1.1 **Purpose.** This chapter documents Indian Affairs’ (IA) policy and responsibilities for IA budget formulation.

1.2 **Scope.** This policy applies to all programs and 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 Department of the Interior (DOI), Federal Government, and IA-specific requirements and policy regarding budget formulation. Additionally, it is the policy of IA to actively encourage the participation of Tribal governments in the budget process to the greatest extent possible by incorporating collective Tribal priorities into annual budget requests.

1.4 **Authority.**

A. **Statutes and Regulations.**

   1) P.L. 93-638, Indian Self-Determination and Education Assistance Act (ISDEAA)

   2) 25 U.S.C. 5123(e), Vested rights and powers; advisement of presubmitted budget estimates


B. **Guidance.**

   1) Office of Management and Budget (OMB) Circular A-11, Preparation, Submission and Execution of the Budget

   2) The IA Budget Formulation Guidance and Priority Ranking Tool

1.5 **Responsibilities.**

A. **AS-IA** is responsible for setting priorities and approving the IA budget request that will be submitted to the DOI Budget Office and Secretary of the Interior. These budget requests are based on input from Tribal leaders through the Tribal Interior Budget Council (TBIC); with IA senior leadership in concert with IA and Administration priorities; and within the formulation guidelines issued by DOI.
B. **Deputy Assistant Secretary – Management (DAS-M) and the Directors, IA, BIA and BIE** are responsible for making budget recommendations to the AS-IA based on an evaluation of budget proposals provided by their respective organizations’ managers, and Tribal governments.

C. **Director, Office of Budget and Performance Management (OBPM), DAS-M** is responsible for:

1) ensuring the timely distribution of OMB and Departmental guidance on formulating the budget request;

2) scheduling and preparing “Save the Date” invites for IA leadership for all Tribal-Interior Budge Council (TIBC) meetings;

3) working in conjunction with Tribal co-chairs to develop and obtain leadership clearance for the agendas for the TIBC sessions;

4) meeting with Tribal representatives to present preliminary budget decisions to enable Tribal governments to provide comments, and to communicate collective Tribal priorities and proposed Tribal changes to the AS-IA;

5) serving as the Federal Co-chair on the TIBC Budget Subcommittee;

6) communicating budget timelines and decisions to appropriate IA officials;

7) ensuring Tribal priorities are included within budget deliberations at the leadership level;

8) providing executive level budget briefing and recommendations to IA leadership;

9) ensuring Administration priorities are included in budget proposals; and

10) ensuring the timely delivery of high quality budget requests and corresponding briefing materials.

D. **Staff, Division of Budget Formulation and Formulation, OBPM** are responsible for:

1) providing relevant budgetary data and data analyses (Deliberations Book) that will aid IA officials in making informed recommendations for changes in the budget request;

2) providing guidance and assistance to regions and Tribes on the biennial Preferred Program Ranking Tool to ensure their ability to provide meaningful input to the budget request;

3) coordinating and consolidating recommendations for changes to the budget request;

4) working with officials from the Department and from OMB to resolve budget formulation issues;
5) integrating performance information into budget requests to ensure the impact of IA programs is clear to decision makers and the public;

6) preparing and submitting timely and high quality budget formulation documents based upon decisions of the AS-IA, the Secretary, and the President;

7) providing regional and Central Office Directors with the budget formulation information required to be provided to Tribes under the terms of the Indian Reorganization Act;

8) coordinating, collecting, and conducting final review of all program budget request justifications, Tribal priority submissions, performance information, measurements, and goals for submission and inclusion in the various budget request submissions;

9) preparing budget status presentations for the TIBC sessions;

10) coordinating responses to all congressional inquiries related to budget submissions including directives within the bill language, Effect Statements, and Capability Statements;

11) preparing budget summary documents for IA senior leadership upon submission of requests and receipt of enacted funding; and

12) preparing briefing documents and draft testimony for budget hearings.

E. **Central Office Program Directors** are responsible for developing budget proposals and justifications supporting their program/office requests, and providing associated program performance information, measurements, and goals.

F. **Regional Directors** are responsible for:

   1) formulating budgets for their respective regional office and submitting budgets to OBPM by the established deadlines;

   2) distributing budgetary data to BIA Agency Superintendents/Field Representatives, and Tribal governments;

   3) providing opportunities for Tribal governments to participate in the development of budget requests;

   4) ensuring the timely submission of budget data pursuant to deadlines established by OBPM;

   5) providing ongoing support at the regional level, including ensuring that all Tribes within their region have the opportunity to submit Tribal funding priorities through the Preferred Program Ranking Tool; and

   6) coordinating and conducting a minimum of one Tribal budget formulation meeting/work session annually.
1.6 Standards, Requirements, and Procedures.

