



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240



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Memorandum

To: Director, Bureau of Indian Affairs
Director, Office of Indian Education Programs
All Regional Directors
All Deputy Bureau Directors
All Education Line Officers
Director, Office of Management Support Services
Director, Office of Facilities Management and Construction
All Agency Superintendents

From: Chief Financial Officer

Subject: Construction-In-Progress Accounting Management Handbook

Attached is the Construction-In-Progress (CIP) Accounting Management Handbook. The CIP policies and procedures addressed within this Handbook are an integral part to ensure the accuracy of the Bureau of Indian Affairs financial statements and it is imperative that they are strictly followed.

Please ensure that this Handbook is distributed to the appropriate staff members within your office.

If you have any questions concerning this Handbook, please contact Mitch Chouteau at (505) 346-6507.

Attachment

cc: Deputy Assistant Secretary – Indian Affairs (Management)



CONSTRUCTION-IN-PROGRESS ACCOUNTING MANAGEMENT HANDBOOK

CIP ACCOUNTING POLICIES

**PLANNING, DESIGN AND CONSTRUCTION PHASE -- PROJECT
COST ACCOUNTING SYSTEM AND PROJECT COST
RECONCILIATION REQUIREMENTS**

**COMPLETED PROJECT PHASE -- GENERAL LEDGER
TRANSFER AND FIXED ASSET SYSTEM REQUIREMENTS**

**CIP PROCESSING PROCEDURES FOR POWER/IRRIGATION
PROJECTS**

**Department of the Interior
Bureau of Indian Affairs
Office of Financial Management**

April 1, 2005

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Chapter 1

Purpose and Background

PURPOSE

This handbook describes the processes and procedures for recording costs in the Construction-In-Progress (CIP) account (General Ledger 1720) of Bureau of Indian Affairs (BIA)-managed construction projects, where ownership or ultimate ownership of the completed facility will be with the BIA. Such facilities include buildings, improvements to land, and other structures constructed for education, law enforcement, fire, forestry, irrigation and power projects.

The handbook also describes the processes and procedures for transferring *completed* construction projects, i.e., the CIP General Ledger Transfer Report requirements. This report formally initiates the transfer of costs from the CIP General Ledger account (1720) to the appropriate Federal Financial System (FFS) General Ledger asset accounts. It is also used for recording the assets into the Federal Financial System (FFS) Fixed Asset Subsidiary (FAS) system.

BACKGROUND

To better understand why the processes and procedures described in this handbook are vital to BIA financial statements, one ought to consider the following excerpt from a letter by the Comptroller General of the United States at the time of the passage of the Chief Financial Officers Act of 1990. This excerpt was taken from the Government Accountability Office (GAO) website.

The Chief Financial Officers (CFO) Act of 1990 (Public Law 101-576) marks the beginning of what promises to be a new era not only in federal management and accountability, but also in efforts to gain financial control of government operations.

The government has a responsibility to use timely, reliable, and comprehensive financial information when making decisions, which have an impact on citizens' lives and livelihood. Despite good intentions and past efforts to improve financial management systems, this is still not done.

The Congress mandated financial management reform by enacting the CFO Act, which was signed into law by President Bush on November 15, 1990. This is the most comprehensive and far-reaching financial management improvement legislation since the Budget and Accounting Procedures Act of 1950 was passed over 40 years ago. The CFO Act will lay a foundation for comprehensive reform of federal financial management. The act establishes a leadership structure, provides for long-range planning, requires audited financial statements, and strengthens accountability reporting.

Federal financial managers, auditors, and program managers at all levels of government will be affected as agencies take actions required under the CFO Act to improve financial management systems and information. Therefore, it is essential that the CFO Act's provisions are fully understood.

In light of the above, this handbook seeks to enhance the understanding and execution of accounting management of CIP activities.

ORGANIZATION OF THIS HANDBOOK

The remainder of the handbook is organized as follows:

- ◆ Chapter 2 provides the CIP accounting policies and responsibilities.
- ◆ Chapter 3 provides the business processes, steps, procedures and responsibilities for the planning, design and construction phase, along with the completed project phase.
- ◆ Chapter 4 provides the processes, steps, procedures and responsibilities for the power/irrigation projects, which vary somewhat from the preceding processes.

In addition, the handbook contains various appendices that address definition of terms, reference materials, CIP worksheets, CIP forms, CIP reports and abbreviations.

Chapter 2

CIP Accounting Policies

This chapter provides guidance on the CIP accounting policies. This guidance addresses the BIA financial and accounting oversight of the CIP processes and the associated responsibilities for implementing the policies. In addition, the key process mechanisms, such as qualification criteria, General Ledger posting rules, and reports are also addressed.

GENERAL CIP POLICIES

Policies on CIP can be found in several sources:

- ◆ *Volume I: Treasury Financial Manual: U.S. Government Standard General Ledger.*
- ◆ Statement of Federal Financial Accounting Standards (SFFAS) No. 6, Accounting for Property, Plant, and Equipment.
- ◆ SFFAS No. 8, Supplementary Stewardship Reporting.
- ◆ SFFAS No. 11, Amendments to Accounting for Property, Plant, and Equipment and Supplementary Stewardship Reporting: Definitional Changes, Amending SFFAS No. 6 and SFFAS No. 8.
- ◆ SFFAS No. 14, Amendments to Deferred Maintenance Reporting: Amending SFFAS No. 6, Accounting for Property, Plant, and Equipment and SFFAS No. 8, Supplementary Stewardship Reporting.
- ◆ Federal Real Property Asset Management Initiative (Executive Order 13327), February 4, 2004.
- ◆ Memorandum, FFS Encoding of Construction and Non-Construction Project Cost Accounting System (PCAS) Requests, J. Murphy, Acting Chief, Division of Accounting Management, dated October 31, 2001.

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- ◆ Memorandum, Policy for Bureau of Indian Affairs Construction-in-Progress (CIP) Activities, dated May 25, 2000.
 - ◆ Department of the Interior: Real Property Financial Management Policy, April 30, 2003. Website: <http://www.doi.gov/pfm/handbooks/>
 - ◆ DOI Financial Management Handbooks: Accounting Handbook 2.5.7 Property, Plant, and Equipment (PP&E). Website: <http://www.doi.gov/pfm/handbooks/accounting.html#2.5.7>
 - ◆ United States Department of the Interior: Real Property Financial Management Policy Guide, Office of Acquisition and Management, May 2003. Website: <http://www.doi.gov/pfm/handbooks/>
 - ◆ Bureau of Indian Affairs Financial Management Handbook. (See BIA Intranet).

MANAGEMENT AND PROCESSING RESPONSIBILITIES

The following are general management and processing responsibilities of the participants in CIP accounting processes.

Office of Financial Management

The Office of the Chief Financial Officer (OCFO), Office of Financial Management (OFM) shall provide the BIA CIP accounting management oversight. OFM shall also provide the requisite performance reporting; develop and promulgate accounting policies and procedures; and coordinate CIP procedural accounting requirements, to include the requisite technical training and assistance for all BIA programs having construction responsibilities, such as Facilities Management and Construction, Safety of Dams, Irrigation and Power, Forestry, Transportation (buildings), Law Enforcement, Fire Protection, Safety, and Regional Accounting and Property Management Offices.

OFM-CIP Division (Albuquerque)

The OFM-CIP Division (Albuquerque) shall carry out the above OFM responsibilities, to include the Project Cost Accounting System (PCAS) Project Request assignments for all BIA capitalized and non-capitalized construction projects, to include coordination, assistance and the CIP status reporting on processing elements performed by the Program Offices (e.g., the project cost reconciliation reports and project completion requirements).

Division of Property (Phoenix)

The Division of Property (Phoenix) shall be responsible for recording the *completed* buildings and structures into the FFS FAS system, while maintaining the official property records and cost documentation for completed projects.

Program Manager

Program Offices having construction authority shall comply with all CIP policies and procedures, and shall coordinate the CIP requirements with the OFM-CIP Division. The Program Manager is responsible for designating a Project Officer/Manager for each construction project as required on form BIA-CIP001, "Request for PCAS Project Number." In addition, the Program Manager is responsible for designating the project ownership (BIA or Tribal) before the project starts and for ensuring that appropriate ownership language is included in the related project contracts.

Project Officer/Manager

The Project Officer/Manager is responsible for day-to-day coordination of the CIP accounting requirements with the OFM-CIP Division, to include:

- ◆ Maintaining a record-keeping system — a "cuff" account¹ for all CIP costs (e.g., contract, small purchases, charge card purchases, payroll, and travel).
- ◆ Performing *monthly*² cost reconciliation reporting requirements (for the Federal Acquisition Regulation projects) using the FFS-CIP-664 progress transaction report and form BIA-CIP003, "Project Cuff Account Worksheet." Note: It is essential that cost records and reconciliation by the Project Officer/Manager, or Public Law (PL) 93-638 contractor, be identified and organized in terms of major asset types (e.g., buildings, improvements to land, and other structures). Any crosscutting costs³ affecting multiple buildings or structures within the same project must be prorated or applied to such buildings or structures based on methodology determined by the Project Officer/Manager.

¹ A "cuff" account is an unofficial program office record of budgeted funds obligated and expended against the project, to be used to reconcile with the official accounting records in FFS.

² PL 93-638, PL 100-297, and compact projects will be reconciled quarterly by the Project Manager/Officer.

³ Crosscutting costs are also those costs that are shared over several PCAS projects, such as the architectural design contract.

- ◆ Initiating form BIA-CIP005, “Transfer Report,” to include the sign-off by the Project Manager/Officer and the Program Manager, and forwarding the completed forms to OFM-CIP Division.

PROJECT QUALIFICATION CRITERIA

All BIA-owned construction projects that meet one of the following qualification criteria *must* be recorded in the FFS PCAS system and in the CIP General Ledger account 1720:

1. New or Replacement — Construction projects (e.g., buildings, improvements to land, or other structures and facilities, to include the fixed equipment), where costs are anticipated to exceed the real property capitalization threshold, currently \$100,000 (See Appendix A). Note: If the final cost upon completion does not meet the capitalization threshold, the item should be expensed rather than capitalized at that point.

Examples—New or Replacement Construction

Category	Example
Improvements to Land	Streets, parking lots, driveways, sidewalks, curbs and gutters, fences, light standards, landscaping. Separately accounted CIP as improvements to land costs, and transferred to GL 1712 when the project is completed.
Buildings	Self-explanatory. Separately accounted CIP as building costs, and transferred to GL 1730 when the project is completed.
Other Structures	Athletic fields, swimming pools, tennis courts, playground equipment, water distribution systems, sewage systems, heating/liquid propane systems, heating systems (e.g., electric, boilers), incinerators, substations, line extensions. Separately accounted CIP as other structure costs, and transferred to GL 1740 when the project is completed.

2. Betterments, Improvements, and/or Renovations — Construction projects aimed at *expanding* the capacity of an existing real property asset OR otherwise *upgrading* the asset to serve needs different from, or *significantly* greater than those originally intended, AND where the total costs of the proposed project are anticipated to exceed the \$100,000 real property capitalization threshold. Note: If the final cost upon completion does not meet the capitalization threshold, the item should be expensed rather than capitalized at that point.

3.

Examples—Betterments, Improvements, and Renovations

Category	Example
Betterments	The <i>addition</i> of a gym to an existing school building or the installation of a centralized air conditioning system in an office building with no cooling system.
Improvements	An <i>upgrade</i> to a better asset to replace the one currently used, for example: a tile roof system to replace an asphalt roof system, a concrete floor to replace a wooden floor, a refrigerated system to replace an evaporative cooler, double-pane insulated glass windows to replace single-pane glass windows.
Renovations	A CIP project requiring complete <i>rehabilitation</i> or modernization of the existing structure, such as: interior walls, floors, windows, doors, insulation, electrical, plumbing, restrooms, and dam rehabilitation.

Routine maintenance or repair projects are *excluded* from CIP project accounting criteria.

