

Indian Health Service 2024 Partnership Conference and Direct Service Tribes National Meeting

Section 105(I) Leases

AUGUST 13 & 15, 2024



Introduction

Dr. Chris Poole, DHA, LCSW

Director (Acting)

Office of Direct Service and Contracting Tribes

Indian Health Service

Chris.Poole@ihs.gov

(240) 723-5718



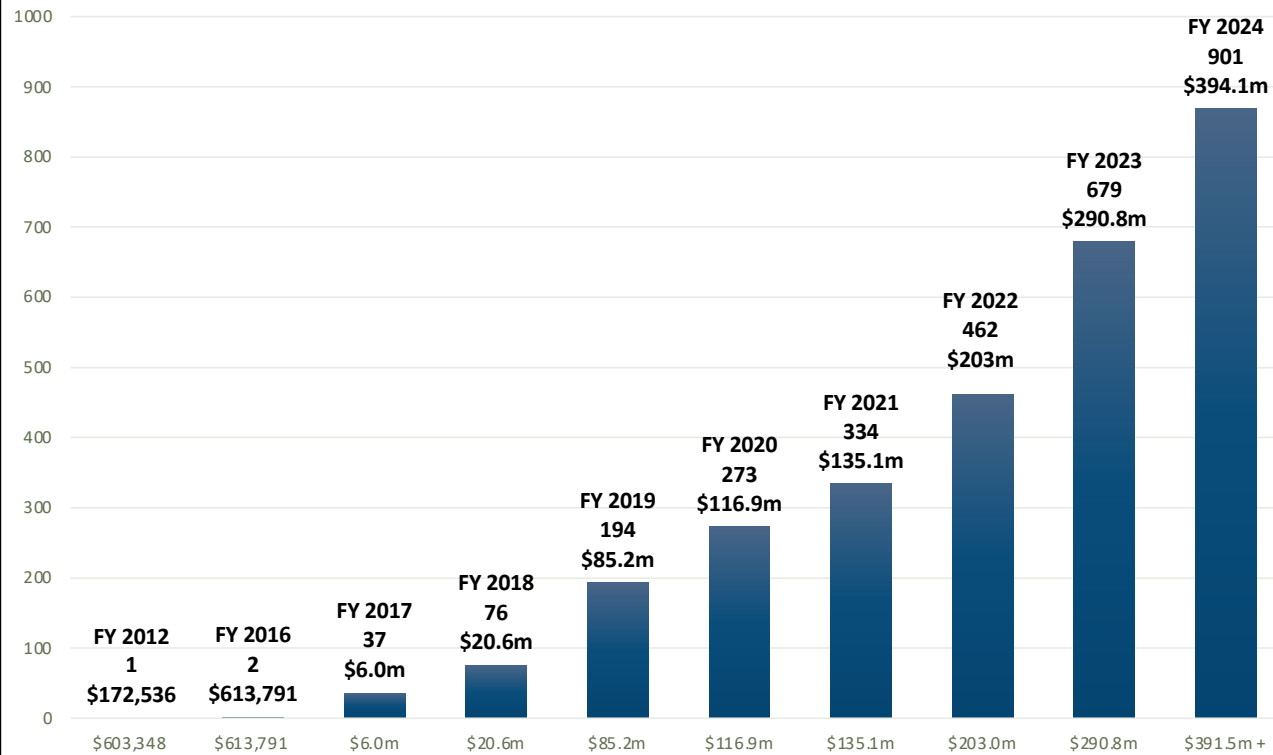
Office of Direct Service and Contracting Tribes

- Growth of the program and funding
- Update on transition of the program from Office of Environmental Health and Engineering to the Office of Direct Service and Contracting Tribes
- Future plans for the program



As of August 5, 2024

Growth of 105(I) Leases FY 2012 – FY 2024



IHS 105(I) - Area Offices, Tribes, Lease Count

IHS Area	No. Tribes/TO	No. Leases
Alaska	21	303
Albuquerque	6	17
Bemidji	23	99
Billings	3	29
California	21	98
Great Plains	7	38
Nashville	14	42

IHS Area	No. Tribes/TO	No. Leases
Navajo	3	94
Oklahoma	15	78
Phoenix	7	34
Portland	20	62
Tucson	1	7
TOTAL	141	901

Count as of August 5, 2024



Section 105(I) Lease Program



Introduction

Paula Poncho, Area Realty Officer
Alaska Area Native Health Service
Indian Health Service

