

INDIAN AFFAIRS MANUAL

1.1 Purpose. This chapter establishes funding allotment and 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 allotment and allocation procedures documented herein are used to determine and distribute 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 allotted and 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 of this policy.

1.3 Policy. It is IA's policy to comply with all federal laws, regulations, guidance, and policies regarding the allotment, 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. Chapter 46 , 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. Chapter 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

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- 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, Annual Funding Agreements under the Tribal Self-Government Act Amendments to 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) [2024 Asset Lifecycle Guidance \(Appendix G Department of the Interior \(DOI\) Scoring Methodology\)](#)
- 2) DOI Annual Budget Guidance – Deferred Maintenance and Capital Improvements (DMCI) Planning Guidelines
- 3) [BIA Office of Justice Services \(OJS\)/Detention Facilities Space Templates OJS/Detention Facilities Space Criteria](#)
- 4) 400 Departmental Manual (DM) 3, Quarters Management
- 5) 80 IAM 2, Facilities Construction Program
- 6) [DOI-AAAP-0192 Standards for Deferred Maintenance and Repairs, Repair Needs, Investment Categories, and Other Requirements](#)

C. Handbooks.

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

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1.5 Responsibilities.

- A. **Director, OFPSM** reports to the Deputy Assistant Secretary – Management (DAS-M) and is responsible for developing and implementing policies and providing oversight for facilities, property, and safety management programs for IA.
- B. **Division of Facilities Management and Construction (DFMC), OFPSM** is responsible for providing direct oversight for the implementation of this policy; overseeing the development of the priorities for all construction FI&R Minor and Major projects; calculating program funding allotments and allocations for FI&R Minor and Major projects; and distributing funding to programs to execute FI&R Minor and Major projects.
- C. **Education and PS&J FI&R Managers** are responsible for the implementing this policy; developing the priorities for all construction FI&R Minor and Major projects; calculating program funding allotments and allocations for FI&R Minor and Major projects; and distributing funding to programs to execute FI&R Minor and Major projects within their respective programs.
- D. **BIA Regional Facility Managers and BIE Division of Facilities and Safety Management – Central Office (DFSM-CO)** are responsible for coordinating with field and program staff to ensure that facility deficiencies are identified and entered into the IA-Facility Management System (IA-FMS); validating data; coordinating priorities for both FI&R Minor and Major projects; obligating funds, tracking expenditures and project progress in a prompt, effective, and efficient manner. Specifically, responsible for overseeing and/or executing minor and major improvement and repair projects less than \$5 million.
- E. **BIA Agency and BIE Second-Level Field (or Hubs) Offices Facility Staff** are responsible for ensuring timely identification and entry of facility deficiencies, including safety inspection abatement plans, into IA-FMS; executing and obligating 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. Specifically, responsible for overseeing and/or executing minor and major improvement and repair projects less than \$5 million; and coordinating with local site level facility staff.
- F. **Site-Level Facility Management** is responsible for identifying, creating, modifying, and completing Deferred Maintenance Work Orders (DMWOs) in IA-FMS; ensuring that site specific facilities management inventory data is accurate in IA-FMS; and coordinating with Regional Facility Management staff to oversee and/or execute minor and major improvement and repair projects less than \$5 million.

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1.6 Definitions.

- A. **Allocate** is to set aside or designate something for a specific purpose or use.
- B. **Allot** is to assign as a share or a portion.
- C. **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.
- D. **Construction FI&R Major (MI&R)** are FI&R projects \$250,000 and above.
- E. **Construction FI&R Minor (FI&R)** are projects below \$250,000.
- F. **Deferred Maintenance and Repairs (DM&R) is defined by the Federal Accounting Standards Advisory Board (FASAB)** as maintenance and repairs that were not performed when they should have been or were scheduled to be and which are put off or delayed for a future period.

Maintenance and Repairs consist of activities directed toward keeping fixed assets in an acceptable condition. Activities include preventive maintenance; replacement of parts, systems, or components; and other activities needed to preserve or maintain the asset. Maintenance and repairs, as distinguished from capital improvements, exclude activities directed towards expanding the capacity of an asset or otherwise upgrading it to serve needs different from, or significantly greater than, its current use.