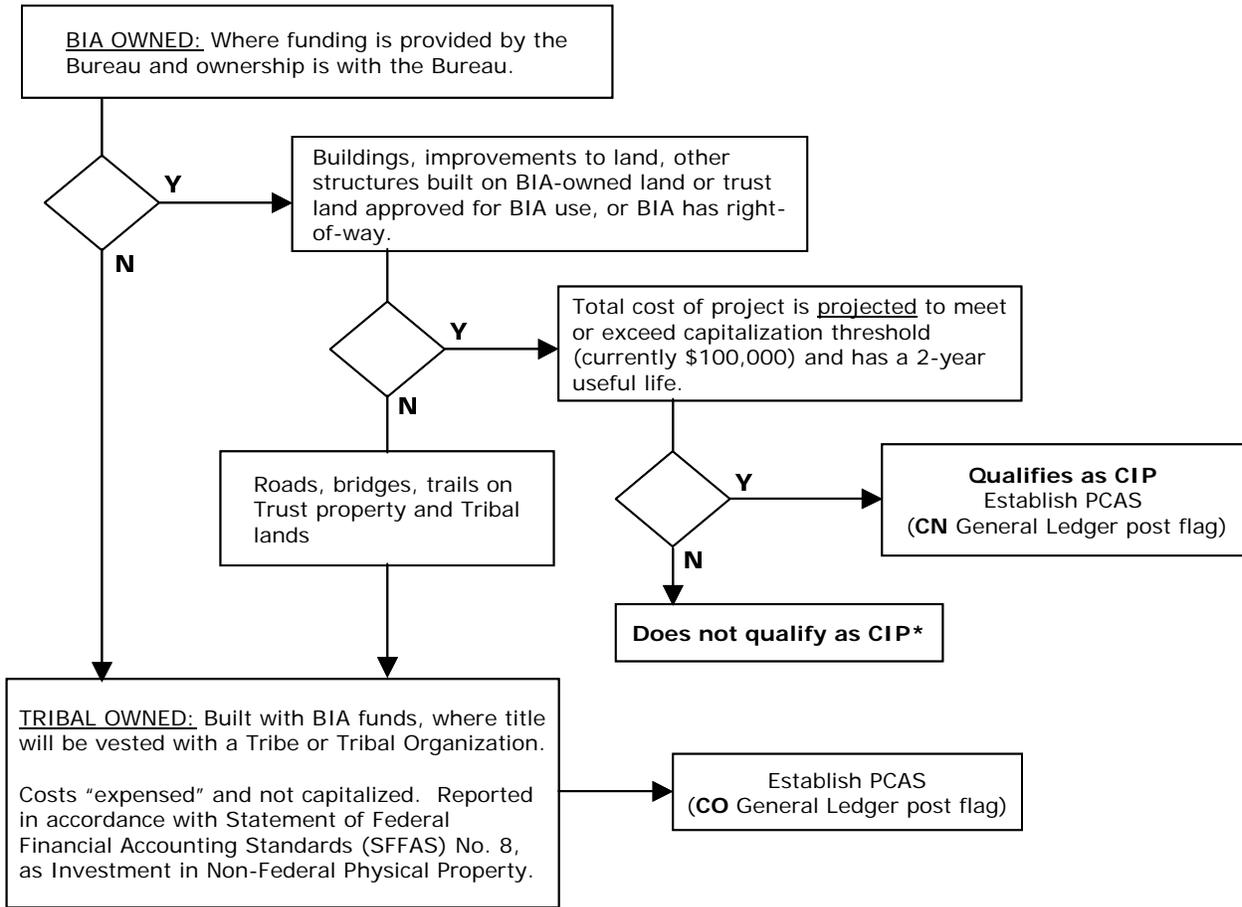
Maintenance is described as the act of keeping fixed assets in acceptable condition, which includes preventative maintenance, normal repairs, replacement of parts and structural components, and other activities needed to preserve the asset so that the asset continues to provide acceptable services and achieves its expected useful life.⁴ Expenditures that do not increase an asset’s future benefits should be expensed. Ordinary repairs are expenditures that maintain the existing condition of the asset or restore it to normal operating efficiency and will be expensed.

PROJECT QUALIFICATION DECISION GUIDE

The following charts indicate the decision flow for determining whether a project qualifies as construction in progress. The decision model governing new and replacement structures is different from that for betterments, improvements and renovations.

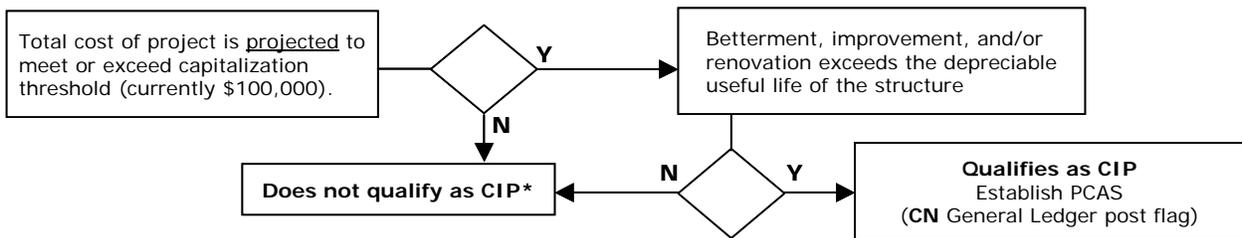
⁴ Source of this definition is the Federal Accounting Standards Advisory Board (FASAB), *Accounting for Property, Plant, and Equipment, Statement of Federal Financial Accounting Standards No. 6*, June 1996, paragraph 78.

Decision Flow for New and/or Replacement Structures



*If the projected total cost is over \$5,000 and under \$100,000, PCAS use is required for a one-time entry into the BIA's real property inventory system.

Decision Flow for Betterments, Improvements and/or Renovations (Existing BIA Structures)



*If the projected total cost is over \$5,000 and under \$100,000, PCAS use is required for a one-time entry into the BIA's real property inventory system.

GENERAL LEDGER POST FLAG INDICATORS

The “post flag” in the project table controls posting to the General Ledger when a transaction is charged to the project. Once assigned, this “post flag” code should never be changed without prior coordination with OFM. The current General Ledger “post flags” are:

- ◆ CN — BIA-owned project
- ◆ CO — Tribal-owned project
- ◆ CR — BIA-owned project with a reimbursable agreement
- ◆ CT — Tribal-owned project with a reimbursable agreement
- ◆ [blank]—Blank if the project is routine maintenance or repairs.

QUALIFYING COST CRITERIA

The CIP qualifying costs include direct labor, direct material and overhead incurred in the construction of property, plant, and equipment for which the BIA will be accountable. Costs as further defined in the SFFAS No. 6 include the following:

- ◆ Amounts paid to vendors
- ◆ Transportation charges to the point of initial use
- ◆ Handling and storage costs
- ◆ Construction labor and other direct or indirect production costs (for assets produced or constructed)
- ◆ Engineering, architectural, and other outside services for designs, plans, specifications, and surveys
- ◆ Acquisition and preparation costs for buildings and other facilities, including demolition
- ◆ An appropriate share of the cost of the equipment and facilities used in construction work
- ◆ Fixed equipment and related installation costs required for activities in a building or facility
- ◆ Direct costs of inspections, supervision, and administration of construction contracts and construction work

-
- ◆ Fair value of facilities and equipment donated to the government
 - ◆ Material amounts of interest costs paid. (“Interest costs” refer to any interest paid by the reporting entity directly to providers of goods or services related to the acquisition or construction of property, plant and equipment.)

In addition, the following are also included as appropriate CIP costs:

- ◆ Contract “retainage” (holdback) costs
- ◆ Direct project-related salary costs
- ◆ Direct project-related travel costs.

The following costs are not recorded as CIP, but are included in PCAS as “other” costs (as indicated in the FFS CIP-664 report):

- ◆ Amounts of interest cost paid, such as prompt payment interest
- ◆ Personal property and equipment, including accountable property.

TRANSFER REPORT

Upon partial or full completion of the project, form BIA-CIP005, “Transfer Report,” will be prepared by the Project Officer/Manager. The completed and approved CIP Transfer Report directs OFM-CIP Division to reclassify and transfer qualified construction costs from the CIP account (General Ledger 1720), as identified in the BIA-664 report, to the appropriate fixed asset General Ledger accounts, as follows:

- ◆ Improvements to Land — General Ledger 1712
- ◆ Buildings, Improvements, Renovations — General Ledger 1730
- ◆ Other Structures and Facilities — General Ledger 1740.

The Transfer Report also directs the Division of Property (Phoenix) to enter the completed project into the FAS, using the designated project completion date as the in-service date.

CONSTRUCTION CONTRACTS

Tribes/Tribal Organizations

Construction contracts, grants and compacts awarded to Tribes or Tribal organizations (per Public Laws 93-638 and 100-297) in which the BIA will retain ownership must adhere to the CIP project accountability and reconciliation procedures.

The BIA (through the Contracting Officer/Awarding Official and Project Officer/Manager) must establish and coordinate reporting requirements with the Tribal organization to ensure compliance with requirements in the BIA policy for the CIP activities (See Appendix F), to include the project cost breakdowns by major asset type — buildings, improvements to land, and other structures.

Construction contracts, grants, and compacts awarded to Tribes or Tribal organizations (per Public Laws 93-638 and PL 100-297) in which ownership will be with the Tribe or Tribal organization will not be required to adhere to the CIP project accountability and reconciliation procedures. Instead, these contract costs will be captured as “Investment in Non-Federal Physical Property” and tracked through PCAS. This information is provided on the PCAS generated BIA-662 and BIA-663 reports supplied by the OFM-CIP Division. This information will be important to provide to the Tribes, since the Governmental Accounting Standards Board requires assets to be accounted for properly on the Tribal books.

Other Government-Funded Projects (Federal, State, Local)

In cases where construction projects are performed by a different Federal agency and that agency receives the funding directly, the Program Manager and Project Officer/Manager should alert OFM-CIP Division to that fact beforehand.

When a different Federal agency transfers funding to BIA and BIA issues a construction contract, the CIP accounting policies apply.

When a different Federal agency constructs a project for transfer to BIA, that Federal agency must provide supporting cost documentation with the transfer. Before acquiring the assets into the BIA's property inventory system, the constructing agency must provide all supporting documentation pertaining to the assets. Encoding a property transaction in the BIA's Property Inventory System will update the correct General Ledger accounts.

Example: At the Navajo Indian Irrigation Project, construction work is performed by the Bureau of Reclamation (BOR) and it receives funding directly. No CIP transactions are entered into the BIA FFS. When the project is completed, BOR formally transfers the assets and supporting cost and property documentation to BIA, and the assets are entered into the BIA property inventory system, which automatically updates the appropriate FFS General Ledger accounts.

ACCOUNTING REPORTS (FFS-PCAS)

Several FFS-generated reports, shown on subsequent pages, display the CIP expenditures (e.g., payments to vendors, vouchers, invoices, payrolls, IPAC payments) and related obligations (e.g., contract awards, purchase orders, travel orders).

It is important to note that these FFS reports capture obligation and payment cost data based on PCAS and Budget Object Class (BOC) identifiers. Due to limitations in the current edit features of FFS, encoding errors (i.e., classification, duplication) and processing timing differences (i.e., cut-offs) may occur. The reports may not accurately reflect project costs through a given reporting period.

It is important to maintain accurate and detailed project cost records in order to identify and reconcile differences, and to initiate corrective actions on a monthly basis. For the BIA-owned CIP projects, the BIA-664 and BIA-665 reports will be used to reconcile project costs by the Project Officer/Manager using form BIA-CIP003, "Project Cuff Account Worksheet" (See Appendix B).

REPORT ID: BIA662
 RUN DATE: 04/01/05
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BUREAU OF INDIAN AFFAIRS
 TRIBAL CONSTRUCTION PROJECTS
 CUMULATIVE TRANSACTIONS

PAGE: 1
 AS OF 03/31/05

PROJECT - H69FP SOUTHERN PAIUTE FIELD STATION
 REGION/OFFICE: (KAI) PROJECT MANAGER: AB FENCE PROJECT
 HIGHEST PROJECT STATUS O NOT CIP PROJECT O/S OBLIGATIONS

TRANSACTION #	LIN	TY	REF-TRANS	APRD	VENDOR	GLAC	FUND	BFY	REGN	PGRM	JOB	ORGN	BOC	CURRENT YR	AMT	TOTAL AMOUNT						
PROJ - P		H		39610	H69FP				G/L	POST	CO		STATUS - O									
P1	H6910021081	003	EX MXH691002108	0304	INTEFARM	2	690D	39002	01	02	H	39610	H69FP001	H69430	261A	.00	4,715.50					
VS	H6910021081	003	01 P1H6910021081	0304	INTEFARM	2	6330	39002	01	02	H	39610	H69FP001	H69430	261A	.00	1.11					
*TOTAL BFY FUND													2001	2002	39002	H	39610	H69FP	\$.00	\$	4,716.61
**TOTAL PROJECT													H	39610	H69FP	G/L	POST	CO	\$.00	\$	4,716.61
PROJ - P		H		39770	H69FP				G/L	POST	CO		STATUS - O									
P1	H6910021081	002	EX MXH691002108	0304	INTEFARM	2	690D	39002	01	02	H	39770	H69FP002	H69410	261C	.00	50,200.00					
VS	H6910021081	002	01 P1H6910021081	0304	INTEFARM	2	6330	39002	01	02	H	39770	H69FP002	H69410	261C	.00	11.85					
*TOTAL BFY FUND													2001	2002	39002	H	39770	H69FP	\$.00	\$	50,211.85
**TOTAL PROJECT													H	39770	H69FP	G/L	POST	CO	\$.00	\$	50,211.85
PROJ - P		H		39820	H69FP				G/L	POST	CO		STATUS - O									
P1	H6910021081	001	EX MXH691002108	0304	INTEFARM	2	690D	39002	01	02	H	39820	H69FP003	H69200	261C	.00	1,540.00					
VS	H6910021081	001	01 P1H6910021081	0304	INTEFARM	2	6330	39002	01	02	H	39820	H69FP003	H69200	261C	.00	.36					
*TOTAL BFY FUND													2001	2002	39002	H	39820	H69FP	\$.00	\$	1,540.36
**TOTAL PROJECT													H	39820	H69FP	G/L	POST	CO	\$.00	\$	1,540.36
***TOTAL H69FP																			\$.00	\$	56,468.82

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***** PROJECT SUMMARY *****

AUTHORIZED AMOUNT	\$	59,963.00
EXPENDED AMOUNT	\$	56,468.82
OUTSTANDING OBLIGATIONS	\$.00
TOTAL OBLIGATIONS	\$	56,468.82
REMAINING BALANCE	\$	3,494.18