Paula.Poncho@ihs.gov

(907) 223-9677



Statutory Requirements / Required Documents

- The Tribe/Tribal Organization must -
 - ✓ Have a Title I contract or Title V compact with IHS and a funding agreement outlining the Programs, Services, Functions and Activities (PSFAs) being carried out in the facility
 - ✓ Be currently using the facility to carry out the PSFAs
 - ✓ Hold title to and provide proof of ownership, a leasehold interest in, or a trust interest in a facility
 - ✓ Provide Fair Market Rent appraisal or tribal general ledger expenses (preferably in Excel worksheet) and other documentation to support request (Ex: Floorplans, interior/exterior photos, condition inspection, lease agreement)
 - ✓ Identify any other federal funding received through funding agreement that may be duplicate to lease. (Maintenance & Improvement, Facility Support Account, Village Built Clinic, Facility related indirect rates, etc.)



Best Practices Upon Receipt

- Sent lease proposals to Dr. Chris Poole at Chris.Poole@ihs.gov and/or Paula Poncho Paula.Poncho@ihs.gov .
- Dr. Poole or Ms. Poncho will acknowledge receipt of lease proposals via email promptly (recommend not sending lease proposals via USPS).
- Any lease proposals sent via email to the Area Director, Agency Lead Negotiator, or anyone within IHS must be immediately forwarded to Dr. Poole (Chris.Poole@ihs.gov) and Paula Poncho (Paula.Poncho@ihs.gov) for acknowledgement.
- The full lease proposal is distributed to the Area Office Review Team and the Office of the General Counsel.
- **Caution - letters of Intent are not considered proposals.**



Examples of Leased Space

- Hospitals, Clinics
- Wellness Centers
- Housing for Healthcare Providers, Locum Tenens, Staff
- Storage, Warehouses
- Parking Garages
- Office Space
- Long-Term Care
- Behavioral Health
- Substance Abuse Facilities
- Detox Centers
- Children's Health Center
- Dental Clinic
- Residential Treatment Centers
- Alcohol & Substance Abuse
- Diabetes Building
- EMS Space
- Elder Nutrition
- Pre-Maternal



Area Review Team

- Ms. Poncho provides general oversight and technical assistance to all Area Review Teams
- The Area Review Team typically consists of staff from –
 - ✓ Office of Environmental Health & Engineering (OEHE),
 - ✓ Office of Tribal Affairs (OTA) or Office of Tribal Programs (OTP),
 - ✓ Finance, and/or
 - ✓ Area Director, or executive staff.



Area Review Team's Responsibilities

- Identify the Area's Point of Contact (POC) to make introductions and provide an estimate of the lease review process.
- Identify the POC for the Tribe. The Tribe usually designates CFO or Attorney as their POC.
- Review the FMR appraisal and/or (a)-(h) expenses (OEHE)
- Review the Funding Agreement to determine whether a PSFA is being carried out in the building to be leased (OTA/OTP)
- Identify any amounts paid through the funding agreement that may be duplicate to the 105(l) lease (i.e., M&I, FSA, VBC, Tribal Clinic, Indirect) (OTA/OTP and Finance)
- Determine whether facility includes services to non-beneficiaries, and if so, then determine the percentage of services to non-beneficiaries being carried out in the facility (OTA/OTP)
- Provide technical assistance to the T/TO



Finalize the Section 105(I) Lease

- The Area Review Team will make a recommendation to the Director, Office of Direct Service and Contracting Tribes (ODSCT), if a lease proposal or lease renewal should be approved or why not.
- Area Review Team contacts the Director, ODSCT, to flag any unresolved issues and possibly schedule a call with the T/TO before making a final recommendation.
- The Area Review Team is not authorized to negotiate final lease terms or amounts.
- Dr. Chris Poole, signs the section 105(I) lease agreements.
- 105(I) lease funds requested from IHS Headquarters



General terms and transfer of payment

- One-year lease
- Lease can be based on Calendar Year or Fiscal Year
- Lease term starts on date of receipt (as long as facility is currently being used to administer and deliver services under the ISDEAA)
- If proposal is received mid-year (CY/FY), then lease may be pro-rated
- T/TO must request in writing to renew each year
- Lease payments are made in one lump sum
- Transfer of funds may be made through lease agreement or, if requested by the T/TO, through the Funding Agreement.
- Once lease is executed, then T/TO will no longer be eligible to receive Maintenance & Improvement funds. Initial lease will usually deduct M&I funds received during lease term from total amount.



