

PLEASE NOTE: This document is intended ONLY as a training aid. When examining construction funding items, always consult with your Office of Counsel, RM, etc. any time there is a question. Project definition and work classification are the responsibility of the customer.

Construction Funding Checklist¹

1. Define the Scope of the Project.

- a. A military construction project includes all construction work necessary to produce a complete and usable facility or a complete and usable improvement to an existing facility. Critical is whether the project, standing alone, meets this requirement.
- b. Avoid project splitting and/or incrementation of projects.
- c. Downscoping is permissible, provided it results in a complete and usable facility.

2. Classify the Work

- a. Construction: Erection, installation, or assembly of a new facility, or the addition, expansion, or relocation of an existing facility.
- b. Maintenance: Work required to preserve or maintain a facility.
- c. Repair: Project to restore a facility to its designated purpose. Remember “failed or failing.”

3. Determine the Funded and Unfunded Costs²

- a. Common funded costs: materials, supplies, services, installed capital equipment, transport of materials, civilian labor, supervision and inspection (Corps of Engineers).
- b. Common unfunded costs: military personnel labor, excess distributions (DRMO).

4. Select the Proper Appropriation (Construction Projects)³

- a. Less than \$750,000, O&M Funds (Life Health Safety (LHS), up to \$1.5 Million)
- b. \$750,000 -- \$1.5M, UMMC Funds (LHS, up to \$3 Million)
- c. Over \$1.5 Million, Specified MILCON Funds (Congress)

5. Identify the Proper Approval Authority (Construction Projects)⁴

- a. Less than \$750,000, MACOM Commander/IMA (LHS, < \$1.5M)
- b. \$750,000 -- \$1.5 M, DASA (IH), (LHS, < \$3M).
- c. More than \$1.5M, Congress

¹ This checklist was developed as a training aid only. When examining construction funding issues, it is recommended you consult the TJAGSA Contract and Fiscal Law Department Fiscal Law Deskbook or another detailed authority.

² Only funded costs are counted towards the funding thresholds.

³ Maintenance and Repair Projects are generally funded with O&M funds.

⁴ Maintenance and repair projects have different approval thresholds from construction. The MACOM commander/IMA Director may approve maintenance and repair projects costing less than \$3 million. Maintenance and repair projects costing between \$3 million and \$10 million must be approved by HQDA. Projects exceeding \$10 million require Congressional approval.