<ul style="list-style-type: none"> • Funding will be allocated at the 70 percent level (up to the limits of the CR).
February	<ul style="list-style-type: none"> • Progress review and second iteration initiated. • Programs update their priority lists with customers. • DFMC pulls data and calculates distributions. • Remaining 30 percent and any withdrawn previous year FI&R Minor, recovered funds, or other carryover funds will be redistributed based on need.

Approval

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