

NCA NON-RECURRING MAINTENANCE PROGRAM

- 1. REASON FOR ISSUE:** This directive updates policy and responsibilities for the Department of Veterans Affairs (VA) National Cemetery Administration (NCA) Non-Recurring Maintenance (NRM) program.
- 2. SUMMARY OF CONTENT:** This directive outlines NRM program responsibilities, provides definitions and gives examples of NRM activities. The NRM program focuses on projects estimated to cost \$300,000 or less that do not qualify as recurring maintenance and repair (M&R) or as major or minor construction projects.
- 3. RESPONSIBLE OFFICE:** NCA, Budget Service (42B), 810 Vermont Avenue, NW, Washington, DC 20420, is responsible for the contents of this directive. For all inquiries, contact NCA Budget Service at: VANCAWAS_42B2@va.gov
- 4. RELATED PUBLICATIONS:**
 - a. NCA Directive 7545, Cultural Resource Management at VA National Cemeteries, January 4, 2019;
 - b. VA Directive 7545, Cultural Resource Management, December 5, 2011;
 - c. VA Handbook 7545, Cultural Resource Management Procedures, December 5, 2011;
- 5. RESCISSIONS:** NCA Directive 3022, Non-Recurring Maintenance Program, January 27, 2010.
- 6. RECERTIFICATION:** This directive is scheduled for recertification in October 2024.

/s/Ronald E. Walters
Principal Under Secretary for Memorial Affairs

Distribution: Electronic

NCA NON-RECURRING MAINTENANCE PROGRAM

1. PURPOSE

a. This directive outlines policy for the Department of Veterans Affairs (VA) National Cemetery Administration (NCA) Non-Recurring Maintenance (NRM) program. The NRM program focuses on projects estimated to cost \$300,000 or less that do not qualify as recurring maintenance and repair (M&R) or as major or minor construction projects (as defined in paragraph 4 of this directive);

b. The statutory authority for this directive is title 38 United States Code section 2404 (38 U.S.C. 2404).

2. POLICY

a. The primary objective of the NRM program is to maintain the physical infrastructure (real property) of NCA facilities and ensure safe, efficient, and economical facility operation;

b. Funding for the NRM program is included in the NCA annual Operations and Maintenance appropriation. NCA may apply Operations and Maintenance funds for NRM projects to repair, alter, or improve facilities under its jurisdiction;

c. Exceptions to NRM project cost limit of \$300,000 must be approved by the Under Secretary for Memorial Affairs or his/her designee.

3. RESPONSIBILITIES

a. **Under Secretary for Memorial Affairs** is responsible for approving exceptions to NRM project limit of \$300,000.

b. **Principal Deputy Under Secretary for Memorial Affairs** is responsible for:

(1) Approving the annual inventory of NRM projects and the NRM operating plan submission;

(2) Reviewing and approving/disapproving changes to the NRM operating plan consistent with guidance contained the annual NRM operating plan call memorandum.

c. **Deputy Under Secretary for Finance and Planning** is responsible for:

(1) Providing guidance to District Executive Directors for preparing the NRM operating plan and maintaining program integrity;

(2) Incorporating the inventory of potential NRM projects into the annual budgeting process to obtain program funding;

(3) Consolidating NRM projects provided by District Executive Directors into a national NRM operating plan;

(4) Monitoring the commitment, obligation, and expenditure of NRM funds and reallocating funds as necessary;

(5) Providing monthly financial status information for the Monthly Management Review presentation to the Principal Deputy Under Secretary for Memorial Affairs;

(6) Approving/disapproving changes to the NRM operating plan;

(7) Periodically reviewing unobligated balances in the NRM program and determining if unobligated funds should be reallocated.

d. **Director, Budget Service** is responsible for:

(1) Issuing the annual call to the Executive Director, Cemetery Operations, and the District Executive Directors for NRM operating plans for the upcoming fiscal year. The call memorandum will provide an authorized funding level for each District Office based on needs identified by each district and funding limits for the fiscal year;

(2) Monitoring and tracking weekly project submissions and obligation updates to the NRM operating plan;

(3) Reviewing and providing recommendations to the Deputy Under Secretary for Finance and Planning for approving/disapproving revisions to the NRM operating plan, and any requests for additional funding;

(4) Providing NRM operating plan status to Deputy Under Secretary for Finance and Planning, Executive Director, Cemetery Operations, Director, Contracting Service, Director, Design & Construction Service, and District Executive Directors.

e. **Executive Director, Cemetery Operations**, is responsible for:

(1) Reviewing the annual NRM operating plans submitted by the District Offices to ensure submissions are consistent with the guidance outlined in the NRM call memorandum;

(2) Reviewing any additions or changes to the plan;

(3) Monitoring unobligated balances in the NRM program;

f. **Director, Design & Construction Service**, is responsible for reviewing and recommending changes to the inventory of potential NRM projects, the annual operating plan, and any additions to the plan to ensure coordination between the NRM operating plan and the minor construction program to maximize efficiencies and decrease facility disruption.

g. **Director, Contracting Service**, is responsible for:

(1) Conducting procurement activities for NRM projects;

(2) Establishing and processing NRM project obligations and providing status updates on award actions for submitted projects;

