

## FUND DISTRIBUTION PROCESS

**Program:** Welfare Assistance (TPA)

**Type of Funding:** Recurring (Non Base) - Formula/Needs-Based Criteria

**Funding Authority/Responsibility:** 25 CFR Part 20, Financial Assistance and Social Services Programs; 25 U.S.C. 13d, 13d-1, 13d-2 and 13d-3; Indian Affairs Manual Part 70 Chapter 3, Financial Assistance and Social Services Reporting (FASSR); P.L. 93-638, Indian Self Determination and Education Assistance Act of 1975, as amended (ISDEAA); P.L. 102-477, Indian Employment, Training and Related Services Demonstration Act of 1992

The Deputy Bureau Director, Indian Services is the SubAllotee and has responsibility for this funding.

### **Criteria for Distribution:**

Pursuant to 25 CFR 20, the Bureau of Indian Affairs (BIA) uses the end-of-year Financial Assistance and Social Services Report (FASSR) to determine the amount of Welfare Assistance funding to distribute to each new Fiscal Year (FY)/ Calendar Year (CY) to Tribes and BIA Agencies.

#### *Initial Distribution of Welfare Assistance – Estimated Need*

- On October 1st, BIA utilizes the actual expenditures reported in the end-of-year FASSR for the last complete year (which would be two years before the current year) or the prior year RAF FASSR, if it was approved, and adjusted for carryover to calculate the estimated need for each Tribe and BIA agency.
  - Estimated need is defined as actual prior year expenditures reported on the FASSR, subject to carryover adjustments and fixed amounts for Tribal Redesign Plans for General Assistance consistent with 25 CFR §20.202 to §20.210.
  - In a FY year when the Congress enacts a full year appropriation by October 1, the initial distribution of welfare assistance (WA) funds meets 75 percent of a Tribe or BIA agency's estimated need for that year.
  - In an FY in which the Congress enacts a continuing resolution, WA funds are distributed by prorating the funding based on the calculated 75 percent of a Tribe or BIA agency's estimated need.
  - The BIA regional offices, OIS Division of Workforce Development (DWD, and OSG are responsible for allocating funds directly to each BIA agency and each Tribe based on the Tribe's self-determination contract, 477 funding agreement or self-governance funding agreement.

#### *Final Distribution of WA Funds - Actual Need*

- The final distribution is based on expenditures reported in the FASSR from the previous year.
- The methodology for the final distribution will use reported actual expenditures to adjust the estimated need. The BIA defines the actual need as actual prior year expenditures reported on the FASSR, subject to shortfall and carryover adjustments, and to fixed amounts for Tribal Redesign Plans for General Assistance consistent with 25 CFR §20.202 to §20.210.
- All Tribes and OSG, OIS Workforce Development Division, and BIA agencies must submit the completed end-of-previous year FASSR according to the due dates to the appropriate office to receive a final distribution of current FY WA funds.
  - *Due Dates for Tribes and BIA Agencies to submit the FASSR:*  
FY Tribes/BIA agencies: October 31  
CY Tribes: January 31
  - Due dates for BIA regional office, DWD, or OSG to submit the FASSR to OIS:

For Reports by FY Tribes/BIA agencies: November 30

For Reports by CY Tribes: March 2

- OIS makes the final distribution of current FY WA funds to the BIA regional offices, DWD, and OSG no later than June 15, subject to the availability of appropriations and all necessary documentation received from the field.

#### *Statutory CAP*

If the annual appropriations act caps the amount of WA funding that can be distributed and if the national WA need, as determined by expenditures reported on the end-of-previous year FASSRs, is greater than the capped WA the following will occur:

- WA funds will be disbursed pro rata based on the final calculated actual need for all Tribes and BIA agencies operating the programs. A pro rata distribution ensures that the total distribution does not exceed the funding amount enacted by the Congress.

#### *Shortfall of Funding Request*

If a Tribe or BIA agency projects a potential shortfall in WA funds for the current year and submits a Request for Additional Funding (RAF), it must coordinate with its servicing office to submit a RAF package. The RAF package must demonstrate how the level of expenditures for the funding year is expected to be greater than the Tribe's or BIA agency's reported expenditures in the previous operating year. Tribes and BIA agencies operating on a FY or CY basis must submit supporting documentation (i.e., financial reports or other budgetary documents) with actual expenditures to support a RAF. Tribes are encouraged to explain how a shortfall in need impacts their programs and community.

#### *Supporting Documentation for a RAF:*

The request must demonstrate how the level of need has risen from previous years, and describe the effect of a shortfall in funding on the Tribe or BIA agency.

The request must include a minimum of four months of supporting documentation of actual expenditures (i.e., financial reports, FASSRs, or other budgetary documents) for the current year:

- FY tribes must submit actual expenditures from October to January.
- CY tribes must submit actual expenditures from January to April.

The Tribe/agency must provide sufficient documentation to their servicing office to prepare a Justification Memorandum, which will be forwarded to OIS to warrant additional funding by specified due dates. All Tribal requests must be received by their serving office no later than May 8 to ensure consideration. The servicing office will then submit the memorandum to OIS later than May 22 to ensure consideration before the final fund distribution. The final distribution of funds will occur before June 15, subject to the availability of appropriations and required documentation has been received and analyzed. No RAFs will be accepted after the due date of May 22 and no RAFs will be accepted without an accompanying memorandum from the appropriate servicing office.

The OIS will approve or disapprove requests for additional funding based on the information and recommendation of the servicing office before the final distribution of funds is determined. Approval of the RAF does not guarantee the requested increase in funding. If a Tribe or BIA agency's RAF is approved and the need is adjusted to the higher level requested, the Tribe or BIA agency request is still subject to a pro rata distribution (if applicable).

**Distribution Process:**

- Upon apportionment, OBPM moves WA funding as a whole from the budget address directly to OIS (within 3 days of apportionment).
- OIS coordinates all calculations and distribution from the servicing offices. (Within 5 days of receiving the funding from OBPM)
- Based on final determinations of the WA submissions based on policy and enacted level of appropriations, funding documents will be prepared and sent to OBPM for execution.
- OBPM, Execution will process the FEDs (Within 3 days of receipt.)
- OSG FED will be sent to OSG for review and approval.
- OSG will accept and sign off on FED and forward to OBPM Execution. (Within 3 days of receipt.)
- OBPM, Execution will process the FED to OSG. (Within 3 days of receipt.)

**Regional Processing:**

- Indian Self Determination (ISD) Awarding Official negotiates terms, conditions of award, including payments. They calculate and prepare contract award/modifications in PRISM. (within 5 days)
- The ISD Awarding Official prints and mails the award/modification to the Tribe for review and acceptance. (within 5 days)
- Tribal elected official approves award/modification and returns the documentation to the Region/Agency.
- The ISD Awarding Official executes the award/modification and releases the obligation in PRISM. PRISM interfaces with ASAP and funds are available to tribes. (within 3 days of receipt of signed document)

**OSG Processing:**

- Once both OSG and OBPM are in agreement with the distribution list, a FED document is processed to OSG for distribution. (within 3 business days.)
- OSG will process the FED, subsequent PR, and obligate funding. (within 7 business days.)

Tribes log into ASAP to draw funds into their account.