- G. **Repair Needs is defined by the Federal Real Property Profile (FRPP)** as the non-recurring costs that reflect the amount necessary to ensure that a constructed asset is restored to a condition substantially equivalent to the originally intended and designed capacity, efficiency, or capability. This includes deferred maintenance but excludes the actual repair expenditures reported under “Annual Maintenance Costs” data element. The total repair needs should be those documented at the time of the condition survey or parametric modeling exercise. Additionally, repair needs should exclude any consideration of the likelihood that the repair will actually be performed at any time before the asset’s disposition. The amount must be adjusted for geographic location and reported in current year dollars.

1.7 Standards, Requirements, and Procedures.

There are three different types of FI&R project funds to consider:

- 1) Minor Improvement and Repair - Less than \$250,000. These are the responsibility of BIA and BIE to manage.

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- 2) Major Improvement and Repair - \$250,000 up to but not including \$5,000,000. These are the responsibility of BIA and BIE to manage.
- 3) Major Improvement and Repair - \$5,000,000 and above. These are the responsibility of DFMC to manage.

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 2024 Asset Lifecycle Guidance (Appendix G DOI Scoring Methodology) replaces the annually issued deferred maintenance and capital improvement planning guidelines for DOI. It defines DOI's department-wide approach to planning and budgeting for infrastructure investment and provides direction to bureaus and offices required to develop five-year lifecycle investment plans, which identify deliberate investments across multiple activities over an asset's life.

The following section documents the procedures required to identify needs, to consolidate and finalize priorities as part of this process.

A. IA Programs Identify Needs.

Beginning in the summer (June – August), IA programs (including BIA regions and agencies, and BIE DFSM-CO) will engage with local BIA agency and BIE second-level field (Hub) office program staff to review, understand, validate, and identify priority needs for new Improvement and Repair projects that are within the threshold for BIA and BIE to manage. BIA and BIE programs will work with the local-level field and program staff to ensure the accurate and timely input of deficiencies into IA-FMS, which is currently Maximo.

B. BIA Regional Facility Managers and BIE DFSM-CO Communicate Project Priorities.

- 1) All Construction FI&R Minor (Less than \$250,000)
 - a) BIA Regional Facility Managers and BIE DFSM-CO will review and validate data in IA-FMS to begin identifying FI&R Minor priorities for their responsible area(s). BIA Regional Facility Managers and BIE DFSM-CO will develop two groups of priorities: (1) addressing Safety and Health (S&H) Rank 1 & 2 DMWOs; and (2) discretionary including all other categories of DMWOs, as well as additional Safety and Health deficiencies, as needed.

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- b) A minimum of 60 percent of this funding will be applied toward correcting S&H Rank 1 & 2 DMWOs and the remaining 40 percent will be discretionary.
 - c) BIE Facility Staff and OJS Special Agents in Charge will communicate their project priorities to BIE DFSM, Central Office and BIA Regional Facility Managers, respectively. The BIA Regional Facility Managers and BIE DFSM-CO will communicate their FI&R Minor project priorities to the DFMC Program Managers to be considered for the following FY. The DFMC Program Managers will prioritize and allot FI&R Minor funding based on these project priorities. Project priorities for quarters (housing for federal employees) will be compiled and submitted separately.
 - d) The Branch of Business Operations (BOBO) will provide a certification of the availability of funds. Once the project is ready to be awarded, project funding can be requested and processed. Project funding should only be requested when award is imminent.
- 2) All Construction FI&R Major (\$250,000 up to but not including \$5,000,000)
- a) BIA Regional Facility Managers and BIE DFSM-CO will review and validate data in IA-FMS to begin identifying FI&R Major priorities for their responsible area(s). BIA Regional Facility Managers and BIE DFSM-CO will develop two groups of priorities: (1) addressing Safety and Health (S&H) Rank 1 & 2 DMWOs; and (2) discretionary including all other categories of DMWOs, as well as additional Safety and Health deficiencies, as needed.
 - b) A minimum of 60 percent of this funding will be applied toward correcting S&H Rank 1 & 2 DMWOs and the remaining 40 percent will be discretionary.
 - c) BIA Regional Facility Managers and BIE DFSM-CO will develop FI&R Major priority projects using the total score assessed in IA-FMS which uses the 2024 Asset Lifecycle Guidance (Appendix G DOI Scoring Methodology), knowledge of customer need, and project benefits of packaging DMWOs into groups to achieve economies of scale for work performed at a specific site/building.
 - d) BIE Facility Staff and OJS Special Agents in Charge will communicate their project priorities to BIE DFSM, Central Office and BIA Regional Facility Managers, respectively. The BIA Regional Facility Managers and BIE DFSM-CO will communicate their FI&R Major project priorities to the DFMC Program Managers to be considered for the following FY. The DFMC Program Managers will prioritize and allot FI&R Major funding based on these project

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priorities. Project priorities for quarters (housing for federal employees) will be compiled and submitted separately.