BIA-662: Tribal Construction Project—Cumulative Transactions

REPORT ID: BIA663
 RUN DATE: 04/01/05
 RUN TIME: 07:19:36

BUREAU OF INDIAN AFFAIRS
 TRIBAL CONSTRUCTION PROJECTS
 OUTSTANDING OBLIGATIONS

PAGE: 1
 AS OF 03/31/05

PROJECT - 01N01 KAYENTA DORM REPLACEMENT
 REGION/OFFICE: N PROJECT MANAGER: PHIL ASMUS

HIGHEST PROJECT STATUS O ACTIVE PROJECT O/S OBLIGATIONS 4,500,000.00

TC DOCUMENT #	LN	TT	BFY	FUND	AREA	ORG	PROGRAM	JOB	BOC	OBLIGATION AMT	CLOSED	AMOUNT	O/S AMOUNT
PROJ - P		EDUC	11420			01N01			G/L POST CO		STATUS - O		
MX GTN33XE0804 007	2001		10000	EDUC	N33E08	11420	01N01000	413A		461,520.00	115,380.00		346,140.00
KAYENTA COMMUNITY SCHOOL													
*TOTAL BFY FUND	2001		10000	EDUC	11420	01N01			\$	461,520.00	\$ 115,380.00	\$	346,140.00
**TOTAL PROJECT				EDUC	11420	01N01			G/L POST CO	\$ 461,520.00	\$ 115,380.00	\$	346,140.00
PROJ - P		EDUC	11430			01N01			G/L POST CO		STATUS - O		
MX GTN33XE0804 008	2001		10000	EDUC	N33E08	11430	01N01TAM	413A		92,308.00	23,077.00		69,231.00
KAYENTA COMMUNITY SCHOOL													
MX GTN33XE0804 009	2001		10000	EDUC	N33E08	11430	01N01000	413A		369,232.00	92,308.00		276,924.00
KAYENTA COMMUNITY SCHOOL													
*TOTAL BFY FUND	2001		10000	EDUC	11430	01N01			\$	461,540.00	\$ 115,385.00	\$	346,155.00
**TOTAL PROJECT				EDUC	11430	01N01			G/L POST CO	\$ 461,540.00	\$ 115,385.00	\$	346,155.00
PROJ - P		EDUC	11451			01N01			G/L POST CO		STATUS - O		
MX GTN33XE0804 011	2001		10000	EDUC	N33E08	11451	01N01000	413A		4,615,400.00	1,153,850.00		3,461,550.00
KAYENTA COMMUNITY SCHOOL													
*TOTAL BFY FUND	2001		10000	EDUC	11451	01N01			\$	4,615,400.00	\$ 1,153,850.00	\$	3,461,550.00
**TOTAL PROJECT				EDUC	11451	01N01			G/L POST CO	\$ 4,615,400.00	\$ 1,153,850.00	\$	3,461,550.00
PROJ - P		EDUC	11452			01N01			G/L POST CO		STATUS - O		
MX GTN33XE0804 010	2001		10000	EDUC	N33E08	11452	01N01000	413A		461,540.00	115,385.00		346,155.00
KAYENTA COMMUNITY SCHOOL													
*TOTAL BFY FUND	2001		10000	EDUC	11452	01N01			\$	461,540.00	\$ 115,385.00	\$	346,155.00

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BIA-663: Tribal Construction Project—Outstanding Obligations

BIA-664: BIA Owned Projects—Cumulative Transactions

REPORT ID: BIA664
 RUN DATE: 04/01/05
 RUN TIME: 07:36:42

BUREAU OF INDIAN AFFAIRS
 CONSTRUCTION PROGRAMS
 CUMULATIVE CIP TRANSACTIONS

PROJECT - B01N3201 COVE SCHOOL
 REGION/OFFICE: JOE PROJECT MANAGER: ITS/NAVAJO FAC. MGR.
 HIGHEST PROJECT STATUS: O ACTIVE CIP PROJECT O/S OBLIGATIONS

APRD VENDOR GLAC FUND BFY REGN PGRM JOB ORGN BOC STATUS - O
 7,452.11

PAGE: 1
 AS OF 03/31/05
 APRD: 06/2005

TRANSACTION #	LIN	TY	REF-TRANS	N	PROJ - P	11472	B01N3201	G/L	POST	CN	STATUS - O	BOC	CIP	AMOUNT	OTHER	AMOUNT
PX	TON00030441	001	EX	MXTON00030044	0405	PAIKI	1 610A	10000	03	N	11472	B01N3201	N00260	254B	.00	23,006.60
VS	TON00030441	001	01	PXTON00030441	0405	PAIKI	1 6330	10000	03	N	11472	B01N3201	N00260	254B	.00	20.45
PX	CMN00030206	001	EX	MXCMN00030020	0405	NATAMESER	610A	10000	03	N	11472	B01N3201	N00260	254B	.00	173,421.14
VS	CMN00030206	001	01	PXCMN00030206	0405	NATAMESER	6330	10000	03	N	11472	B01N3201	N00260	254B	.00	154.15
PX	TON00030442	001	EX	MXTON00030044	0406	PAIKI	1720	10000	03	N	11472	B01N3201	N00260	254B	14,301.40	.00
PX	TON00030442	001	EX	MXTON00030044	0406	PAIKI	1720	10000	03	N	11472	B01N3201	N00260	254B	14,301.40	.00
PX	TON00030443	001	EX	MXTON00030044	0406	PAIKI	1720	10000	03	N	11472	B01N3201	N00260	254B	14,301.40	.00
VS	TON00030443	001	01	PXTON00030443	0406	PAIKI	6330	10000	03	N	11472	B01N3201	N00260	254B	.00	4.77
PX	CMN00030207	001	EX	MXCMN00030020	0406	NATAMESER	1720	10000	03	N	11472	B01N3201	N00260	254B	102,686.67	.00
PX	CMN00030207	001	01	PXCMN00030207	0406	NATAMESER	1720	10000	03	N	11472	B01N3201	N00260	254B	.00	.00
PX	CMN00030208	001	EX	MXCMN00030020	0406	NATAMESER	1720	10000	03	N	11472	B01N3201	N00260	254B	102,686.67	.00
PX	TON00030444	001	EX	MXTON00030044	0406	PAIKI	1720	10000	03	N	11472	B01N3201	N00260	254B	102,686.67	.00
PX	CMN00030209	001	EX	MXCMN00030020	0407	PAIKI	1720	10000	03	N	11472	B01N3201	N00260	254B	3,730.80	.00
PX	CMN00030445	001	EX	MXTON00030044	0408	PAIKI	1720	10000	03	N	11472	B01N3201	N00260	254B	26,005.80	.00
PX	TON00030446	001	EX	MXTON00030044	0409	PAIKI	1720	10000	03	N	11472	B01N3201	N00260	254B	3,730.80	.00
PX	CMN0003020A	001	EX	MXCMN00030020	0410	NATAMESER	1720	10000	03	N	11472	B01N3201	N00260	254B	3,730.80	.00
PX	TON00030447	001	EX	MXTON00030044	0411	PAIKI	1720	10000	03	N	11472	B01N3201	N00260	254B	60,808.52	.00
VS	TON00030447	001	01	PXTON00030447	0411	PAIKI	6330	10000	03	N	11472	B01N3201	N00260	254B	13,678.60	.00
SC	04CIP016	003	CP		0412	BIA	1720	10000	03	N	11472	B01N3201	N00260	254B	.00	5.13
SC	04CIP016	006	LI		0412	BIA	1712	10000	03	N	11472	B01N3201	N00260	327C	228,673.39	.00
SC	04CIP016	007	EX		0412	BIA	1720	10000	03	N	11472	B01N3201	N00260	327C	30,000.00	.00
YE	4KTV4012597	001	AE		0412	585463484	1720	10000	03	N	11472	B01N3201	N00260	211D	3.18	.00
YE	4KTV4012598	001	AE		0412	585463484	1720	10000	03	N	11472	B01N3201	N00260	211D	3.18	.00
YE	4KTV4012599	001	AE		0412	585463484	1720	10000	03	N	11472	B01N3201	N00260	211P	3.21	.00
YE	4KTV4012597	001	AE		0501	585463484	1720	10000	03	N	11472	B01N3201	N00260	211D	3.18	.00
YE	4KTV4012598	001	AE		0501	585463484	1720	10000	03	N	11472	B01N3201	N00260	211D	3.18	.00
YE	4KTV4012599	001	AE		0501	585463484	1720	10000	03	N	11472	B01N3201	N00260	211P	3.21	.00
**TOTAL BFY FUND 2003 10000 N 11472																
**TOTAL BFY FUND 2004 10000 N 11472																
PX	TON00030447	002	EX	MXTON00030044	0411	PAIKI	1720	10000	04	N	11472	B01N3201	N00260	254B	10,116.20	.00
PX	TON00030448	001	EX	MXTON00030044	0411	PAIKI	1720	10000	04	N	11472	B01N3201	N00260	254B	8,032.80	.00
VS	TON00030447	002	01	PXTON00030447	0411	PAIKI	6330	10000	04	N	11472	B01N3201	N00260	254B	.00	3.79
CJ	04091021324	001	EX		0412	BANKAMER	1720	10000	04	N	11472	B01N3201	N00260	261A	919.10	.00
SC	04CIP016	004	CP		0412	BIA	1720	10000	04	N	11472	B01N3201	N00260	254B	18,149.00	.00
YE	4KUD8005267	002	AE	MXCMN00030020	0412	NATAMESER	1720	10000	04	N	11472	B01N3201	N00260	254B	1,665.94	.00
YE	4KUD8005267	002	AE	MXCMN00030020	0501	NATAMESER	1720	10000	04	N	11472	B01N3201	N00260	254B	1,665.94	.00
YE	5Q2UD003342	002	AE	MXCMN00030020	0506	NATAMESER	1720	10000	04	N	11472	B01N3201	N00260	254B	1,447.89	.00
**TOTAL BFY FUND 2004 10000 N 11472																
**TOTAL PROJECT 32,366.99 \$ 413,438.42																

REPORT ID: BIA665
 RUN DATE: 04/01/05
 RUN TIME: 07:21:15

BUREAU OF INDIAN AFFAIRS
 CONSTRUCTION IN PROGRESS
 OUTSTANDING OBLIGATIONS

PAGE: 1
 AS OF 03/31/05

PROJECT - B01N3201 COVE SCHOOL
 REGION/OFFICE: JOE PROJECT MANAGER: ITSI/NAVAJO FAC. MGR.

HIGHEST PROJECT STATUS 0 ACTIVE CIP PROJECT O/S OBLIGATIONS 7,452.11

TC DOCUMENT #	LN	TT	BFY	FUND	AREA	ORG	PROGRAM	JOB	BOC	OBLIGATION AMT	CLOSED	AMOUNT	O/S AMOUNT
PROJ - P		N		11472		B01N3201		G/L POST CN		STATUS - O			
MX CMN00030020	004		2004	10000	N	N00260	11472	B01N3201	254B	8,900.00	.00		8,900.00
NATIVE AMERICAN SERVICES													
*TOTAL BFY FUND			2004	10000	N	11472	B01N3201			\$ 8,900.00	\$.00		\$ 8,900.00
**TOTAL PROJECT					N	11472	B01N3201	G/L POST CN		\$ 8,900.00	\$.00		\$ 8,900.00
***TOTAL B01N3201										\$ 8,900.00	\$.00		\$ 8,900.00

***** PROJECT SUMMARY *****

AUTHORIZED AMOUNT \$ 648,531.00
 TOTAL EXPENDED AMOUNT \$ 608,233.34
 OUTSTANDING OBLIGATIONS \$ 7,452.11
 TOTAL OBLIGATIONS \$ 615,685.45
 REMAINING BALANCE \$ 32,845.55

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BIA-665: BIA Owned Projects—Outstanding Obligations

Chapter 3

CIP Process—General

OVERVIEW—MAJOR STEPS

This chapter provides various tables that outline the overall accounting management process for the CIP projects. The tables identify the specific phase; the various steps within each phase; the responsible office and/or individual; and the required action.

This chapter also addresses each step in more detail and provides the typical or required timeframes for completing the actions. (Note: Chapter 4 outlines the process for the “power/irrigation” projects, which varies somewhat from the processes addressed in this chapter).

Step	Office/Position	Action
Planning, Design and Construction Phase		
Step 1—Prepare PCAS Project Number Request		
1a.	Program Manager (OFMC, I&P, NIFC, SOD) or Regional Director or Superintendent	Complete form BIA-CIP001/00A, “CIP Request for PCAS Project Number.” Designate Contracting Officer (CO) and Project Officer/Manager (PO) individuals. Copy furnished to local Property Officer.
1b.	Program Manager (OFMC, I&P, NIFC, SOD) or Regional Director or Superintendent	Submit form BIA-CIP001/00A, Scope-of-Work (SOW), and Program of Requirements (POR) to OFM-CIP Division.
Step 2—Approve PCAS Project Number		
2a.	OFM-CIP Division	Review BIA-CIP001/00A and attachments for accuracy and completeness, and coordinate necessary corrective actions with the Project Officer/Manager.
2b.	OFM-CIP Division	Determine the CIP qualification category and General Ledger “post flag” designation.
2c.	OFM-CIP Division	Assign a PCAS project number, and encode to FFS.
2d.	OFM-CIP Division	Return the finalized copy of the BIA-CIP001/00A to the Program Office.
Step 3—Perform Project Cost Reconciliation		
3a.	Project Officer/Manager	Establish a project record-keeping system (“cuff” account).
3b.	Project Officer/Manager	Prepare and submit project “cuff” account worksheets to OFM-CIP Division.

Step	Office/Position	Action
3c.	Program Manager (OFMC, I&P, NIFC, SOD) or Regional Director or Superintendent	Perform a quarterly review of CIP project completion activity and status, and provide input/summary to OFM-CIP Division for the CIP status report.
3d.	Program Manager (OFMC, I&P, NIFC, SOD) or Regional Director or Superintendent	<p>Notify Project Officer/Manager of Abandoned Project or Revised cost estimates (where final total costs are expected to be less than \$100,000)</p> <p>Notify Project Officer/Manager of CIP project in Abeyance.</p> <p>Prepare form/report and provide attachments and supporting documentation.</p>
3e.	Project Officer/Manager	<p>Review Abandoned Project or Revised cost estimates forms/report and attachments and sign off.</p> <p>Review documentation supporting CIP project in Abeyance.</p> <p>Provide information and documentation to OFM-CIP Division.</p>
3f.	OFM-CIP Division	<p>Review Abandoned Project, Project in Abeyance or Revised cost estimates forms/report and attachments.</p> <p>Maintain all related documentation.</p>
Step 4—Perform Reconciliation Review and Reporting		
4a.	OFM-CIP Division	Review “cuff” account worksheets.
4b.	OFM-CIP Division	Provide quarterly CIP status report to the Chief Financial Officer (CFO).
4c.	OFM-CIP Division	Maintain documentation on completion activity and status, and “cuff” accounts worksheets for reconciliation.