Option (a): Fair Market Rent (FMR)

- Fair Market Rent Appraisal/Analysis prepared by qualified professional
- Appraisal/Analysis is used to support the T/TO's lease request
- Appraisal can either be used to determine the rent or value of a building (for depreciation purposes).
- Appraiser surveys nearby rentals comparables to the facility to be leased and provides estimated cost per sqft.
- In rural village or tribal communities where no comparables exist, Appraiser may need to go out further (100-200 miles) to find comparables.
- Appraiser determines if comparables are based on full-service (where owner pays all expenses) or based on Triple Net (NNN, tenant pays all expenses).



Option (b): Combination FMR & (a)-(h)

- An FMR based on NNN, includes depreciation and reserves (fixed and/or building service equipment).
- If appraisal is based on a majority of NNN lease comparables, Tribe may request additional operation and maintenance expenses on top of the FMR.
- Tribe may request additional O&M expenses by providing prior year general ledger expenses



Option (c): Compensation Elements (a)-(h)

To the extent that no element is duplicative, the following elements may be included in the lease compensation: (***Will provide details later in presentation***)

- | | | |
|-----------------------------|-------------------------------------|-------------------------------|
| (a) Rent (Sublease) | (10) Fire Protection | (16) Maintenance Costs |
| (b) Depreciation | (11) Preventive Maintenance | (i) Maintenance Salary |
| (c) Reserves | (i) HVAC | (ii) Maintenance Supplies |
| (d) Principal & Interest | (ii) Plumbing | |
| (e) Operation & Maintenance | (iii) Elevators | (f) Repairs to Buildings |
| (1) Water/Sewer | (iv) Boilers | (g) Alterations Required |
| (2) Utilities | (v) Fire Safety | (h) Other Reasonable Expenses |
| (3) Fuel | (vii) Security System | |
| (4) Insurance | (viii) Roof-Foundation-Walls-Floors | |
| (5) Custodial Mgmt. | (12) Unscheduled Maintenance | |
| (6) Janitorial/Supplies | (13) Scheduled Maintenance | |
| (7) Pest Control | (14) Security Services | |
| (8) Site Maintenance | (15) Management Fees | |
| (9) Trash and Medical Waste | | |



Requesting a 105(I) lease

Tribe submits request and include all relevant documentation to support their request for a 105(I) lease.

Letters of Intent are not considered lease proposals. In order for IHS to accept request as official lease proposal, very important to provide supporting documents with letter such as:

Fair market rent appraisal, general ledger expenses, floorplans, condition inspection, photos, proof of ownership, etc.

Date:

Dr. Chris Poole, DHA, LCSW
Director (Acting)
Office of Direct Service and Contracting Tribes
Mail Stop: 08E17
Rockville, MD 20857

Re: FY2024 Lease Proposal under Section 105(I) of the ISDEAA

Dear Dr. Poole,

The [Name of Tribe or Tribal Organization] ("T/TO") requests the following Section 105(I) lease pursuant to the Indian Self-Determination and Education Assistance Act (ISDEAA), 25 U.S.C. § 5324(I) (previously 25 U.S.C. § 450j(I)) and implementing regulations at 25 C.F.R. Part 900, Subpart H. Section 105(I) requires the Indian Health Service (IHS) to enter into leases, upon tribal request, with a tribe or tribal organization that holds title to, or a leasehold interest in a facility used by the tribe or tribal organization for the administration and delivery of services under the ISDEAA.¹

We are requesting (Calendar year or Fiscal year) 105(I) leases for the following facilities:

- Name of Facility:
- Address, City, State, Zip
- Size of Facility (sf): _____ sqft.
- Description of Program and type of services provided as it relates to the FA or AFA:

Regulations at 25 C.F.R. § 900.74 provide that compensation for the lease will be determined according to one of three options: (a) fair market rental; (b) a combination of fair market rental and paragraphs a-h, or (c) a-h (actual expenses) of § 900.70, provided that no element of expense is duplicated in fair market rental. The [Name of T/TO] proposes that compensation be based on [Option (a), (b), or (c)].²

¹ 25 U.S.C. § 5324(I) (previously 25 U.S.C. § 450j(I)).

