



United States Department of the Interior

OFFICE OF THE SECRETARY
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National Policy Memorandum

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

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Title: Funds Transfer (Internal) and Reprogramming Policy

1. Purpose

The purpose of this memorandum is to establish a funds Transfer (Internal), Budgetary Latitude and Reprogramming policy based on the Indian Affairs Manual (IAM) Part 26, Chapters 3 and 5.

2. Scope

This policy applies to all Indian Affairs (IA) headquarters, field, and program staff 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).

3. Policy

Reprogramming will comply with legal restrictions, Congressional reprogramming, and Departmental guidelines. See IAM Part 26 Chapter 5: Reprogramming Rules and Limitations. The annual budget justifications are IA's representations to the Congress of the purpose and manner in which funds will be spent during the approaching fiscal year. They represent commitments by the President, the Secretary, and the Assistant Secretary as to the future course and level of programs of Indian Affairs. The justifications, testimony and statements for Appropriations Committees hearings, and Congressional actions including reports, embody the principal constraints and commitments for the correct use of appropriated funds that must be honored in carrying out programs. The Appropriations Committees have also established criteria for reprogramming to insure that commitments are met and Congress notified of significant changes. In addition, IA has established procedures for approving reprogramming actions that fall below the Congressional thresholds.

It is recognized that, because budget justifications precede the availability of funds and unanticipated events occur during the fiscal year, operating situations may arise that require changes in even the most carefully formulated plans. Accordingly, the Appropriations Committees have established guidance for reprogramming to allow reasonable flexibility in adjusting to such changes.

All Suballottees are authorized to request reprogrammings, but only for the amounts suballotted to them. The responsibility must be exercised at the highest level in each such organization.

Transfers are limited to the amount of available budget authority and are controlled by the Financial and Business Management System (FBMS).

4. Definitions

- a. Budgetary Latitude. The ability to deviate from the programs enacted in annual appropriations. This concept applies to relocations of funds, reorganization, and other departures from the programs described in the budget justification, the appropriation act, committee reports, or other supporting documentation.
- b. Reprogramming. Any significant departure from the program described in the Indian Affairs' budget justifications, including proposed reorganizations even without a change in funding. It includes the reallocation of funds from one budget activity to another; and where either House or Senate Appropriations Committee report displays an allocation of an appropriation below the activity level, that more detailed level shall be the basis for reprogramming. For construction and land acquisition accounts, a reprogramming constitutes the reallocation of funds from one project identified in the justifications or Committee reports to another. Movement of funding from one budget subactivity to another. For purposes of FBMS, a budget subactivity is defined as functional areas as appropriated (See Attachment 1 for Sample Committee Support Table - Stub Table).
- c. Internal Transfer. Movement of funding between functional areas that is not restricted.

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Example shows a TPA Internal Transfer to a Tribal Fund Center.

- d. Reallocation. A form of internal transfer in which funds are moved from one fund center to another without a change in functional area.

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Example shows a reallocation to a SG Tribal Fund Center.

- e. Base allocation. A distribution of appropriated funds to a Tribal Priority Allocation (TPA) or Self Governance (SG) line of accounting.

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Example shows a base allocation to an SG Tribal Fund Center.

- f. FBMS Entry Document (FED). A document used to allocate, transfer, and reprogram appropriated funds (see Attachment 2).