- e) BOBO will provide a certification of the availability of funds. Once the project is ready to be awarded, project funding can be requested and processed. Project funding should only be requested when award is imminent.

C. DFMC Program Managers Review Data, Calculate Allotments and Allocations for FI&R Minor, and FI&R Major Priority Projects.

- 1) All Construction FI&R Minor (Less than \$250,000)
 - a) In mid-August, DFMC will conduct a comprehensive data pull from IA-FMS to identify the outstanding DMWOs.
 - b) DFMC Program Managers will develop two FI&R Minor priority lists for each program: (1) a list addressing Safety and Health (S&H) Rank 1 & 2 DMWOs; and (2) a discretionary list of all other categories of DMWOs, as well as additional safety and health deficiencies, as needed.
 - c) A minimum of 60 percent of this funding will be applied toward correcting S&H Rank 1 & 2 DMWOs and the remaining 40 percent will be discretionary.
 - d) This “snapshot” will be used by DFMC Program Managers to determine the percent of allotments for each program, and specifically for each program funding their FI&R Minor project priorities. DFMC will review data from each program’s obligation rates/status and status of legacy data validations when determining the final percent of allotments.
- 2) All Construction FI&R Major (\$250,000 up to but not including \$5,000,000)
 - a) In mid-August, DFMC will conduct a comprehensive data pull from IA-FMS to identify the outstanding DMWOs.
 - b) DFMC Program Managers will develop two FI&R Major priority lists for each program: (1) a list addressing Safety and Health (S&H) Rank 1 & 2 DMWOs; and (2) a discretionary list of all other categories of DMWOs, as well as additional safety and health deficiencies, as needed.
 - c) A minimum of 60 percent of funding will be applied toward correcting S&H Rank 1 & 2 DMWOs and the remaining 40 percent will be discretionary.

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- d) This “snapshot” will be used by DFMC Program Managers to determine the percent of allotments for each program, and specifically for each program funding their FI&R Major project priorities. DFMC will review data from each program’s obligation rates/status and status of legacy data validations when determining the final percent of allotments.
 - e) DFMC Program Managers will use the information in IA-FMS, listed category and Ranks, Appendix G DOI Scoring Methodology, and qualitative knowledge of the sites and building locations for developing these initial lists.
- 3) All Construction FI&R Major (\$5,000,000 and above)
- a) In mid-August, DFMC will conduct a comprehensive data pull from IA-FMS to identify the outstanding DMWOs.
 - b) DFMC Program Managers will identify a list of FI&R Major priority projects. S&H Rank 1 & 2 DMWOs are considered the highest priority for FI&R Major projects.
 - c) A minimum of 60 percent of funding will be applied towards correcting S&H Rank 1 & 2 DMWOs and the remaining 40 percent will be discretionary.
 - d) The DFMC Program Managers will develop and review the list of FI&R Major priority projects, validate the list, and compile an initial list of FI&R Major projects to submit a certification of funds and to ultimately be funded.
 - DFMC uses the information in IA-FMS, listed category and Ranks, Appendix G DOI Scoring Methodology, and qualitative knowledge of the sites and building locations for developing the initial lists.
 - Once the list is developed, DFMC requires that the programs confirm the supporting data for each DMWO under their management.
 - DFMC will obtain a certification of funds from the BOBO. When a project solicitation is ready for award, the Project Manager requests the actual funding amount from DFMC, who will coordinate the Purchase Request funding. Note: project funding should only be requested when award is imminent.
 - In addition to the current year funded list of DMWOs, DFMC will rank all remaining FI&R Major DMWOs as a “snapshot” of additional projects ranked for future years to be included in the Five-Year Plan.
- 4) Determining Funding Levels for FI&R Minor and Major Planning Allotments