² If Tribe choose Option (a), proposal must include Fair Market Rent (FMR) appraisal; If Tribe choose Option (b), must include FMR & tribal general ledger expenses; If tribe requests Option (c), tribal general ledger expenses must be provided to support the expenses requested. If the general ledger expenses are not available when the proposal is submitted to IHS, Tribe can state the expenses will be provided at a later date to the Area 105(I) lease review team under separate email.)

Excel Worksheet – Proposed Expenses

900.70	COMPENSATION ELEMENTS	TRIBE PROPOSED EXPENSES (Enter Manually)	COMMENTS/ADDTL DOCUMENTS
(a)	RENT (SUBLEASE)	\$ -	
(b)	DEPRECIATION	\$ -	
(c)	CONTRIBUTIONS TO A RESERVE	\$ -	
(d)	PRINCIPAL AND INTEREST	\$ -	
(e) O&M EXPENSES	(1) WATER/SEWAGE	\$ -	
	(2) UTILITIES (ELECTRIC)	\$ -	
	(3) FUEL	\$ -	
	(4) INSURANCE	\$ -	
	(5) BUILDING MANAGEMENT SUPERVISION & CUSTODIAL SERVICES	\$ -	
	(6) (i) JANITORIAL SALARY	\$ -	
	(6) (ii) JANITORIAL SUPPLIES	\$ -	
	(7) PEST CONTROL	\$ -	
	(8) SITE MAINTENANCE (SNOW REMOVAL)	\$ -	
	(9) TRASH AND WASTE REMOVAL	\$ -	
(11) MONITORING AND PREVENTIVE MAINTENANCE	(10) FIRE PROTECTION/FIRE FIGHTING SERVICES & EQUIPMENT	\$ -	
	(i) HEATING/VENTILATION	\$ -	
	(ii) PLUMBING	\$ -	
	(iii) ELECTRICAL	\$ -	
	(iv) ELEVATOR	\$ -	
	(v) BOILERS	\$ -	
	(vi) FIRE SAFETY SYSTEM	\$ -	
	(vii) SECURITY SYSTEM	\$ -	
	(viii) ROOF, FOUNDATION, WALLS, FLOORS	\$ -	
	(12) UNSCHEDULED MAINTENANCE	\$ -	
(13) SCHEDULED MAINTENANCE	\$ -		
(14) SECURITY SERVICES	\$ -		
(15) MANAGEMENT FEES (i.e. Facility Manager, Portion of duties)	\$ -		
(16) (i) MAINTENANCE SALARY/FRINGE	\$ -		
(16) (ii) MAINTENANCE MATERIALS	\$ -		
(f)	REPAIRS BUILDINGS AND EQUIPMENT	\$ -	
(g)	ALTERATIONS NEEDED TO MEET CONTRACT REQUIREMENTS	\$ -	
(h)	OTHER REASONABLE EXPENSES	\$ -	
	Sub-Total	\$ -	
(i)	FAIR MARKET RENTAL FOR BUILDINGS OR PORTIONS OF BUILDINGS AND LAND <i>Fair Market Rental Calculation = \$ - + 0 SF</i>	\$ -	
	Sub-Total	\$ -	
	Enter (-\$0.00) Offset (M&I, BEMAR, Indirect Rate, VBC, Tribal Clinic or other)	\$ -	
	Adjusted Compensation Amount	\$ -	