Step	Office/Position	Action
Completed Project Phase		
Step 5—Submit Notification of Project Completion and CIP Transfer Report		
5a.	Project Officer/Manager	Formally notify OFM-CIP Division (e-mail, memo) of estimated project completion date.
5b.	OFM-CIP Division	Working with Project Officer/Manager, initiate completion of form BIA-CIP005, "Transfer Report," and gather all supporting cost documentation.
5c.	Project Officer/Manager	Obtain necessary signatures (Project Officer/Manager and Program Manager), and submit completed, signed form BIA-CIP005 to OFM-CIP Division.
Step 6—Execute General Ledger Transfer and Establish Fixed Assets		
6a.	OFM-CIP Division	Using form BIA-CIP005, transfer GL 1720 project costs to General Ledger asset accounts (1712, 1730, and 1740).
6b.	OFM-CIP Division	Overnight CIP transfer package (form BIA-CIP005, cost documentation, other supporting documentation) to the Division of Property (Phoenix).
6c.	DP (Phoenix)	Record assets in Fixed Asset System. (Note: Use project completion date as "in-service" date); update agency (location) site plan; establish official property file.
6d.	DP (Phoenix)	Notify the Project Officer/Manager and OFM-CIP Division (via e-mail and/or memo) of the completed action.

Note:

CO = Contracting Officer

DP = Division of Property (Phoenix)

I&P = Irrigation and Power

NIFC = National Interagency Fire Center

OFM = Office of Financial Management, CIP Division

OFMC = Office of Facilities Management & Construction

PM = Program Manager

PO = Project Officer/Manager

SOD = Safety of Dams

PROCESSING PROCEDURES—SPECIFIC RESPONSIBILITIES AND TIMEFRAMES

Planning, Design and Construction Phase

STEP 1: PREPARE PCAS PROJECT NUMBER REQUEST AND PROJECT BUDGET ATTACHMENT (FORMS BIA-CIP001 AND BIA-CIP00A)

The PCAS system is required to properly maintain CIP projects and represents the BIA official accounting system for reporting on CIP transactions.

The FFS requires linkage to a PCAS project number in order to process financial transactions assigned to the CIP General Ledger account. PCAS also incorporates a reporting capability (BIA-662, 663, 664, and 665) to show actual obligation and expenditure activity processed through FFS.

Note: Related project reporting systems, or manual “cuff” records, are not integrated with FFS. Therefore, they will not reflect actual processed financial activity, and they cannot be used in lieu of the cost reconciliation requirements that are described within this handbook (Step 3).

The following table provides the responsibilities and timeframes for this step.

Step	Office/Position	Timeframe	Action
1a.	Project Manager	Immediately following project funding approval, and prior to any project-related funding, including for pre-construction, planning, design.	Complete and sign off on forms BIA-CIP001 and BIA-CIP00A (Appendix C). Also, the PM must: <ul style="list-style-type: none"> ◆ Determine the ultimate ownership of the completed project (BIA or Tribal). ◆ Determine a cost estimate for each major asset (building, improvements to land, other structures). ◆ Assign the designated CO and PO.
1b.	Project Manager		Submit the completed forms and attachments BIA-CIP001, BIA-CIP00A, Scope-of-Work (SOW), Program of Requirements (POR) to: <p style="margin-left: 40px;">Office of Financial Management CIP Division 201 3rd Street, NW, Room 500 Albuquerque, NM 87102.</p> i.e., OFM — CIP Division

STEP 2: APPROVE PCAS PROJECT NUMBER

General policy for PCAS project numbers is found in the Assistant Secretary — Indian Affairs (AS-IA) memorandum “Fixed Asset System, Leases and Project Cost Accounting System,” dated October 9, 2001. The implementation instructions are provided in the Acting Chief, Division of Accounting Management memorandum “FFS Encoding of Construction and Non-Construction Project Cost Accounting System (PCAS) Requests,” dated October 31, 2001 (See Appendix D).

The OFM will have sole responsibility for reviewing and approving the PCAS project number requests, and for assigning and encoding the PCAS project and sub-project establishment information for all BIA construction.

The following table addresses the responsibilities and timeframes for this step.

Step	Office/Position	Timeframe	Action
2a.	OFM-CIP Division	Within 5 workdays of receipt of request forms	Review PCAS project number request forms and attachments (BIA-CIP001, BIA-CIP00A, Scope-of-Work (SOW), Program of Requirements (POR) for accuracy and completeness, and coordinate necessary corrective action with the Program Manager.
2b.	OFM-CIP Division	Within 5 workdays of receipt of request forms	Determine the CIP project qualification category and the General Ledger “post flag” designation.
2c.	OFM-CIP Division	Within 5 workdays of receipt of request forms	Establish and encode into FFS the PCAS project number, and set up a project file for future reconciliation reports.
2d.	OFM-CIP Division	Upon completion of Step 2c.	Return the “accomplished” copy of BIA-CIP001 (PCAS project number assignment) to the Program Office, and also provide the Project Officer/Manager with: <ul style="list-style-type: none"> ◆ Instructions on asset cost breakdown and record-keeping requirements. Include PL 96-638 contractor instructions, if necessary. ◆ Instructions for CIP monthly reconciliation reporting. Determine reconciliation training needs, and provide such training and assistance, as necessary.

STEP 3: PERFORM PROJECT COST RECONCILIATION

The BIA policy requires the Project Officer/Manager to perform a monthly reconciliation of all financial transactions affecting the project.

For all costs related to the PCAS project number, the Project Officer/Manager shall reconcile the transactions with the BIA-664 and BIA-665 reports, against corresponding financial documents maintained in the Project Officer/Manager's project file (e.g., contract awards, payments, FEDSTRIP report, Federal charge card reports, and IPAC or other acquisition documents, to include the travel and payroll costs directly related to the project).

The Project Officer/Manager must sign and submit the Project Cuff Account Worksheet (BIA-CIP003) and related work papers to OFM-CIP Division.

Note: The Project Officer/Manager can request assistance from OFM-CIP Division in order to complete the monthly reconciliation requirement. OFM-CIP Division staff is required to provide the technical assistance necessary for completing this important task.

The following table addresses the responsibilities and timeframes for this step.

Step	Office/Position	Timeframe	Action
3a.	Project Officer/Manager	Upon receipt of approved forms BIA-CIP001/00A	Establish the project record-keeping system (a "cuff" account for maintaining cost documents). If needed, request reconciliation training from OFM-CIP Division.
3b.	Project Officer/Manager	Monthly—form BIA-CIP003 is due within 15 work days after the end of the month. Note: This is a quarterly requirement for PL 93-638 and 100-297 projects and compact construction projects. (See CFR 900.13C(B)(8), CFO 900.45(A), and Tribal Clarification Memo.	Compare all project transactions processed through FFS using the BIA-664 and BIA-665 reports (available on INFOPAC). The purpose of this requirement is to ensure accuracy of financial transactions processed through the FFS (PCAS) account and corresponding financial cost documents through the period reported. The Project Officer/Manager must use form BIA-CIP003, "Project Cuff Account Worksheet" (See Appendix B) to perform the reconciliation. The Project Officer/Manager must submit the completed and signed BIA-CIP003 to OFM-CIP Division electronically or by fax.

Step	Office/Position	Timeframe	Action
3c.	Program Manager (OFMC, I&P, NIFC, SOD) or Regional Director or Superintendent	Quarterly, at least 14 business days before the end of the quarter to ensure that CIP transfers can be made in FFS.	Perform a review of CIP project completion activity and status, and provide input/summary to OFM-CIP Division for their CIP status report to the CFO. Provide status and list of costs incurred for Tribal Construction projects (where BIA advanced funds prior to commencement of construction) for the duration of the project.
3d.	Program Manager (OFMC, I&P, NIFC, SOD) or Regional Director or Superintendent	Quarterly for Revised cost estimates and projects in Abeyance - at least 14 business days before the end of the quarter to ensure that CIP transfers can be made in FFS. Monthly for Abandoned projects.	Notify Project Officer/Manager of Abandoned Project or Revised cost estimates (where final total costs are expected to be less than \$100,000) Notify Project Officer/Manager of CIP project in Abeyance. Prepare form/report and provide attachments and supporting documentation.
3e.	Project Officer/Manager	Upon receipt of approved forms	Review Abandoned Project or Revised cost estimates forms/report and attachments and sign off. Review documentation supporting CIP project in Abeyance. Provide information and documentation to OFM-CIP Division.
3f.	OFM-CIP Division	Monthly procedures.	Review Abandoned Project , Project in Abeyance or Revised cost estimates forms/report and attachments, make adjusting General Ledger transactions to record expenses instead of CIP. Maintain all related documentation.

STEP 4: PERFORM RECONCILIATION REVIEW AND REPORTING

The OFM-CIP Division is required to review all submitted BIA-CIP003 forms (i.e., project “cuff” account worksheets) and coordinate the necessary corrective actions with the respective Project Officer/Manager.

In addition, OFM-CIP Division will prepare a quarterly report for the Chief Financial Officer (CFO), which summarizes the status of the BIA’s ongoing CIP project activity.

The following table addresses the responsibilities and timeframes for this step.

Step	Office/Position	Timeframe	Action
4a.	OFM-CIP Division	10 work days after receipt of BIA-CIP003 worksheet	Review the BIA-CIP003 report for accuracy. Coordinate necessary corrective action with the Project Officer/Manager.
4b.	OFM-CIP Division	Quarterly	Prepare a report for the CFO that summarizes: <ul style="list-style-type: none">◆ The reconciliation report status for each CIP project.◆ The status of CIP project completion activity (as provided by the Program Manager from Step 3c above).◆ Problem areas and recommendations.
4c.	OFM-CIP Division	Quarterly	Maintain approvals and documentation on completion activity and status, and “cuff” accounts worksheets for reconciliation or support.

Completed Project Phase

STEP 5: SUBMIT NOTIFICATION OF PROJECT COMPLETION AND CIP TRANSFER REPORT

Sixty days prior to the estimated occupancy or use of the facility or structure, the Project Officer/Manager must advise OFM-CIP Division of the proposed completion (or partial completion) of the project.

OFM-CIP Division will initiate and coordinate processing requirements for completing form BIA-CIP005, “Transfer Report” (See Appendix E).

The following table addresses the responsibilities and timeframes for this step.

Step	Office/Position	Timeframe	Action
5a.	Project Officer/Manager	60 days prior to estimated project completion	Notify OFM-CIP Division (via e-mail and/or memo) of the estimated project completion date. If partially completed, identify the specific building, part of building, or structure that will be completed.
5b.	OFM-CIP Division (working with the Project Officer/Manager)	3 work days after notification	<p>OFM-CIP Division staff will initiate the requirements for completing form BIA-CIP005:</p> <ul style="list-style-type: none"> ◆ Provide any necessary assistance to the Project Officer/Manager for completing form BIA-CIP005, including the attachments for project cost documentation, GL cost distribution, BIA-664. ◆ Obtain the necessary final cost and breakdowns from the PL96-638 contractor, as necessary. ◆ Establish the project completion date ("in-service" date) for the building or structure. ◆ If necessary, coordinate the Beneficial Occupancy and Safety Certificate requirement with the Safety Office. ◆ Obtain the Nomenclature Use Code (required on the BIA-CIP005) from the Regional Property Officer. ◆ E-mail status of impending CIP Transfer to DP (Phoenix). Phoenix property staff will coordinate with local property staff for site plan, building #, information.
5c.	Project Officer/Manager	Upon completion of BIA-CIP005	Obtain dated signatures of the Program Manager and Project Officer/Manager on the BIA-CIP005 (part H), and forward the entire Transfer Report package (via overnight delivery) to OFM-CIP Division.

STEP 6: EXECUTE GENERAL LEDGER TRANSFER AND ESTABLISH FIXED ASSETS

The final step in the CIP process consists of two parts: transferring project costs against General Ledger account 1720 to the appropriate asset General Ledger account (1712, 1730, and 1740), and establishing the completed project as a real property asset on the FAS system. The following table describes the responsibilities and timeframes for this step.

Step	Office/Position	Timeframe	Action
6a.	OFM-CIP Division	Complete within 5 work days after receipt of the BIA-CIP005 from the PO.	<p>Review BIA-CIP005 for accuracy and completeness.</p> <p>Transfer project costs from GL 1720 to asset GLs (1712, 1730, and 1740).</p> <p>Transfer Costs for Heritage Asset renovations to the appropriate accounts (expense in the period in which incurred those costs for renovation, improvements or reconstruction; however if the renovation, improvements or reconstruction can be directly attributed to Government operations then it should be capitalized as Fixed Assets per FASAB 6 guidelines)</p> <p>Tribal Construction projects (where BIA advanced funds prior to commencement of construction)</p> <ul style="list-style-type: none"> • Transfer costs incurred for Tribal Construction projects from 1410 to 1720 to record CIP for the duration of the project. • Transfer costs from GL1720 for completed Tribal Construction projects. <p>Complete BIA-CIP005 (parts I and J).</p>
6b.	OFM-CIP Division		Overnight the CIP transfer package to DP (Phoenix).

