



United States Department of the Interior

OFFICE OF THE SECRETARY

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National Policy Memorandum

**Deputy Assistant Secretary – Indian Affairs (Management)
Office of Budget and Performance Management**

Number: NPM-BUDG-05

Effective: 9/24/19

Expires: 9/24/20

Title: Management of Carryover Funds

1. Purpose

This memorandum establishes Indian Affairs' (IA) policy for the management of carryover funds provided in a multiple year appropriation. Funding received under the Operations of Indian Programs Appropriation is provided with a two year period of availability. 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.

2. Scope

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

3. Policy

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 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 7% 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. Region) and the first five digits of the Functional Area (e.g. Budget Activity) in FBMS.

Any program with 7% or less of their consumable budget available at the end of the first year will automatically receive these funds at the beginning of the second year of the appropriation.

Any program exceeding 7% of their consumable budget available at the end of the first year will be required to submit a carryover request.

The request to exceed the allowable carryover percentage must be received by the Deputy Assistant Secretary – Management (DAS-M) by Monday, September 30th. The request must be submitted using the Carryover Appeal Request Form. This form is found on the IA Online Forms webpage on the “Indian Affairs Specific Forms and Guidance” tab: <https://www.bia.gov/policy-forms/online-forms>. The DAS-M will review the requests and respond accordingly.

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:

- End of the first quarter – obligate/ expend 60 percent of the cumulative carryover balance.
- End of the second quarter – obligate/ expend 100 percent of the cumulative carryover balance. No Change of Allocations or spending other than the prior year deficit clean up may occur after this date unless the DAS-M approved an appeal request. Any funds remaining after the second quarter will be removed and allocated subject to the current AS-IA’s priorities.
- End of third quarter – obligate/ expend 100 percent of BIE 15-month appropriation.
- End of July – obligate/ expend 100 percent of balances related to permanent change of station deobligations that have occurred after February.

4. Approval



Jason Freihage
Deputy Assistant Secretary – Management

9/24/19
Date