National Policy Memorandum

Assistant Secretary - Indian Affairs
Deputy Assistant Secretary – Management
Office of Budget Management

Effective: October 1, 2013
Expires: October 1, 2014

Number: NPM-BUDG-04

Title: Obligation/Expenditure of Two-Year Funding in the Second Year of Availability Policy

1. Purpose

This memorandum establishes the policy on obligation/expenditure of two-year funding in the second year of availability, referred to as prior-year or carryover funding. This policy does not pertain to execution of the 15 month Bureau of Indian Education (BIE) funding in the second year.

2. Policy

All pertinent restrictions and guidelines under Appropriations Law, including the prior year’s appropriations act, still apply to the subject funding. This policy does not waive the reprogramming rules and limitations which still remain in effect.

In general, multiyear available funding shall be incorporated into regional or office operating plans. Annual operating plans, once approved, may be used for all types of obligations provided they are clearly defined projects or relate to specific efforts that are non-recurring in nature. The approval for annual operating plans is at the Bureau directors level. Requests should be submitted in writing. Caution should be exercised and monitoring is required to avoid over-expenditure or cause an anti-deficiency act violation.

Unobligated multiyear funding that expires on September 30th of second fiscal year must be reviewed on a monthly basis and used prior to its expiration. Unobligated funds that cannot be obligated by July 1st of the second fiscal year will be subject to being withdrawn, prior to expiration so that they can be used to meet other Indian Affairs’ needs.
3. Definitions:

**Two-Year Appropriation:** Is available for new obligation/expenditure for two years (e.g., FY 2013 funds are available from October 1, 2012 to September 30, 2014). Funds expire based on the extended period of availability and are no longer available to incur new obligations.

**Expired Accounts:** Is an appropriation or fund account in which the balance is no longer available for incurring new obligations because the time available for incurring such obligations has expired. Expired accounts will be maintained by fiscal year identity for five years. During this period, obligations may be adjusted if properly documented and outlays will be funded from these accounts. Funds will remain available for legitimate obligation adjustments and/or for obligations that are determined to be properly chargeable to such accounts. Any obligations which should have been charged but were not recorded will be honored, but new obligations will not be honored. After the five-year period has elapsed, all obligated and unobligated balances are cancelled and the expired account is closed.

4. Approval

[Signature]

Thomas D. Thompson
Deputy Assistant Secretary – Indian Affairs (Management)

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Date

2/20/14