



United States Department of the Interior

OFFICE OF THE SECRETARY

Washington, DC 20240

Memorandum

To: Heads of Bureaus and Offices

From: Eric Werwa **ERIC WERWA** Digitally signed by ERIC WERWA
Deputy Assistant Secretary – Policy and Environmental Management
Exercising the Delegated Authority of the AS-PMB
Date: 2022.02.03 19:05:40 -05'00'

Subject: Bipartisan Infrastructure Law Administrative Cost Guidelines

This memorandum transmits the Department of the Interior (Department) Administrative Costs Guidelines for programs and projects funded by the Bipartisan Infrastructure Law (BIL).

The BIL is a historic investment for the Department which provides funding to address legacy pollution, drought and water resiliency, investments in Tribal infrastructure, and ecosystem restoration. Ensuring transparency and accountability in the implementation of the BIL and the use of this funding is essential.

Please address all questions regarding the guidelines or administrative cost requirements to Jennifer Werner, Acting Director, BIL Program Management Office at BIL_PMO@ios.doi.gov.

Attachment

Bipartisan Infrastructure Law Administrative Costs Guidelines

cc: Bureau and Office Deputy Directors
Bureau and Office Chiefs of Staff
Bureau Budget Officers
Director, Office of Budget



U.S. Department of the Interior

Bipartisan Infrastructure Law

Administrative Costs Guidelines

February 04, 2022

VERSION/MODIFICATION LOG

Date	Version#	Summary of Modifications /Changes
2/04/2022	1.0	Initial guidance issued

INTRODUCTION

This document provides guidance, limits, and procedures for funding the administrative costs associated with the implementation of the Bipartisan Infrastructure Law (BIL). For the purposes of this document, the term “administrative costs” applies only to the Department of the Interior (Department, DOI) bureaus/offices receiving funding through Division J, Title III Energy and Water Development and Related Agencies and Title VI Department of the Interior, Environment, and Related Agencies of the *Infrastructure Investment and Jobs Act*.

FUNDS CONTROL REQUIREMENTS

All programs executing BIL funding should establish project codes to track administrative expenses.

Table 1 identifies appropriations that are subject to an administrative funding cap. Bureaus/Offices should establish funding limits to ensure compliance with these caps.

ADMINISTRATIVE COSTS DEFINED

The IIJA Conference Report does not provide a definition of administrative costs. However, consistent with the primary goal of IIJA, which is to support the infrastructure of the nation, these costs should be minimized to ensure that maximum funding is provided to programs and projects to improve the nation’s infrastructure. Administrative costs generally consist of those activities to support the management, oversight, and execution of projects and programs. Examples of administrative activities include human resources, acquisition, legal, communications, budget, and financial management. The BIL funds may not be used to augment or reimburse accounts receiving resources through the annual appropriations process (e.g., fixed costs, travel, supplies, contractual services, salaries and benefits of permanent federal employees) unless a clear link to BIL projects and programs can be established that will withstand the scrutiny of an auditor. To the extent that BIL funding is supplemental to an existing program, BIL funding should only be used for administrative expenses for the incremental increase in administrative requirements directly associated with the BIL program. Bureaus/Offices are responsible for maintaining documentation that justifies the direct link to BIL projects for all expenses categorized as administrative.

Examples of administrative and support costs that can be funded include:

- Salaries, benefits, awards, and training of employees that provide an administrative function in support of projects and programs.
- Contracts to support the administration of projects and programs.
- Reimbursement to another bureau or Working Capital Fund service provider for acquisition, human resources, or administrative support required to manage or execute BIL projects.
- Reimbursement to the Office of the Solicitor for the full cost of client funded positions supporting work related to general administration, not directly related to the execution of program activities.
- Travel to meetings or for outreach exclusively for BIL. When travel is required to review project status, the travel costs should be charged to project funding.
- Changes to current administrative systems to meet reporting requirements unique to BIL.

- Websites and other communication materials developed to inform the public of BIL project or program activities and/or opportunities, or to comply with BIL reporting requirements.

The above list is not exhaustive, and given the diverse nature of DOI's BIL programs, functions deemed administrative in one instance may be programmatic in another. The BIL Program leadership:

- Is responsible for documenting and ensuring compliance with administrative funding requirements and limits.
- Should include administrative cost allocations, if needed, concurrent with any programmatic funding allocations provided to other organizations.
- Should maintain documentation of total allocations (administrative and program) at the BIL Program level and the organization receiving the allocation.

PROGRAM MANAGEMENT OFFICE

Bureaus/Offices should anticipate receiving a reimbursable service agreement from the BIL Program Management Office (PMO). The BIL PMO will support Department-wide management of the BIL Program and may enter into agreements with other bureaus/offices to provide services to BIL programs. The amount of these agreements is not yet established and will be kept to the lowest levels possible. For bureaus with administrative funding caps, agreement amounts will count towards the cap.

REPORTING REQUIREMENTS

Funding provided under the BIL is required to report under a Disaster Emergency Fund Code (DEFC) designation and must receive a unique Financial and Business Management System (FBMS) Fund that is not commingled with any other funding in the Treasury Account. The DEFC attribute requirement is necessary to produce the Governmentwide Treasury Account Symbol (GTAS) files mandated in the Office of Management and Budget (OMB) M-18-08, dated February 2, 2018. Within the DEFC Fund, bureaus/offices should anticipate development of automated, centralized reporting at the appropriate program, project, and/or object class level for all funding.

Additionally, bureaus/offices should anticipate the need to support reporting on the status of BIL funds used for administrative costs. Bureaus/Offices should establish the appropriate FBMS master data and master data mappings to support automated Department-wide reporting of administrative costs. Administrative costs must be coded in the FBMS master data distinct from project funding to enable aggregation of administrative costs. Bureaus/Offices have the latitude to determine whether FBMS master data or master data mappings is the most effective mechanism for administrative cost reporting.

The Office of Budget (POB) will work closely with bureaus/offices to evaluate existing Master Data Structures to determine mapping for common reporting levels (e.g., program, State, congressional district) and coordinate alignment with the finalized project plans.

Table 1. Statutory Administrative Limitations by Bureau and Account (3% Annually)

	FY2022	FY2023	FY2024	FY2025	FY2026	Total Bill Admin Limit
Energy and Water						
Bureau of Reclamation						
<i>Water and Related Resources</i>	49,800,000	49,800,000	49,800,000	49,800,000	49,800,000	249,000,000
Total, Energy and Water	49,800,000	49,800,000	49,800,000	49,800,000	49,800,000	249,000,000
Interior and Related						
Office of Surface Mining Reclamation and Enforcement						
<i>Abandoned Mine Reclamation Fund</i>	338,790,000					338,790,000
Bureau of Indian Affairs						
<i>Operation of Indian Programs</i>	1,296,000	1,296,000	1,296,000	1,296,000	1,296,000	6,480,000
<i>Construction</i>	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
Office of the Secretary						
<i>Departmental Operations</i>	10,110,000	4,260,000	4,260,000	4,260,000	4,260,000	27,150,000
Department-Wide Programs						
<i>Wildland Fire Management</i>	12,228,000	7,878,000	7,878,000	7,878,000	7,878,000	43,740,000
<i>Energy Community Revitalization Program</i>	140,310,000					140,310,000
Total, Interior and Related	504,234,000	14,934,000	14,934,000	14,934,000	14,934,000	563,970,000
Total, Department of the Interior	554,034,000	64,734,000	64,734,000	64,734,000	64,734,000	812,970,000