(3) Reviewing changes to the NRM operating plan.

h. **District Executive Directors** are responsible for:

(1) Developing internal procedures for planning NRM projects;

(2) Approving/disapproving the initial NRM operating plan for submission consistent with the guidance provided in the NRM call memorandum;

(3) Selecting and submitting approved NRM projects that address deficiencies reported in the annual Facility Condition Assessment (FCA) report rated as "D" or "F";

(4) Responding to the call memorandum by monitoring the NRM operating plan to achieve the obligation of authorized funds within the planned fiscal year;

(5) Providing weekly NRM project status to the Deputy Under Secretary for Finance and Planning, and Director of Budget Service, including notice of project completion and operating plan changes;

(6) Reporting the completion of a capitalized project to the Deputy Under Secretary for Finance and Planning;

(7) Monitoring compliance with the National Environmental Policy Act, the National Historic Preservation Act, and VA Directive/Handbook 7545, Cultural Resource Management Procedures;

(8) Submitting revisions to the approved NRM operating plan to the Director of Budget Service and the Executive Director, Cemetery Operations.

4. DEFINITIONS

a. **Non-Recurring Maintenance (NRM)** is maintenance that is not routinely accomplished. NRM program funds are authorized for non-recurring replacement, repair, alteration, or improvement of physical infrastructure (real property). NRM projects have a minor improvement ceiling of \$300,000. NRM includes projects that are not covered by maintenance and repair, or major or minor construction funding. Projects estimated to cost more than \$300,000 will be funded from the minor construction appropriation. **NOTE:** *The Under Secretary for Memorial Affairs or his/her designee may approve exceptions to the NRM project cost limit.*

(1) NRM includes:

(a) One-for-one replacement of the major components of a building, such as roofing, tuck-pointing, flashings and copings, exterior finish materials (e.g., brick, masonry, stucco, vinyl), waterproofing, or windows and doors;

(b) One-for-one replacement of complete, or segments of, building components such as an entire roof; floor coverings, wall coverings, and ceilings; or heating, ventilating, and air conditioning (HVAC) system or water heater.

(c) Repaving large sections of cemetery roads;

(d) Replacing a flagpole;

(e) Projects to remodel, renovate, alter, amend, construct, extend, improve, modify, or change physical infrastructure (real property);

(2) NRM does not include:

(a) Purchasing land;

(b) Constructing new structures or infrastructure that are not replacing existing structures or infrastructure;

(c) Supplementing a major or minor construction project;

(d) Remodeling, renovating, altering, amending, constructing, extending, improving, modifying, or changing a major or minor construction project within a year of final acceptance of the project;

(e) Improving surplus property;

(f) Improving property projected to be leased;

(g) Maintaining any property not owned by NCA (i.e., leased space);

(3) NRM expenditures must be documented with clear, auditable records; and

(4) NRM projects that cost \$100,000 or more prior to October 1, 2013, and \$1,000,000 or more on or after October 1, 2013, must be capitalized in VA's financial system of record. A District Office is responsible for reporting the completion of a capitalized project at any of its facilities to the Deputy Under Secretary for Finance and Planning.

b. **Maintenance and Repair (M&R)** is the normal annual maintenance to keep a building or structure operational. Examples include:

(1) Annual building equipment maintenance, such as HVAC filter replacement, system tune-ups, etc.;

(2) Roof-shingle replacement or gutter cleaning;

(3) Wall or touch-up painting;

(4) Minor road repair such as pothole filling;

(5) Flagpole repair.

c. **Major/Minor Construction** is for projects up to or exceeding \$20,000,000 in estimated cost. Examples include:

(1) New construction, expansions, alterations, enhancements, or upgrades to existing cemeteries; and

(2) A project of any value that is not a one-for-one replacement project.

5. GENERAL PROCESS FOR SUBMISSION OF NRM PROJECTS

a. Director, Budget Service, in consultation with the Executive Director, Cemetery Operations, will issue an annual call to the Executive Director, Cemetery Operations, and the District Executive Directors for NRM operating plans for the upcoming fiscal year. The call memorandum will include an authorized funding level for each District Office. Each District Office will submit an operating plan with project costs totaling its authorized funding level to Budget Service and Cemetery Operations.

b. District Executive Directors will submit revisions to the approved NRM operating plan to both the Director of Budget Service and Executive Director, Cemetery Operations.

c. Principal Deputy Under Secretary for Memorial Affairs; Executive Director, Cemetery Operations; Deputy Under Secretary for Finance and Planning; Director of Design & Construction Service; and Director of Contracting Service will review the status of the operating plan.

d. Deputy Under Secretary for Finance and Planning, and Director of Budget Service, will periodically review unobligated balances in the NRM program and determine if unobligated funds should be reallocated.

6. REFERENCES

a. National Historic Preservation Act of 1966, Public Law 89-665, as amended (16 U.S.C. 470 *et seq.*);

b. National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*);

c. 38 U.S.C. 2404;

d. NCA Directive 7545, Cultural Resource Management at VA National Cemeteries, January 4, 2019;

e. VA Directive 7545, Cultural Resource Management, December 5, 2011;

f. VA Handbook 7545, Cultural Resource Management Procedures, December 5, 2011.