Step	Office/Position	Timeframe	Action
6c.	DP (Phoenix)	Complete within 5 work days after receipt of the CIP transfer package	<p>Establish asset(s) for buildings, improvements to land, or other structures on FAS, using the project completion date (as the property in-service date) and the cost data provided on form BIA-CIP005.</p> <p>Sign off on the action taken on form BIA-CIP005 (part K).</p> <p>Coordinate FAS action with the Regional Property Officer.</p> <p>Update the location site plan.</p> <p>Establish an official property file for the asset.</p>
6d.	DP (Phoenix)	Upon completion of Step 6c.	Advise the Project Officer/Manager and OFM-CIP Division (via e-mail and/or memo) of the completed action.

Chapter 4

CIP Process—Power/Irrigation Projects

OVERVIEW—MAJOR STEPS

The chapter provides the accounting management process for the CIP “power/irrigation” projects, which varies slightly from the standard process described in the previous chapter.

The tables identify the phase; the numbered steps within each phase; the responsible office and/or individual; and the required action.

This chapter also addresses each step in more detail and provides typical or required timeframes for completing the actions.

Step	Office/Position	Action
Power/Irrigation Projects Planning, Design and Construction Phase		
Step 1—Prepare PCAS Project Number Request		
1a.	Power/Irrigation Division Managers	Select a project. Determine ultimate ownership (Federal government or Tribal). Designate the Project Officer.
1b.	Project Officer	Develop Scope of Work, and determine the applicable FERC-based program code for proper accounting and the associated budget. Designate Contracting Officer (CO). Complete form BIA-CIP001/00A, “CIP Request for PCAS Project Number.”
1c.	Project Officer	Submit the BIA-CIP001/00A, Scope of Work, and budget (cite proper accounting information) to OFM-CIP Division and the local Budget Officer to record funding in proper accounting.
Step 2—Approve PCAS Project Number		
2a.	OFM-CIP Division	Review the BIA-CIP001/00A and attachments for accuracy and completeness, and coordinate any necessary corrective actions with the Project Officer.
2b.	OFM-CIP Division	Determine the CIP qualification category and General Ledger post flag designation.
2c.	OFM-CIP Division	Assign a PCAS Project Number, and encode to FFS.
2d.	OFM-CIP Division	Return the finalized copy (BIA-CIP001/00A) to the Program Office.

Step	Office/Position	Action
2e.	Project Officer	Develop a local methodology to ensure that the PCAS number is used on all respective financial transactions
2f.	Project Officer	Prepare an acquisition request (or requisition, as applicable) Forward the request , the Scope of Work and budget to the CO via the local property specialist.
Step 3—Perform Project Cost Reconciliation		
3a.	Project Officer	Establish a project record-keeping system (also called “cuff” account).
3b.	Project Officer	Prepare and submit project “cuff” account worksheets (and related outstanding reconciling documentation) to OFM-CIP Division.
3c.	Project Officer	Perform a review of CIP Power/Irrigation projects for completion activity and status, and provide inputs to OFM-CIP Division.
3d.	Project Officer	Notify Project Officer/Manager of Abandoned Project or Revised cost estimates (where final total costs are expected to be less than \$100,000). Notify Project Manager of CIP Power/Irrigation plant project in Abeyance. Prepare form/report and provide attachments and supporting documentation.
3e.	Project Officer	Review Abandoned Project or Revised cost estimates forms/report and attachments and sign off. Review documentation supporting CIP project in Abeyance. Provide information and documentation to OFM-CIP Division.
3f.	OFM-CIP Division	Review Abandoned Project, Project in Abeyance or Revised cost estimates forms/report and attachments. Maintain all related documentation.
Step 4—Perform Reconciliation Review and Reporting		
4a.	OFM-CIP Division	Review “cuff” account worksheets and received documentation.
4b.	OFM-CIP Division	Provide a quarterly CIP status report to the Chief Financial Officer (CFO).
4c.	OFM-CIP Division	Develop the necessary reconciling accounting documents and perform subsequent FFS encoding. Maintain all supporting documentation.
Power/Irrigation Projects: Completed Project Phase		
Step 5—Submit Notification of Project Completion and CIP Transfer Report		
5a.	Project Officer	Formally notify OFM-CIP Division (via e-mail and/or memo) of the estimated project completion date.

Step	Office/Position	Action
5b.	OFM-CIP Division	Working with the Project Officer, initiate completion of form BIA-CIP005, "Transfer Report," and the gathering of all cost supporting documentation.
5c.	Project Officer	Obtain the necessary signatures (Project Officer and Power/Irrigation Division Manager), obtain the respective asset number from the local property specialist, and submit the completed, signed form BIA-CIP005 to OFM-CIP Division.
Step 6—Execute General Ledger Transfer and Establish Fixed Assets		
6a.	OFM-CIP Division	Using form BIA-CIP005, transfer GL 1720 project costs to asset GL accounts (1712, 1730, and 1740).
6b.	OFM-CIP Division	Overnight the CIP transfer package (form BIA-CIP005, cost documentation) to the Division of Property (Phoenix).
6c.	DP (Phoenix)	Record assets in FAS (use the project completion date as the "in-service" date), update agency (location) site plan, and establish an official property file.
6d.	DP (Phoenix)	Notify the Project Officer and OFM-CIP Division (via e-mail and/or memo) of the completed action.

Note: FERC = Federal Energy Regulatory Commission

PROCESSING PROCEDURES—SPECIFIC RESPONSIBILITIES AND TIMEFRAMES

Planning, Design and Construction Phase

STEP 1: PREPARE PCAS PROJECT NUMBER REQUEST AND PROJECT BUDGET ATTACHMENT (FORMS BIA-CIP001 AND BIA-CIP00A)

The process for "power/irrigation" projects varies from the general instructions given in the previous chapter.

The general instructions refer to a Project Manager, however, the San Carlos Irrigation Project's Project Manager is responsible for both the Irrigation and Power Divisions with the project. It is the Power/Irrigation Division Manager, however, who makes the CIP project assignments.

The PCAS system is required to properly maintain the CIP projects and represents the BIA's official accounting system for reporting CIP transactions. The FFS requires linkage to a PCAS project number in order to process financial transactions assigned to the CIP General Ledger account. The PCAS incorporates a reporting capability (BIA-662, 663, 664,

and 665) to show the obligation and expenditure activity processed through FFS.

Note: Related project reporting systems or manually kept “cuff” records are not integrated with FFS. Therefore, they will not reflect the actual processed financial activity, and they cannot be used in lieu of the cost reconciliation requirements described in this handbook (Step 3).

The following table addresses the responsibilities and timeframes for this step.

Step	Office/Position	Timeframe	Action
1a.	Power/Irrigation Division Managers	Prior to expenditure of project-related funding, including pre-construction, planning, design.	Determine the power/irrigation project need and the budget's (and rate structure's) ability to fund the project. Assign the designated Project Officer. Determine the ultimate ownership of the completed project (BIA or Tribal).
1b.	Project Officer		Develop the Scope of Work, determine the applicable FERC-based program code, and develop an overall budget and cost estimate for each major asset (buildings, improvements to land, other structures). ^a Complete and secure the proper signoff on forms BIA-CIP001 and BIA-CIP00A (see Appendix C). ^a Designate the CO.
1c.	Project Officer		Submit the completed forms and attachments to: Office of Financial Management CIP Division 201 3rd Street, NW, Room 500 Albuquerque, NM 87102 i.e., OFM—CIP Division

^a Coordinate Scope of Work (SOW) development with the local property specialist, especially when there is planned demolition, abandonment, and/or replacement of an existing asset that has exceeded its useful life or will receive an upgrade. This asset number must be included, and a determination must be made by the local property specialist whether to perform a disposal procedure per the Indian Affairs Manual (IAM). The local property specialist will also review the SOW for planned asset creation and completed forms BIA-CIP001 and BIA-CIP00A for the Budget Object Class reference. The local property specialist will assign, for any planned created asset, the asset number and asset type designation for SOW inclusion and recommend and/or approve the Budget Object Class referenced on the form BIA-CIP00A..

STEP 2: APPROVE PCAS PROJECT NUMBER

General policy for PCAS project numbers is found in the Assistant Secretary—Indian Affairs memorandum “Fixed Asset System, Leases and Project Cost Accounting System,” dated October 9, 2001. The implementation

instructions are provided in the Acting Chief, Division of Accounting Management memorandum “FFS Encoding of Construction and Non-Construction Project Cost Accounting System (PCAS) Requests,” dated October 31, 2001 (See Appendix B).

The OFM will have sole responsibility for reviewing and approving the PCAS project number requests, and for assigning and encoding the PCAS project and sub-project establishment information for all BIA construction.

The following table addresses the responsibilities and timeframes for this step.

Step	Office/Position	Timeframe	Action
2a.	OFM-CIP Division	Within 5 work days of receipt	Review PCAS project number request forms and attachments for accuracy and completeness, and coordinate any necessary corrective action with the Program Officer.
2b.	OFM-CIP Division	Within 5 work-days of receipt of request forms	Determine the CIP project qualification category and the General Ledger post flag designation.
2c.	OFM-CIP Division	Within 5 work-days of receipt of request forms	Establish and encode into FFS the PCAS project number, and set up a project file for future reconciliation reports.
2d.	OFM-CIP Division	Upon completion of Step 2c.	Return the “accomplished” copy of BIA-CIP001 (PCAS project number assignment) to the Program Office, and provide the Project Officer with: <ul style="list-style-type: none"> ◆ Instructions on asset cost breakdown and recordkeeping requirements, including PL 96-638 contractor instructions, if necessary. ◆ Instructions for CIP monthly reconciliation reporting. Determine reconciliation training needs, and provide such training and assistance, as necessary.
2e.	Project Officer		Develop a local methodology to ensure that the PCAS number is used on all respective financial transactions.
2f.	Project Officer	Upon receipt of “accomplished” BIA-CIP001 from Step 2d.	Prepare an acquisition request (or requisition, as applicable), including accounting information with the PCAS number, and forward with the Scope of Work and budget to the CO via the local property specialist.

STEP 3: PERFORM PROJECT COST RECONCILIATION

The BIA policy requires the Project Officer to perform a monthly reconciliation of all financial transactions affecting the project.

For all costs related to the PCAS project number, the Project Officer shall reconcile the transactions with the BIA-664 and BIA-665 reports, against corresponding financial documents maintained in the Project Officer's project file (e.g., contract awards, payments, FEDSTRIP report, Federal charge card reports, and IPAC or other acquisition documents, to include travel and payroll costs directly related to the project).

The Project Officer must sign and submit the Project "Cuff" Account Worksheet (BIA-CIP003) and related work papers to OFM-CIP Division.

Note: The Project Officer can request assistance from OFM-CIP Division in order to complete the monthly reconciliation requirement. The OFM-CIP Division staff is required to provide the technical assistance necessary to complete this important task.

The following table describes the responsibilities and timeframes for this step.

Step	Office/Position	Timeframe	Action
3a.	Project Officer	Upon receipt of approved BIA-CIP001/00A forms	<p>Prepare an acquisition request, including the PCAS number and FERC-based accounting information, and forward it with the Scope of Work and budget to the CO.</p> <p>Develop a local methodology to ensure that the PCAS number is used for all costs related to the project. Notify staff to add an additional accounting string (with the PCAS number) in the time and attendance database, and document the PCAS number for future travel authorizations, Government charge card, and convenience check accounting references.</p> <p>Establish a project record-keeping system for maintaining cost documents. If needed, request reconciliation training from OFM-CIP Division.</p>

3b.	Project Officer	<p>Monthly reconciliations: form BIA-CIP003 is due within 15 work days after the end of the month.</p> <p>Note: This is a quarterly requirement for PL 93-638 and 100-297 projects and compact construction projects. (See CFR 900.13C(B)(8), CFO 900.45(A) and Tribal Clarification Memo.</p>	<p>Compare all project transactions processed through FFS using the BIA-664 and 665 reports (available on INFOPAC). The purpose of this requirement is to ensure accuracy of the financial transactions processed through the FFS (PCAS) account and its corresponding financial cost documents, through the period reported.</p> <p>The Project Officer must use form BIA-CIP003, "Project Cuff Account Worksheet" (See Appendix B) to perform the reconciliation.</p> <p>The Project Officer must submit to OFM-CIP Division (electronically or by fax) the completed BIA-CIP003 (and any documents evidencing transactions in Project Office files, but not on the BIA-664 or 665, and any other reconciling items).</p>
3c.	Project Officer	<p>Quarterly, at least 14 business days before the end of the quarter to ensure that CIP transfers can be made in FFS.</p>	<p>Perform a review of CIP Power/Irrigation projects for completion activity and status, and provide inputs to OFM-CIP Division.</p>
3d.	Project Officer	<p>Quarterly, at least 14 business days before the end of the quarter to ensure that CIP transfers can be made in FFS.</p>	<p>Notify Project Officer/Manager of Abandoned Project or Revised cost estimates (where final total costs are expected to be less than \$100,000)</p> <p>Notify Project Manager of CIP Power/Irrigation plant project in Abeyance.</p> <p>Prepare form/report and provide attachments and supporting documentation.</p>
3e.	Project Officer	<p>Quarterly for Revised cost estimates and projects in Abeyance - at least 14 business days before the end of the quarter to ensure that CIP transfers can be made in FFS.</p> <p>Monthly for Abandoned projects.</p>	<p>Review Abandoned Project or Revised cost estimates forms/report and attachments and sign off.</p> <p>Review documentation supporting CIP project in Abeyance.</p> <p>Provide information and documentation to OFM-CIP Division.</p>
3f.	OFM-CIP Division	<p>Upon receipt of approved forms</p>	<p>Review Abandoned Project, Project in Abeyance or Revised cost estimates forms/report and attachments.</p> <p>Maintain all related documentation.</p>

STEP 4: PERFORM RECONCILIATION REVIEW AND REPORTING

The OFM-CIP is required to review all submitted BIA-CIP003 forms and project “cuff” account worksheets, and coordinate any necessary corrective actions with the respective Project Officer.