Excel Worksheet – Expense Table

		Clinic 1 IHS Lease No.	Clinic 2 IHS Lease No.	Clinic 3 IHS Lease No.	Clinic 4 IHS Lease No.	Clinic 5 IHS Lease No.	Clinic 6 IHS Lease No.
900.70	COMPENSATION ELEMENTS	FY24 Expenses	FY24 Expenses	FY24 Expenses	FY24 Expenses	FY24 Expenses	FY24 Expenses
(a)	RENT (SUBLEASE)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b)	DEPRECIATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(c)	CONTRIBUTIONS TO A RESERVE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(d)	PRINCIPLE AND INTEREST	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(e) JOB M EXPENSES	(1) WATER/SEWAGE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(2) ELECTRIC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(3) FUEL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(4) INSURANCE - CLINIC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(5) BLDG MGMT SUPERVISION & CUSTODIAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(6) (i) JANITORIAL SALARY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(6) (ii) JANITORIAL SUPPLIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(7) PEST CONTROL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(8) SITE MAINTENANCE (SNOW REMOVAL)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(9) TRASH AND MEDICAL WASTE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(11) MONITORING AND PREVENTIVE MAINTENANCE	(10) FIRE PROTECT/FIGHTING SVCS & EQUIP.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(11) (i) HVAC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(11) (ii) PLUMBING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(11) (iii) ELECTRICAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(11) (iv) ELEVATOR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(11) (v) BOILERS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(11) (vi) FIRE SAFETY SYSTEM	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(11) (vii) SECURITY SYSTEM	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(11) (viii) ROOF FOUNDATION WALLS FLOORS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(12) UNSCHEDULED MAINTENANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(13) SCHEDULED MAINTENANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(14) SECURITY SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(15) MANAGEMENT FEES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(16) (i) MAINTENANCE SALARY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(16) (ii) MAINTENANCE MATERIALS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	(f)	REPAIRS TO BUILDINGS AND EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -
(g)	ALTERATIONS NEEDED TO MEET	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(h)	OTHER REASONABLE EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<i>Sub-Total (a-h)</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(i) FMR	<i>Annual Fair Market Rent Compensation Amount</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Offsets	<i>FY22 M&I Offset</i>						
Other Additions	<i>Adjusted Compensation Amount</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<i>Enter Annual S/SF</i>	\$ 1.00					

Option (c) - Compensation “a-h” Elements



Rent (Sublease)

- If a T/TO entered into a commercial lease for space or leased housing from a private owner, T/TO may be compensated up to 12 months of reasonable rent paid during the term of the section 105(I) lease.
- It will be up to the Tribe and the Lessor/Landlord to sort out whether the section 105(I) lease triggers any particular clause in the commercial lease such a sublease clause.
- While Congress has directed that IHS enter into a “lease” under section 105(I), IHS does not use or occupy the facility as a tenant but uses the section 105(I) lease to pay the T/TO for facilities costs.
- IHS will review the commercial lease agreement against the section 105(I) lease proposal for duplication.



Depreciation

- Depreciation may be requested if the T/TO has full ownership of the facility.
- IHS uses a straight-line depreciation method based on 39-year useful life as per the IRS publication 946. While the 39-year useful life is appropriate, IHS has the discretion to apply a different useful life if the Tribe demonstrates that it is actually depreciating its facility over a different term in its audited financial statements.
- The annual depreciation is calculated by dividing the value of the building by 39 years to determine the depreciable base. Tribe will receive same amount each year unless a capital improvement is made to facility.
- Proof of Building Value: Appraisal of facility, bill of sale, or if newly constructed, tribal general ledger expenses, or value identified in Tribe's audited financial statements.
- Identify all sources of funds used to construct the facility. Depreciation based on acquisition costs not financed w/federal funds.



Types of Reserves

IHS may provide replacement funds annually for fixed or building services equipment such as:

Electrical System

General/Emer. Lighting, Power System Generators, Switchgear, Dist. Panels Transformers, Building Controls, Paging System

Plumbing Systems (For 105I Leases only)

Booster Pumps, Hot Water Heaters, Medical Gas, Sewage Lift Station, Snow Melt, Sprinkler, Piping Replacement, Water Fountains, Storage Tank, Water Treatment, Water Wells

HVAC System

Air Conditioning, Boiler, Blowers, Chiller, Compressor, DDC System, Furnaces, Heat Pump/Exchangers, Piping, Radiator, Steam Systems

Fire Protection Systems

Fire Alarm System, Security System, Fire Pump, Smoke & Heat Detectors, Magnetic Door Holders, Sprinkler Systems, Tank & Tower



Request for Reserves

Annual Inflation % Used	
Current Lease Year	

Name of Facility:	
Address, City, State, Zip:	

	Reserve Item	Current Replacement Value	Year Purchased	Initial Useful Life	Remaining Useful Life	Replacement Year	Future Replacement Value	Reserve Amt. (Calculated Per Yr.)
1		\$0.00		15	15	15	\$ -	\$ -
2		\$0.00		15	15	15	\$ -	\$ -
3		\$0.00		15	15	15	\$ -	\$ -
4		\$0.00		15	15	15	\$ -	\$ -
5		\$0.00		15	15	15	\$ -	\$ -
6		\$0.00		15	15	15	\$ -	\$ -
7				15		15		
8				15		15		
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
Total Reserves							\$	-



Resource - Reserves Useful Life

Estimated
Useful Lives
of **Depreciable
Hospital Assets**

Revised 2023 Edition



Reserves – Useful Life

TABLE 4 Fixed Equipment

Fixed equipment includes assets that are permanently affixed to the building structure and are not subject to movement, but which have shorter useful lives than that of the building. The asset cost would include a proportionate share of architectural, consulting, and interest cost.