A. Compliance with the Requirements of the Indian Reorganization Act

While all budget estimates are to be held confidential until released to the United States Congress by the President (reference OMB Circular A-11), the Secretary of the Interior is also required by statute (25 U.S.C. 5123(e)) to advise Tribal governments of “... all appropriation estimates or Federal projects for the benefit of the tribe prior to the submission of such estimates to the Office of Management and Budget and the Congress.” To resolve this contradiction, the following process was implemented:

- The Department and OMB have agreed that IA officials may notify a Tribe of the specific programs or projects for the benefit of that Tribe, but may not make available information on IA’s overall budget prior to the transmittal of the budget to the Congress.

- IA developed the TIBC as a means of consulting with Tribes on the priorities and strategies for budget submissions.

- TIBC is a forum that is co-chaired by IA and Tribal leadership. Two Tribal representatives for each of the 12 regions are included as members of the Council.

- TIBC meets three times per year to discuss budget-related issues.

- TIBC promotes the submission of Tribal ranking of IA budget lines to develop a national Tribal priority ranking that is used in budget deliberations.

- The AS-IA receives a Tribal budget prepared by the TIBC Tribal body for use in budget deliberations each year.

B. Process Overview

The budget formulation process occurs annually and focuses on preparing a request for a budget two years into the future. For example, in fiscal year (FY) 2022, the budget request for FY 2024 is formulated.

Formulation, from start to finish, is a minimum 17 month process; IA works on at least two FY formulation cycles within that 17 month timeframe. The timeline and activities (in a normal budget year) are as follows:
1) **FY 1 (planning for FY 3)**

**October**

- OBPM releases the Budget Formulation Guidance and Priority Ranking Tool to the regions and Tribes via a kick-off webinar.

**October through January**

- Tribes receive additional Ranking Tool and Budget Formulation guidance.
- Regions hold Tribal budget formulation meetings and work sessions.

**November**

- The Fall session of TIBC is held; OBPM walks through the Budget Formulation Guidance and Ranking Tool with the full TIBC body.

**Mid-February**

- Tribes submit their program rankings to their respective region.
- Regions apply weightings to the Tribes’ submissions, consolidate the information, and develop a regional ranking for the submission to OBPM.
- Regions verify with Tribes the final roll-up for their region.

**Late February/Early March**

- Regions submit their Tribal ranking roll-up and federal regional request templates.
- Regional submissions are shared with Central Office program staff for use in formulating their budgets.
- OBPM prepares a national roll-up from the regional submissions.

**Late March/Early April**

- Results of the regional and national roll-ups are presented to the full TIBC body by OBPM at the Spring session.
• The TIBC body deliberates at the session and determines budget strategy for upcoming FY submission.

April

• The TIBC Budget Subcommittee will hold a work session following the TIBC Spring session to develop the Tribal budget submission.
• The TIBC Budget Subcommittee presents the proposed budget and draft testimony to the full TIBC committee for approval via a webinar.

• The TIBC Tribal Co-chairs, on behalf of the TIBC Tribal body, present the approved Tribal budget and testimony to the AS-IA.

• Central Office program submissions are sent to OBPM.

• Regional office program submissions are sent to OBPM.

• OBPM prepares Budget Deliberation Books to include all Tribal, regional, and Central Office submissions.

Late April/May

• IA budget request deliberations are held with IA senior management.

May/June

• OBPM puts forward its budget request submission to the Department.

July

• TIBC Summer session; program presentations and process adjustments are discussed at this session.

September

• OBPM, through the Department, puts forward IA’s budget request submission to the OMB.
2) **FY 2**

**October**

- The next budget formulation cycle begins and the process above in section 1) **FY 1** starts over again for the budget two years out.

**Late November/Early December of 2nd year**

- OMB passback of final budget numbers on the September submission is received by the AS-IA and OBPM.

**December through February of 2nd year**

- OBPM works with programs, the Department’s Budget Office, and OMB to finalize the President’s Budget Request (Greenbook).

**February/March of the 2nd Year**

- IA’s Greenbook goes to print and is posted on the IA webpage for public access.

**Approval**

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