In addition, OFM-CIP will prepare a quarterly report for the Chief Financial Officer (CFO) that summarizes the status of the BIA ongoing CIP project activity.

The following table addresses the responsibilities and timeframes for this step.

Step	Office/Position	Timeframe	Action
4a.	OFM-CIP Division	10 work days after receipt of the BIA-CIP003 worksheet	Review the BIA-CIP003 Project “Cuff” Account Worksheet for accuracy. Coordinate any necessary corrective action with the Project Officer.
4b.	OFM-CIP Division	Quarterly	Prepare a report for the CFO that summarizes: <ul style="list-style-type: none">◆ The reconciliation report status for each CIP project.◆ The status of CIP project completion activity.◆ Problems areas and recommendations.
4c.	OFM-CIP Division	Quarterly	Develop the necessary reconciling accounting documents and perform subsequent FFS encoding. Maintain documentation on completion activity and status, and “cuff” accounts worksheets for reconciliation and support.

Completed Project Phase

STEP 5: SUBMIT NOTIFICATION OF PROJECT COMPLETION AND CIP TRANSFER REPORT

Sixty days prior to the estimated occupancy or use of the facility or structure, the Project Officer must advise OFM-CIP of the proposed completion (or partial completion) of the project.

OFM-CIP will initiate and coordinate processing requirements for completing the form BIA-CIP005, “Transfer Report” (See Appendix E).

The following table addresses the responsibilities and timeframes for this step.

Step	Office/Position	Timeframe	Action
5a.	Project Officer	60 days prior to estimated project completion	Notify OFM-CIP Division (e-mail or memo) of the estimated project completion date. If partially completed, identify specific building, part of building or structure that will be completed.
5b.	OFM-CIP Division (working with the Project Officer)	3 workdays after notification	<p>OFM-CIP Division staff will initiate completion of form BIA-CIP005 requirements:</p> <ul style="list-style-type: none"> ◆ Provide necessary assistance to the Project Officer in completing form BIA-CIP005, including attachments for project cost documentation, GL cost distribution, BIA-664. ◆ Obtain the final cost and breakdowns from the PL96-638 contractor, as necessary. ◆ Establish the project completion date (“in-service” date) for the building or structure. ◆ If necessary, coordinate the Beneficial Occupancy and Safety Certificate requirement with the Safety Office. ◆ Obtain the Nomenclature Use Code (required on the BIA-CIP005) from the Regional Property Officer. ◆ E-mail the status of the impending CIP transfer to DP (Phoenix). Phoenix property staff will coordinate with local property staff for the site plan, building number, and other information.
5c.	Project Officer	Upon completion of BIA-CIP005	Obtain dated signatures of the Project Manager and Power/Irrigation Division Manager on the BIA-CIP005 (part H), and forward the entire Transfer Report package (via overnight delivery) to OFM-CIP Division.

STEP 6: EXECUTE GENERAL LEDGER TRANSFER AND ESTABLISH FIXED ASSETS

The final step in the CIP process consists of two parts process: transferring the project costs against General Ledger account (1720) to the appropriate asset General Ledger account (1712, 1730, and 1740); and establishing the completed project as a real property asset on the FAS system.

The following table addresses the responsibilities and timeframes for this step.

Step	Office/Position	Timeframe	Action
6a.	OFM-CIP Division	Within 5 work days after receipt of BIA-CIP005 from PO	Review the BIA-CIP005 for accuracy and completeness. Transfer project costs from GL 1720 to asset GLs (1712, 1730, and 1740). Complete the BIA-CIP005 (parts I and J).
6b.	OFM-CIP Division		Overnight the CIP transfer package to DP (Phoenix).
6c.	DP (Phoenix)	Within 5 work days after receipt of the CIP Transfer package	Establish assets (buildings, improvements to land, other structures) on the FAS, using the project completion date (as the property in-service date) and the cost data provided on form BIA-CIP005. Sign off on the action taken on BIA-CIP005 (part K). Coordinate FAS action with the Regional Property Officer. Ensure that replaced or demolished property is properly removed from the FAS. Update the location site plan. Establish an official property file for the asset.
6d.	DP (Phoenix)	Within 5 work days after receipt of the CIP Transfer package	Advise the Project Officer, Power/Irrigation Division Manager, and OFM-CIP Division (via e-mail and/or memo) of the completed transfer action.

The Departmental Real Property Financial Management policy dated April 2003 has the category and definition listed below:

“Assets Constructed for Non-Federal Agencies, including state, local and tribal governments, are also recognized as CIP until completion. The exact nature of the accounting treatment will depend upon the details of the transaction. Upon transfer of title to the non-federal agency, the BIA will remove CIP from its records and recognize an expense for Investment in Non-Federal Physical Property.”

Appendix A

BIA PP&E Policy Memorandum (revised March 2002)

Property, Plant and Equipment (PP&E) Assets

19. Policies and Procedures

It shall be the policy of the Bureau of Indian Affairs to establish and maintain a Property Management System and procedures that provide for the accountability of Real and Personal Property in compliance with standards issued by the Federal Accounting Standards Advisory Board (FASAB), the Department of Treasury and Department of the Interior, and other technical guidelines approved by the Bureau.

19.1 Process

All Bureau owned capitalized property (Buildings, Improvements and Renovations, Improvements to Land, Other Structures and Facilities, Equipment) and non-capitalized property (accountable and sensitive property) shall be properly identified (property tag, building/structure number) with a visible officially assigned fixed asset number.

Additionally, BIA capitalized and non-capitalized property will be inventoried through an annual procedure and reconciled to the Federal Financial System (FFS) and the Fixed Asset Subsystem(FAS). Capitalized real and personal property shall be supported by appropriate cost/acquisition documentation and maintained in official property files.

19.2 Land and Land Rights

All costs of Land and/or costs of easements and rights-of-way purchased (*not-leased*) by the Bureau for use in Bureau operations (i.e., land acquired for off-reservation schools or irrigation and power projects, including off-reservation Bureau owned access roads) will be capitalized in the Land and Land Rights account.

General Ledger Account: 1711 (BOC 32.1A - Land, 32.1E Land Rights)
Capitalization Threshold: None (i.e., all land is capitalized regardless of cost)

19.3 Improvements to Land

All costs for landscaping, fences, streets (including off-reservation bureau constructed access roads/non-public), driveways, parking lots, etc. \$50,000 and over on land used for Bureau operations will be capitalized in the Improvements to Land account. Costs below \$50,000 will be expensed and will not be capitalized.

General Ledger Account: 1712 (BOC 32.2Z)
Capitalization Threshold: \$50,000
Description: Landscaping, fences, streets (including access roads/non-public), driveways, and parking lots, etc.

Non-capitalized: 32.7H or 32.6Z (refer to Appendix M of the Fixed Asset Subsystem: Property Management Handbook)

Note: Improvements to Land property assets are typically funded through the Office of Facilities Management and Construction and not the Division of Transportation).

19.4 Building, Improvements, and Renovations

All buildings \$50,000 and over will be capitalized in the Buildings, Improvements, and Renovations account. All costs for improvements and/or renovation of buildings \$50,000 and over which extends the useful life of the building by more than 30 years for constructed buildings (15 years for pre-manufactured portable/modular buildings and house trailers) will also be capitalized in the Building account. Costs below \$50,000 will be expensed and will not be capitalized.

General Ledger Account: 1730 (BOC 32.3B* - Constructed, 32.3C - Purchased)
Capitalization Threshold: \$50,000
Description: Permanent constructed buildings and purchased pre-manufactured portable/modular buildings
Non-capitalized: BOC 32.7B - Constructed, 32.7C - Purchased

***Note:** This object class should only be used on the completion document, which moves the cost of the completed project to the related asset account from the construction in progress account. This object class should never appear on an obligation document or payment document.

19.5 Other Structures and Facilities

All costs for Other Structures and Facilities \$50,000 and over will be capitalized in the Other Structures and Facilities account. All costs for improvements and/or renovations \$50,000 and over which equal or exceed the structure's depreciable useful life will also be capitalized in the Other Structures account. Costs below \$50,000 will be expensed and will not be capitalized.

General Ledger Account: 1740 (BOC 32.2D* - Dams - Constructed, 32.2E Dams - Purchased 32.3Y* Other Structures and Facilities - Constructed, 32.3Z - Other Structures and Facilities - Purchased)
Capitalization Threshold: \$50,000
Description: Other Structures whether purchased or constructed. Consult the Fixed Asset Subsystem: Property Management Handbook - Appendix M for detailed descriptions.
Non-capitalized: 32.7Y - Other Structures & Facilities Constructed, 32.7Z - Other Structures and Facilities - Purchased.

19.6 Equipment

All costs for equipment purchased for \$15,000 and over will be capitalized in the Equipment account (the cost basis is to include all associated costs such as freight, installation, etc.). Costs

below \$15,000 will be expensed and will not be capitalized.

General Ledger Account: 1750 (BOC 31.1A, E, J, K, L)
Capitalization Threshold \$15,000
Description: Equipment (EC), Vehicles (VH)
Non-capitalized: 31.2B

Note: Property acquisitions between \$5,000 - \$14,999 will be tagged and maintained as accountable property and recorded in the BIA Fixed Asset Subsidiary as BOC 31.2A (Non-Capitalized - System Controlled Equipment) or BOC 31.2T (Non-Capitalized - Vehicles).

19.7 Roads, Bridges and Trails

All roads, bridges and trails constructed and maintained by BIA (other than those included in the Improvements to Land account above) are constructed on Trust property. None of these costs will be capitalized. They will be expensed.

19.8 Information Technology Software

All costs for software, custom or off-the-shelf with a cost of \$100,000 and over and a useful life of more than three years will be capitalized in the Information Technology Software account (General Ledger account 1830), with exceptions as noted in the Financial Management Handbook. Software below \$100,000 will be expensed.

19.9 Depreciation

BIA will depreciate all capitalized property, except Land, over the life of the asset using the straight-line method based on the useful life established by the Bureau.

Appendix C PCAS Project Request Form and Project Budget Attachment (Forms BIA-CIP001 and BIA-CIP00A)

**U.S. Department of the Interior
Bureau of Indian Affairs
Construction-In-Progress: Request for PCAS Project Number**

Request Date: ___/___/___ Project Type (New, Replacement, Ownership upon FI&R): _____ Completion: (check one) BIA Tribal

Project Name: _____

Region: _____ Agency: _____ Org Code: _____

City: _____ State: ___ CD: ___ CTY: ___ Program Code: _____

Est. Start Date: ___/___/___ Est. Completion Date: ___/___/___ Acq. Type _____ (638, 297, FAR, Compact)

Bldg/Asset # _____ Fixed Asset Type: _____ Existing _____ New _____

Project Budget Attachment (Form BIA-CIP00A) for this project is completed and attached (Y/N)

Copy of Scope of Work Attached (Y/N) Copy of Program of Requirements (POR) Attached (Y/N)

Comments:

Designated Contracting Officer:	Name	()	Phone
	E-mail	()	Fax
Designated Project Officer:	Name	()	Phone
	E-mail	()	Fax

Project Authorization Information

Program Manager:	Name	()	Title
	E-mail	()	Phone
	City	State	ZIP Code

Project Funding Authorized (Y/N) Signature: _____ Date: ___/___/___

For DAM Use Only	
PCAS No. Encoded: _____	/ /
CIP Material Sent to PM: _____	/ /
Name	Date
PCAS Number Assigned	

Appendix D

Processing PCAS Project Number Requests



IN REPLY REFER TO:

United States Department of the Interior

Bureau of Indian Affairs
2051 Mercator Drive
Reston, Virginia 20191
October 31, 2001

Memorandum

TO: Director, Office of Facilities Management and Construction
Director, Office of Trust Responsibilities
Director, Office of Indian Education Programs
Director, Office of Law Enforcement Services
Director, BIA National Interagency Fire Center
Chief, Division of Transportation

FROM: Acting Chief, Division of Accounting Management *J. M. Murphy*

SUBJECT: FFS Encoding of Construction and Non-Construction Project Cost Accounting System (PCAS) Requests

This is to follow up the memorandum from the Assistant Secretary – Indian Affairs dated October 9, 2001, subject "Fixed Asset System, Leases and Project Cost Accounting System". In the attachment of the Assistant Secretary's memorandum, it stipulates "Encoding of PCAS job numbers for all BIA construction projects will be processed in Reston effective October 4, 2001". Therefore, effective immediately, the Division of Accounting Management (DAM) will assume and have sole responsibility for reviewing requests for and encoding Bureau-wide PCAS Project and Sub-Project Numbers for construction projects under Appropriation 14X2301 – Construction, Fund 10000. The encoding of PCAS requirements for "non-construction" projects will remain the responsibility of program field personnel.

Construction Projects (New, Replacement, FI&R, etc.)

Only forms identified in the Construction-In-Progress (CIP) Accounting Management Handbook will be accepted for review and processing. These construction project request forms are: BIA-CIP001 "Construction-In-Progress: Request for PCAS Number" and BIA-CIP00A "Construction-In-Progress: Project Budget Attachment". *It should be noted that Form BIA-CIP002 "Notification of PCAS Number" is no longer valid or applicable.* All CIP related project requests will be processed by DAM based on fully completed BIA-CIP001 and BIA-CIP00A forms with attached required supporting information; Scope-Of-Work (SOW) and Program of Requirements (POR). Note: the POR is a new requirement that must also be attached. DAM will be responsible for reviewing and determining CIP qualifying criteria and the appropriate GL posting designation using current bureau CIP policies and procedures. In this regard, it is very important that the requesting organizations provide essential information regarding construction project ownership (BIA or Tribal) and construction project funding arrangements (direct or reimbursable). It is essential that all required information be complete

on the forms, especially designated project officer/contracting officer/project manager names, contact information, and approving official signature. Again, it is critical that project SOW and POR information be attached. Incomplete PCAS forms without necessary attachments will be returned (via over-night delivery) to the originating office.

