Construction Funding Checklist

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 Costs
   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)
   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)
   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

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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.