

INDIAN AFFAIRS MANUAL

1.1 Purpose. This chapter establishes the management of carryover funds for Indian Affairs (IA). Specifically, this policy provides the framework in which IA will manage funds provided in a multiple year appropriation. Funding received under a multiple year appropriation (i.e. Operation of Indian Programs and the Operation of Indian Education Programs Appropriations are provided with an availability of period of two years). Program managers are responsible for the timely use of funds. Any funds remaining after the period of availability are expired and no longer available for program use.

1.2 Scope. This policy applies to all offices under the authority of the Assistant Secretary-Indian Affairs (AS-IA), including AS-IA offices, the Bureau of Indian Affairs (BIA), and the Bureau of Indian Education (BIE).

1.3 Policy. It is the policy of IA to comply with all Federal Government and Department of the Interior (DOI) regulations, statutes, and requirements regarding the execution of carryover funds.

1.4 Authority.

A. Statutes and Regulations.

- 1) U.S. Government Accountability Office (GAO), Principles of Federal Appropriations Law or [The Red Book | U.S. GAO](#)
- 2) [31 U.S.C. § 1341, Limitations on expending and obligating amounts](#)

B. Guidance.

- 1) Office of Management and Budget ([OMB Circular No. A-11, Preparation, Submission, and Execution of the Budget](#))
- 2) [328 Departmental Manual \(DM\) 1, Statute, Responsibility, Violations](#)
- 3) [330 DM 3, DOI Financial Management/Accounting Organization](#)
- 4) [26 Indian Affairs Manual \(IAM\) 2, Administrative Control of Funds](#)

1.5 Responsibilities.

A. Deputy Assistant Secretary – Management (DAS-M) supervises the management of carryover funds within IA.

B. Director, Office of Budget and Performance Management (OBPM) reports to the

INDIAN AFFAIRS MANUAL

DAS-M and is responsible for ensuring:

- 1) carryover plans are reviewed and approved by the DASM;
- 2) daily reports are provided/made available showing the status of second year funding;
- 3) collect submissions using the “Explanation of Inability to Obligate Form”;
- 4) monitor and advise management of issues identified regarding the obligation of second year funding.

C. Suballottees are responsible for the management of carryover funds within their suballotment and ensuring:

- 1) that funds are obligated timely;
- 2) resources are managed such that funds are obligated timely;
- 3) that management is notified of circumstances that prevent the timely obligation of funds; and
- 4) that budgetary resources are used for their intended purpose according to their appropriation.

1.6 Definitions.

- A. Allotment and Suballotment.** The formal administrative subdivision of an appropriation representing the authority delegated by the bureau or office head or any other authorized employee of the bureau or office to incur obligations within a specified amount pursuant to OMB apportionment or reapportionment action or other statutory authority making funds available for obligation. The incurring of obligations in excess of the amount specified in an allotment or suballotment is a violation of the Antideficiency Act.
- B. Appropriations.** An authorization by an act of Congress that permits Federal agencies to incur obligations and to make payments out of the Treasury for specified purposes. An appropriation usually follows enactment of authorizing legislation.
- C. Budget authority.** The authority provided by law to incur financial obligations that will result in outlays. The specific forms of budget authority are appropriations, borrowing authority, contract authority, and spending authority from offsetting collections.

INDIAN AFFAIRS MANUAL

- D. Budgetary resources.** Amounts available to incur obligations in a given year. Budgetary resources consist of new budget authority and unobligated balances of budget authority provided in previous years.
- E. Obligations.** A binding agreement that will result in outlays, immediately or in the future. Budgetary resources must be available before obligations can be incurred legally.
- F. Suballottee.** The designated responsible party for a portion of the IA budget allotment. (For IA, this is usually at the Deputy Bureau Director/Regional Director level, or the Office Director level (for the Assistance Secretary-Indian Affairs (AS-IA)). In the FBMS accounting system, this is the Version 0 level of funding (i.e., usually designated at the four-character Fund Center). Suballottees allocate and suballocate portions of their funding to lower levels of responsibility within their suballotment.)

1.7 Procedures.

Multiple year appropriations are available for a definite period of time in excess of one fiscal year. When funds remain available at the end of the first year of availability, the unobligated balances will carry over to the next year(s) of availability. Programs/Regions should maximize the use of funds in the first year of the appropriation as much as practicable. It is IA's goal to limit carryover to a maximum of 10% of the original budget authority. The original budget authority for IA is the funds allocated to the Version 0 budget in the Financial and Business Management System (FBMS). This is also known as the "budget address," which is identified by the first four digits of the Fund Center (e.g., Division/Region) and the first five digits of the Functional Area (e.g. Program Budget Activity) in FBMS.

Programs/Regions should only plan for their allowable 10% carryover at the beginning of the year. Any program exceeding 10% of their consumable budget available at the end of the first year will be required to submit a carryover request.

The plan to exceed the allowable carryover percentage must be received by the Deputy Assistant Secretary – Management (DAS-M) by September 30th. The plan must be submitted using the template document located on the IA Budget Sharepoint site at: [Carryover Funding](#).

Funds remaining in the second year of availability must be expended at an increasing rate as the fiscal year progresses. Below is the quarterly schedule and percentage spending rates that programs must follow in the second year of availability:

INDIAN AFFAIRS MANUAL

Part 26
Chapter 8

Office of Budget and Performance Management
Management of Carryover Funds

Page 4

- End of the first quarter (December 31) – obligate/ expend 60% of the cumulative carryover balance. End of line distributions for second year funding should be fully completed by Central Program offices.
- End of the second quarter (March 31) – obligate/ expend 100% of the BIA and BIE 2-year funding cumulative carryover balance. Suballottees with available expiring balances after this date will submit an “[Explanation for Inability to Obligate Funding Form](#)” (available on the [IA Budget Sharepoint Site](#)).
- End of the third quarter (June 30) – obligate/ expend 100% of BIE 15-month appropriation. Suballottees with available expiring balances after this date will submit an “Explanation for Inability to Obligate Funding & Corrective Action Plan” (see attachment).
- End of July – obligate/ expend 100% of balances related to permanent change of station deobligations that have occurred after February.

Approval

JASON FREIHAGE Digitally signed by JASON FREIHAGE

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Jason Freihage
Deputy Assistant Secretary – Management (DAS-M)

Date