All the completed forms should be submitted to the Division of Accounting Management, ATTN: Mr. Stephen Cloud, 2051 Mercator Drive, Reston, Virginia 20190. DAM will not accept any informal construction PCAS requests through E-mail or over the telephone. For quicker processing of your request, you may use overnight delivery or fax the completed forms with required attachments to (703) 390-6514 or (703) 390-6570.

Non-Construction Projects

As stated above, the encoding of all non-construction projects will be processed by the program field personnel. A new form for non-construction PCAS Number assignments has been developed and attached for your immediate usage and implementation. The new form is BIA-PCAS001 "Project Cost Accounting System Number Request". We suggest that the new form be used when encoding the all non-construction projects. Afterwards, please retain a copy for your office and submit a copy to DAM for our records and files. Also for our records and files, please submit a list of program numbers, telephone number, and the name of the person who will be encoding the non-construction projects for your area. Please provide this information to Mr. Stephen Cloud (see above).

If you have any questions regarding this memorandum, please contact Mr. Cloud by E-mail (Stephen Cloud @bia.doi.gov) or on (703) 390-6520.

Attachments: CIP/PCAS Number Request Forms (3)

cc: Ross Mooney
Robert Dobson
Matt Crain
Frank Holiday
Norm Suazo, OFMC
Emerson Eskeets, OFMC
ALL Project Officers, OFMC
Maggie Moran, NIFC
Rosie Morin, NIFC
Lisa Hudson, Transportation
Clarence Kie, Transportation
Agatha Trujillo, OLES

Appendix E CIP Transfer Report (Form BIA-CIP005)

**U.S. Department of the Interior
Bureau of Indian Affairs
Construction-In-Progress: Transfer Report**

Date: _____		Check appropriate box(es):							
Region: _____		<input type="checkbox"/> This is a Partial Report		<input type="checkbox"/> This is a Final Report					
Agency: _____		<input type="checkbox"/> Building		<input type="checkbox"/> Land Improvement		<input type="checkbox"/> Other Structure			
Location: _____									
A	Accounting Data				Property Data				
Fiscal Year	Job Number	FFS Organization Code	Program Code	Cost	Building/Structure Unit Number	Nomenclature Use Code <small>(Property Officer Responsibility)</small>	Number: Sq. Feet, Lin. Ft./Miles,		
B Title: (Project, Program Type [New, Replacement, FI&R], Contractor)				C Cost Breakdown by Structure: <small>Structure Code: (BD=Bldg, DC=Dam, FC=Other Structure, NS=Land Improve.)</small>					
D Description of Project:				<small>Structure Code</small>	<small>Amount</small>	<small>Structure Code</small>	<small>Amount</small>	<small>Structure Code</small>	<small>Amount</small>
				_____	\$ _____	_____	\$ _____	_____	\$ _____
				_____	\$ _____	_____	\$ _____	_____	\$ _____
				_____	\$ _____	_____	\$ _____	_____	\$ _____
				_____	\$ _____	_____	\$ _____	_____	\$ _____
E Performance Time:						Date SC Transaction:			
		<small>Funding Distribution Document Date:</small>	<small>Project Completion Date (In-Service Date):</small>			<small>SC Doc No.</small>			

**U.S. Department of the Interior
Bureau of Indian Affairs
Construction-In-Progress: Transfer Report**

F	Project Exceptions: (All physical work authorized has been completed except the following items)								
G	Reasons for non-completion of authorized work listed in Section F								
H	Certification of Program Manager and Project Officer: I certify that all information on this report is true and correct, except as noted below: <table style="width:100%; border:none;"> <tr> <td style="width:35%; border:none;">_____</td> <td style="width:15%; border:none;">_____</td> <td style="width:35%; border:none;">_____</td> <td style="width:15%; border:none;">_____</td> </tr> <tr> <td style="border:none; text-align:center;">Signature of Program Manager</td> <td style="border:none; text-align:center;">Date</td> <td style="border:none; text-align:center;">Signature of Project Officer</td> <td style="border:none; text-align:center;">Date</td> </tr> </table> Exceptions to Certification:	_____	_____	_____	_____	Signature of Program Manager	Date	Signature of Project Officer	Date
_____	_____	_____	_____						
Signature of Program Manager	Date	Signature of Project Officer	Date						
I	Capitalization/CIP Accounting 1. Total Construction-In-Progress costs \$ _____ 2. Total Other (non-CIP) costs \$ _____ 3. Demolition costs \$ _____ 4. Total project cost (Accrued Expenditures) \$ _____ 5. Retainage Cost, if applicable (<i>Projected additional expenditures to be paid to contractors upon contract close-out</i>) \$ _____ 6. Most recent copy of BIA664 attached for (check one): <input type="checkbox"/> Partial Report <input type="checkbox"/> Completed Report								
J	Division of Accounting Management, CIP Section Action: 1. Capitalization amount transferred from CIP to Asset Account (Buildings, Other Structures, Land Improvements). 2. Send original of BIA-005 and supporting documentation to DPM (Phoenix) <table style="width:100%; border:none;"> <tr> <td style="width:50%; border:none;">_____</td> <td style="width:50%; border:none;">_____</td> </tr> <tr> <td style="border:none; text-align:center;">Signature of Chief, CIP Section</td> <td style="border:none; text-align:center;">Date</td> </tr> </table>	_____	_____	Signature of Chief, CIP Section	Date				
_____	_____								
Signature of Chief, CIP Section	Date								
K	Division of Property Management (Phoenix) Action: 1. Data entered into Real Property Fixed Asset Sub-system. 2. Update location site plan for new asset 3. Establish official property file for BIA-005 and supporting documentation <table style="width:100%; border:none;"> <tr> <td style="width:50%; border:none;">_____</td> <td style="width:50%; border:none;">_____</td> </tr> <tr> <td style="border:none; text-align:center;">Signature of Chief, Division of Property Management</td> <td style="border:none; text-align:center;">Date</td> </tr> </table>	_____	_____	Signature of Chief, Division of Property Management	Date				
_____	_____								
Signature of Chief, Division of Property Management	Date								

Form BIA-005 Preparation Instructions

(Note: Form must be completed by Project Officer/Manager in coordination with OFM-CIP Section staff)

Page 1 of 2 (ALL SECTIONS MUST BE COMPLETED)

Date/Region/Agency (Self explanatory)

Location: Identify specific location of project (address, building number, structure number)

Check appropriate boxes: Identify box if Transfer Report is Partial or Final completion of project;
Identify boxes determining asset type (building, land improvement, other structure) *Note: certain projects may include several asset types.*

Section A:

Accounting Data: Complete all required data. *Note: Reported costs must tie to fiscal year incurred, AND reconcile to the BIA664 reports*

Property Data: *Note: Coordinate with Regional/Agency Property Officer for Building/Structure Number, Nomenclature Use Code, Sq. Feet, etc.*

Section B – Title: Identify Project Name; Program Type (New, Replacement, FI&R); Contractor Name

Section C – Cost Breakdown by Structure: Distribute total project cost by structure type (building, land improvement, other structure). *Note: Reported costs must tie to total project cost, AND reconcile to the BIA664 reports*

Section D – Description of Project: Provide brief description of project, e.g., School gym, swimming pool, parking lot, etc)

Section E – Enter appropriate dates: Funding Distribution Document, Project Completion Date (Date Asset(s) Placed in Service - *Coordinate with Regional/Agency Property Officer*)

Date SC Transaction/SC Doc No. - *To be completed by OFM-CIP Section*

Page 2 of 2 (ALL SECTIONS MUST BE COMPLETED)

Section F – Project Exceptions: Identify all exceptions to authorized work – work items not completed or included in this Transfer Report

Section G – Reasons for Project Exceptions: (Non-completion of work items identified in Section F)

Section H – Certification of Program Manager and Project Officer/Manager (Self explanatory)

Section I – Capitalization/CIP Accounting – *To be completed by OFM-CIP Section*

Section J – Office of Financial Management Action – *To be completed by OFM-CIP Section*

Section K – Division of Property (Phoenix) Action – *To be completed by DP (Phoenix)*

Appendix F

BIA CIP Policy Memorandum (May 25, 2000)

Date: May 25, 2000

Subject: Policy for Bureau of Indian Affairs Construction-in-Progress (CIP) Activities

Purpose: To provide the BIA official policy of CIP activities

Scope: This policy applies to the Bureau of Indian Affairs – Bureau-wide

Policy:

CIP Management Systems and Procedures

It shall be the policy of the Bureau of Indian Affairs to establish and maintain CIP management systems and procedures that provide for the accounting of Construction-in-Progress in compliance with standards issued by the Federal Accounting Standards Advisory Board (FASAB), the Department of the Treasury and Department of the Interior, and other technical guidelines approved by the Bureau.

CIP Accounting Management Responsibility

The Division of Accounting Management (DAM) shall provide CIP accounting management oversight, develop and promulgate accounting policies and procedures, and provide training, for all Bureau managed construction activities – Buildings, Improvements and Renovations, Improvements to Land, and Other Structures and Facilities. These responsibilities include management and coordination of CIP accounting requirements with all Bureau organizations having construction responsibilities (e.g., Office of Facilities Management and Construction, Irrigation and Power, Forestry, Transportation, Law Enforcement, Fire Protection) including development of CIP accounting management procedures, administration of monthly project reconciliation requirements, and management of FFS subsidiary system (Project Cost Accounting System - PCAS) requirements.

The Division of Acquisition and Property Management (DAPM) will be responsible for management and oversight of all construction project completion requirements – Beneficial Occupancy Certification and CIP Transfer Reports, including coordination of asset account transfers and recording in the Fixed Asset System (FAS).

Program Office Managers having construction activity responsibility shall be required to adhere to CIP policies and procedures and to designate a **Cognizant Contracting Officer (CCO)** for each construction project, who will be responsible for controlling, accounting, and reporting designated project construction costs. Additionally, Program Managers shall be required to designate a **Project Officer (PO)** who will have day-to-day responsibility for direct management of all aspects of the construction project, maintaining all project related cost records, and performing monthly project cost reconciliation requirements, including coordination of such requirements with the RCO.

CIP Accounting – Project Qualification Criteria

All Bureau owned and managed construction project/activities, which meet the following criteria will be recorded in the FFS - Project Cost Accounting System (PCAS), CIP account (General Ledger 1720):

1. New or replacement construction projects (Buildings, Improvements to Land, Other Structures and Facilities, including fixed equipment), where costs are anticipated to meet or exceed the Real property capitalization threshold (currently \$50,000);
2. Construction projects aimed at *expanding* the capacity of an existing Real property asset **OR** otherwise *upgrading* the asset to serve needs different from, or significantly greater than those originally intended, **AND** where the total costs of the proposed project are anticipated to meet or exceed the Real property capitalization threshold;
3. Improvements and/or renovations of existing structures where total costs are anticipated to meet the Real property capitalization threshold **AND** where the specific improvement and/or renovation extends the depreciable useful life of the original structure as defined in BIA policy for Property, Plant and Equipment

Program offices are to complete one of the following PCAS forms to establish FFS project accounting:

1. Offices which request a PCAS number assignment from DAM should complete forms BIA-CIP-001, 'CIP: Request for PCAS Number' and BIA-CIP-00A, 'CIP: Project Budget Attachment'
2. Offices which establish their own PCAS number assignment should complete forms BIA-CIP-002, 'CIP: Notification of PCAS Number' and BIA-CIP-00A, 'CIP: Project Budget Attachment'

Documentation and Reconciliation

The Project Officer (PO) * must maintain an audit file containing copies of documents supporting all project costs (contract awards/progress payments, OPAC, purchase and credit card payments, administrative payments, etc.) and relevant Journal Voucher documents (including explanations of changes made) processed by the Division of Accounting Management. All costs recorded in the BIA664 report must be reconciled by the designated Project Officer on a monthly basis to the PO audit file. Project Officers are to use form BIA-CIP-003, 'CIP: Project Cost Reconciliation Worksheet', FFS-PCAS report BIA664, 'Cumulative Transactions Report', and copies of relevant cost documents in performing the monthly reconciliation. Crosscutting costs (e.g., architectural, design, etc.) affecting multiple buildings or structures within the same project will be pro-rated or applied to such buildings or structures based on methodology determined by the Project Officer.

Additionally, it is Bureau policy that Contracting and/or Awarding Officials must designate ownership determination (BIA or Tribal) on all construction award documents.

** Note: the Cognizant Contracting Officer will have ultimate responsibility for assuring monthly reconciliation and record-keeping of all CIP and non-CIP (equipment, interest, etc.) project related costs as performed by the designated Project Officer.*

Beneficial Occupancy Certification

Beneficial occupancy is the stage in the project when all or a designated portion thereof is certified as sufficiently complete so that the designated building or structure can be used for its intended purpose. At this stage of completed construction, form BIA-CIP004, 'CIP: Certificate of Beneficial Occupancy', must be completed for the Buildings, Improvements and Renovations, Improvements to Land, and Other Structures and Facilities to be officially placed in-service. The placed-in-service date for the purposes of this requirement will be the Date of Beneficial Occupancy cited on the completed/approved Certification, which reflects appropriate management, engineering, safety, property inspections, certification signoff.