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- a) The planning methodology begins before the final appropriation amount is known. Therefore, the DFMC Program Managers will use the requested budget and plan for 70 percent to be allotted in the first iteration of this process.
 - In September, the DFMC Program Managers will calculate each program's projected allotment for FI&R Minor and Major funding, allowing programs to identify and prioritize their FI&R DMWOs.
 - DFMC, BIA Regional, and BIE Facilities programs that utilize Budget and Project Execution, Ranking and Management (BPERM), 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. Funding will be provided by project, as the BIE Project Manager or the Project Manager at the BIA Region notifies the DFMC Program Managers that the BIE/Regional Acquisitions Office or BIA Regional Grants Office is ready to obligate funds.
- b) In March, DFMC Program Managers will begin a second iteration of the methodology.
 - This iteration is planned to allot the remaining appropriation (30 percent), plus any additional carry-over or recovered funds. As a result, all funding will be allotted against specific DMWOs within the first half of the FY with the majority allotted 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.
- c) It is expected that BIA and BIE programs will commit and obligate funding for their FI&R Minor and Major projects at an execution rate that will result in full obligation before the end of the FY.
 - DFMC will monitor the execution rate for each program's FI&R Minor and Major funding. If the execution rate does not appear to be on an acceptable path for 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 allotment at the second iteration and distribute that portion of the allotment among the other programs that are able to meet their goals.

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The intent is to ensure that programs obligate their distributed funding within the FY.

- FI&R Minor and Major project funding that is not obligated within two years of distribution will be pulled back to DFMC to be reissued for future projects.

5) Determining Funding Allocations for FI&R Minor and Major projects

- a) FI&R Minor and Major funds are allotted as a prorated share of the available funds based on percent of “need” using the total DMWOs in IA-FMS for all S&H categories grouped together, and all “Other” categories grouped together.
 - For example, the total universe of DMWOs for S&H is broken down as a percentage for each program; then each program’s percentage is applied to the total allotment.

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 allotments at the beginning of a FY based on 70 percent of the expected appropriation. During the mid-year review (around March); the remainder of the appropriated funds and any other funds will be similarly allotted.

- b) The result is that the distributed funds are based on “need.” Therefore, each program must work with their sites to stress how critically important it is that all DMWOs and abatement plans are current and accurate in IA-FMS.

6) Project Savings and Carryover Funds Management

- a) To manage carryover funds more effectively and efficiently, all construction funds that are not directly allocated 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 DMWOs identified in that project WBS.
- b) 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 DMWOs and request using a portion of the savings (up to the total) to fund them.

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- The funds must first be returned, and then will be reallocated properly toward the specific DMWOs. 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 DMWOs; consequently, programs ARE NOT AUTHORIZED to re-administer those funds outside the original WBS for any other purpose.

7) Budget Planning

- a) 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.
 - Similarly, Education Construction FI&R Major (\$250,000 and more) or other program (PS&J or Other agency) FI&R less than \$5 million in unscheduled maintenance does not lend itself to long-term planning models for specific individual actions.
- b) Larger Capital Improvement (CI) projects (e.g., schools, detention, or agency facilities) are more conducive to long-range planning.

1.8 Summary Timeline of Events.

June – August Timeframe	<ul style="list-style-type: none">● IA programs (including BIA Regions, Agencies and BIE DFMS-CO) will engage with local Agency field and Hub program staff to review, understand, validate, and identify priority needs for new Improvement and Repair projects that are within the threshold for BIA and BIE to manage.● BIA and BIE programs will work with the local-level field and program staff to ensure the accurate and timely input of deficiencies into IA-FMS, which is currently Maximo.
Mid-August	<ul style="list-style-type: none">● DFMS will conduct a comprehensive data pull from IA-FMS to identify the outstanding DMWOs.

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September	<ul style="list-style-type: none">• The DFMC Program Managers will calculate each program's projected 70 percent allotment for FI&R Minor and Major funding, allowing programs to identify and prioritize their FI&R DMWOs.• A minimum of 60 percent funding will be applied toward correcting S&H Rank 1 & 2 DMWOs and the remaining 40 percent funding will be discretionary.
CR/Final Appropriation Bill <u>AND</u> Acquisition Allows	<ul style="list-style-type: none">• Funding will be allocated up to the 70 percent level (up to the limits of the CR).
March	<ul style="list-style-type: none">• Progress review and second iteration initiated.• Programs update their priority projects.• The remaining 30 percent, recovered funds, or other additional carryover funds will be redistributed based on need.• Some or all of a program's allotment may be withheld at the second iteration and distributed• among the other programs that are able to meet their goals. The intent is to ensure that the distributed funding can be obligated within the FY.

Approval

JASON
FREIHAGE

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Jason Freihage
Deputy Assistant Secretary – Management

Date