CIP Transfer Report

Upon completion of the project, based on an approved Beneficial Occupancy Certificate (see above), Forms BIA-CIP-005, 'CIP: Transfer Report' and BIA-CIP-006, 'CIP: Transfer Package Checklist' will be prepared. The CIP Transfer Report directs DAM to reclassify and transfer costs from the CIP account (General Ledger 1720) to the appropriate fixed asset General Ledger account, as follows:

Improvements to Land – General Ledger 1712
Buildings, Improvements, Renovations – General Ledger 1730
Other Structures and Facilities – General Ledger 1740
Lease-Hold Improvement – General Ledger 1820

Note: Fixed equipment is included in the basic building/structure cost

Construction Contracts – Tribes/Tribal Organizations

Construction contracts awarded to Tribes or Tribal organizations (i.e., PL 93-638 and PL 100-297) in which the Bureau will retain ownership must adhere to CIP project accountability and reconciliation procedures.

Construction contracts awarded to Tribes or Tribal organizations (i.e., PL 93-638 and PL 100-297) in which ownership will be with the Tribe/Tribal organization will not be required to adhere to CIP project accountability and reconciliation procedures. Instead, these contract costs will be captured as Investment and Non-Federal Physical Property (Stewardship) and will be expensed.

Appendix G

Abbreviations

BIA	Bureau of Indian Affairs
BOC	Budget Object Class
BOR	Bureau of Reclamation
CAP	Capitalization
CFO	Chief Financial Officer
CFR	Code of Federal Regulations
CIP	Construction-in-Progress
CO	Contracting Officer
DP	Division of Property (Phoenix)
FAS	Fixed Asset Subsidiary system (subsidiary system of FFS)
FEDSTRIP	Federal Standard Requisitioning & Issue Procedures System
FERC	Federal Energy Regulatory Commission
FFS	Federal Finance System
FI&R	Facilities Improvement and Repair
FMIS	Facilities Management Information System
GL	General Ledger
I&P	Irrigation and Power
IAM	Indian Affairs Manual
IPAC	Intra-governmental Payment and Collection
NIFC	National Interagency Fire Center (Boise)
O&M	Operations and Maintenance
OFMC	Office of Facilities Management and Construction
OFM	Office of Financial Management, CIP Division
PCAS	Project Cost Accounting System
PL	Public Law
PM	Program Manager
PO	Project Officer/Manager
PP&E	Property, Plant, and Equipment

RO	Regional Office
SOD	Safety of Dams
SOW	Scope of Work

Appendix H

Definitions

The definitions of the General Ledger and the cost categories, roles and other concepts are central to the CIP accounting processes and the policies that govern them.

Cost Definitions

The following are Standard General Ledger account cost definitions as provided by the Volume I: *Treasury Financial Manual: U.S. Government Standard General Ledger*. See Website: <http://www.fms.treas.gov/ussgl/current.html>)

LAND AND LAND RIGHTS—1711

The identifiable cost of land and land rights of unlimited duration acquired for or in connection with plant, property, and equipment used in general operations, including permanent improvements. Stewardship land (e.g., National Park or forest and *land in public domain*) is excluded. Also, excluded are materials beneath or above the surface and outer-continental shelf resources.

IMPROVEMENTS TO LAND—1712

The cost of non-permanent, depreciable improvements to land used in general operations. Also includes similar costs to land subject to stewardship reporting, as well as land rights of limited duration that are associated with general operations.

CONSTRUCTION-IN-PROGRESS—1720

Includes costs of direct labor, direct material, and overhead incurred in the construction of property, plant, and equipment for which the agency will be accountable. Upon completion, these costs will be transferred to the proper capital asset account as the acquisition cost of the item. Costs as further defined in the SSFAS No. 6 include the following:

- ◆ Amounts paid to vendors
- ◆ Transportation charges to the point of initial use
- ◆ Handling and storage costs

-
- ◆ Construction labor and other direct or indirect production costs (for assets produced or constructed)
 - ◆ Engineering, architectural, and other outside services for designs, plans, specification, and surveys
 - ◆ Acquisition and preparation costs of buildings and other facilities, including demolition
 - ◆ An appropriate share of the cost of the equipment and facilities used in construction work
 - ◆ Fixed equipment and related installation costs required for activities in a building or facility
 - ◆ Direct costs of inspections, supervision, and administration of construction contracts and construction work
 - ◆ Legal and recording fees and damage claims
 - ◆ Fair value of facilities and equipment donated to the government
 - ◆ Material amounts of interest costs paid (“interest” costs refer to any interest paid by the reporting entity directly to providers of goods or services related to the acquisition or construction of PP&E)
 - ◆ Certain temporary easement costs directly attributable to the asset being constructed.

In addition to the above, the following are also included as CIP costs:

- ◆ Contract “retainage” (holdback) costs
- ◆ Direct project-related salary costs
- ◆ Direct project-related travel costs.

BUILDINGS, IMPROVEMENTS, AND RENOVATIONS—1730

The cost of government-owned building acquired for or built and used in providing general government services or goods. Includes the cost of renovation, improvement, restoration, or reconstruction of multi-use heritage asset when those costs are directly tied to the conduct of government operations.

OTHER STRUCTURES AND FACILITIES—1740

The cost or appraised value of government-owned structures and facilities other than buildings that are purchased by general and trust fund appropriations and are under the control of the agency.

Other Definitions

AWARDING OFFICE

An office that performs assigned awarding functions related to the administration of contracts/grants.

AWARDING OFFICIAL

The person with the authority to enter into, administer, and/or terminate contracts/grants and make related determinations and findings.

BETTERMENT

Betterment improves or upgrades an existing real property asset—for example, the addition to an existing building, improvement to land, or other structure which is already recorded in the FAS. The cost and useful life of the betterment is recorded separately in FAS, but linked to the original asset.

CAPITALIZATION THRESHOLD

The BIA threshold for real property is \$100,000.

CAPITALIZE

To record and carry forward into one or more future periods any expenditure, which provides economic benefit to current and future periods and to recognize the expense in the period in which the benefit occurs.

CAPITALIZED PROPERTY

Non-expendable property with a useful life of 2 years or more and an acquisition cost above a predetermined dollar value threshold. Capitalized property will be recorded in the General Ledger as an asset.

CIP TRANSFER REPORT

Form BIA-CIP005. (See Appendix E).

CONDITION

The physical state of an asset. The condition of the asset is based on an evaluation of the physical status/state of an asset, its ability to perform as planned, and its continued usefulness. Evaluating an asset's condition requires knowledge of the asset, its performance capacity and its actual ability to perform, and expectations for its continued performance. The condition of a long-lived asset is affected by its durability, the quality of its design and construction, its use, the adequacy of maintenance that has been performed, and many other factors, including: accidents (i.e., an unforeseen and unplanned or unexpected event or circumstance), catastrophes (i.e., a momentous tragic event ranging from extreme misfortune to utter ruin), disasters (i.e., a sudden calamitous event bringing great damage, loss, or destruction), and obsolescence.

CONSTRUCTION

Erection or assembly of a new facility (including quarters); the addition, expansion, extension, alteration, conversion, or replacement of an existing facility. Construction includes equipment installed and made part of such facilities, and related engineering and design efforts, site preparation, excavation, filling and landscaping, or other land improvements.

CONSTRUCTION IN PROGRESS (CIP)

Construction costs recorded in CIP General Ledger account 1720 for incomplete projects for buildings and other structures and for land improvements on land used for operations, which are determined to meet the capitalized threshold.

CROSSCUTTING COSTS

Costs that are shared over several Project Cost Accounting System (PCAS) projects, such as architectural design contracts.

“CUFF” ACCOUNT/RECORD-KEEPING SYSTEM

An unofficial program office record of budgeted funds obligated and expended against the project, to be used to reconcile with the official accounting records in FFS.

EXPENSE

To record and charge costs during the current period for the acquisition of non-capitalized items and for current period depreciation expense for capitalized assets. These costs are shown in the column identified as “other” in the BIA-664 report, “BIA Owned Projects—Cumulative Transactions.”

FACILITIES IMPROVEMENT AND REPAIR (FI&R)

Major repair or renovation that usually calls for major design and construction efforts.

GENERAL LEDGER POST FLAG

A two-character field on the project (PROJ) table that controls posting to the General Ledger when a transaction is charged to the project. Once assigned, this post flag should never be changed without prior coordination with OFM. The current post flags are:

- ◆ CN — BIA-owned
- ◆ CO — Tribal-owned
- ◆ CR — BIA-owned with a reimbursable agreement
- ◆ CT — Tribal-owned with a reimbursable agreement
- ◆ [blank]—Blank if the project is a routine maintenance or repair.

HERITAGE ASSETS (OR MULTI-USE HERITAGE ASSETS)

Property, plant, and equipment that are unique for one or more of the following reasons: historical or natural significance; cultural, educational or artistic importance; or significant architectural characteristics. Heritage assets may in some cases be used in general government operations. These assets are referred to as multi-use heritage assets. Costs of renovation, improvement, restoration, or reconstruction that can be directly related to government operations shall be treated as general PP&E and depreciated over the period of time they are expected to provide service and produce benefits. Costs to renovate the heritage asset itself shall be excluded from PP&E (i.e. not capitalized).

IN SERVICE DATE

Same as the project completion date established on BIA-CIP005, Transfer Report.

NONFEDERAL PHYSICAL PROPERTY

Expenses incurred by federal government purchase, construction, or major renovation of physical property for state and local (Tribal) governments, including major additions, alterations, and replacements; the purchase of major equipment; and the purchase or improvement of other physical assets.

PERSONAL PROPERTY

Any property that is *not* real property, such as equipment and motor vehicles.

POWER/IRRIGATION DIVISION MANAGER

The person responsible for selecting a project, determining Federal or Tribal ownership of the end product, and designating the Project Officer.

PROGRAM MANAGER

The person responsible for managing and administering the program (such as, a facilities construction program, irrigation and power program, and roads construction program).

PROJECT OFFICER/MANAGER

The person responsible for the day-to-day management of the construction project, including preparation of the Project Cuff Account Worksheet (form BIA-CIP003) and project completion requirements (form BIA-CIP005, "Transfer Report").

PCAS PROJECT REQUEST

Form BIA-CIP001 Request for Project Cost Accounting System (PCAS) Job Number. (See Appendix C).

PROJECT BUDGET ATTACHMENT

Form BIA-CIP00A Construction in Progress: Project Budget Attachment. (See Appendix C).

PROPERTY MANAGEMENT OFFICER

The person serving as a focal point for property management with the responsibility and authority to account for the effective control, acquisition, use, and disposal of property.

PROJECT COMPLETION DATE

The date when the Project Manager notifies the CIP Division that the project will be complete and ready for a safety inspection and issuance of a safety certificate. The project completion date is also the date that the Property Office uses as the in service date entered in FAS.

REAL PROPERTY

Any interest in land, together with the improvements, structures, and fixtures located thereon (including quarters, prefabricated movable structures, such as Butler-type storage warehouses and Quonset huts, and house trailers with or without undercarriages), under the control of any Federal agency, except: (1) The public domain; (2) Lands reserved or dedicated for national forest or national park purposes; (3) Mineral in lands or portions of lands withdrawn or reserved from the public domain which the Secretary of the Interior determines are suitable for disposition under the public land mining and mineral leasing laws; (4) Lands withdrawn or reserved from the public domain but not including lands or portions of lands so withdrawn or reserved which the Secretary of the Interior, with the concurrence of the Administrator of General Services, determines are not suitable for return to the public domain for disposition under the general public land laws because such lands are substantially changed in character by improvements or otherwise; and (5) Crops when designated by such agency for disposition by severance and removal from the land.

RECONCILIATION

The process of comparing individual record entries contained in the Project Cost Accounting System (PCAS) with the source documentation for incurred obligations and expenditures (payments) as related to the specific project. This process includes comparing entries listed on the Project Cuff Account Worksheet with entries listed on the BIA-664, identifying differences that need to be reconciled by the OFM-CIP.

RECONCILIATION WORKSHEET

Form BIA-CIP003. (See Appendix B).

RELATED PERSONAL PROPERTY

Any personal property: (a) which is an integral part of real property or is related to, designed for, or specially adapted to the functional or productive capacity of the real property and removal of this personal property would significantly diminish the economic value of the real property. Normally, common use items, including but not limited to general-purpose furniture, utensils, office machines, office supplies, or general-purpose vehicles, are not considered to be related personal property; or (b), which is determined by the Administrator of General Services to be related to the real property.

REPAIRS

Activities affecting a building, other structure, or improvement of land that do not alter the asset's original cost, purpose, or useful life.

REPLACEMENT

Takes the place of an existing building, land improvement, or other structure. A replacement does not alter the existing asset's original cost or useful life. A replacement is recorded as a separate asset in FAS.

ROUTINE MAINTENANCE AND REPAIR

Repair of facilities and structures whereby the work requires little or no materials, capacity, quality, and installation requirements, and whose purpose is not to enhance the value of the facility or structure.

SAFETY CERTIFICATE

Certification issued by the Safety Office upon final inspection of the completed project. The building cannot be occupied until issuance of the safety certificate.

SUBSTANTIAL COMPLETION DATE

This is the point at which the costs recorded in CIP for the project should be transferred to GL 1720 or GL 1740 whichever is appropriate. The construction work on a project is substantially complete, it is providing benefits or services for the intended purpose and it is generating revenue, where applicable. If these three criteria are not met, the asset should remain in CIP. (Minor amounts of revenue are not sufficient to require transfer).

SUPPLEMENTARY STEWARDSHIP REPORTING

Required reporting of cost of the investment in stewardship property, plant, and equipment (heritage assets, Federal mission PP&E, stewardship land), and in stewardship investments (non-Federal physical property, human capital, and research and development).

USEFUL LIFE

The normal operating life in terms of utility to the owner.