ITEM	YEARS	ITEM	YEARS
Benches, bins, cabinets, counters, and shelving, built-in	15	Kiosk, wayfinding systems	10
Cabinet, biological safety	15	Laminar flow system	15
Canopy, ventilating, for laundry ironer	15	Lockers	
Cart washer, walk-in	15	Built-in	15
Coat rack	20	Freestanding	12
Conveyor system, laundry	10	Mailboxes, built-in	20
Cooler, walk-in	15	Medicine preparation station	15
Curtains and drapes	5	Mirrors, traffic and/or wall-mounted	10
Generator controls	12	Narcotics safe	20
Freezer, walk-in	15	Nurses' counter, built-in	15
Headwall system, patient console unit	15	Pass-through boxes	15
Hood, fume	15	Patients' wardrobes and vanities, built-in	15
Fire protection in hoods	10	Projection screen, fixed	10
ICU and CCU counters	15	Sink and drainboard	20
Illuminator		Solar panels	15
Multifilm	10	Sterilizer, built-in	15
Single	10	Telephone enclosure	10

TABLE 5 Building Services Equipment

Building services equipment refers to mechanical components or systems designed for the building(s), including air conditioning, electrical elevators, heating, lighting, plumbing, sprinklers, and ventilating. The asset cost would include a proportionate share of architectural, consulting, and interest cost for newly constructed or renovated facilities.

ITEM	YEARS	ITEM	YEARS
Air-conditioning equipment		Air-handling unit*	16
Centrifugal chiller	15	Antenna system	10
Compressor, air	15	Automated vertical bed storage system*	10
Condensate tank	10	Biometric access control systems	7
Condenser	15	Boiler	20
Controls	10	Boiler deaerator system	15
Cooler and dehumidifier	10	Boiler smokestack, metal	20
Cooling tower, anti-microbial	20	Building automation system*	12
Cooling tower, concrete	20	Bulb-crushing machine*	12
Cooling tower, plastic	20	Clean-air equipment	15
Cooling tower, wood frame	10	Chilled beam system*	15
Duct work	20	Clock system, central	15
Fan, air-handling and ventilating	20	Co-generation plant, generator powered	15
Piping	20	Door alarm	10
Precipitator	10	Door-closing devices, for fire alarm system	15
Pump	10	Electric lighting and power	
Air-conditioning system		Composite	18
Large (over 20 tons)	10	Conduit and wiring	20
Medium (5–20 tons)	10		

Reserves - Option 2

- Enables Tribe to purchase fixed equipment by providing quote with lease proposal
- Tribe provides quote to seek IHS pre-approval; Reimbursed for expenses in the following lease term.
- Any fixed and/or building service equipment purchased can begin receiving annual funds to replace again at the end of the useful life.
- One-time expense and will be removed from the next lease period.



Principal & Interest

- IHS may compensate for principal and interest paid or accrued on a loan to purchase or build a facility to be leased by IHS under 105(I) lease.
- T/TO will need to provide the following information - total cost of loan; monthly or annual principal and interest; amount of funding provided or borrowed by the Tribe; amount of non-federal funds used in the total cost of acquisition or construction; amount of federal funds used in total cost of acquisition or construction; total principal and interest paid by the Tribe for the loan prior to the start of the 105(I) lease; date of beneficial occupancy; and date when services in facility began.
- Depreciation and Principal & Interest (P&I) are inherently duplicative and that the depreciation calculation should reflect federal financing in the form of P&I payments made in the lease.



Utilities & Insurance

IHS may compensate up to 12 months of utilities for the following using actual expenses from the prior year to determine cost reasonableness.

(Prefer GL expenses provided in MS Excel Worksheet.)

- Water/Sewage
- Electricity
- Fuel
- Insurance for Building Only
- Trash Removal (Includes Medical Waste)

For new facilities with no prior year utility expenses, estimates will be accepted for the first year only.



Building Mgmt. Custodial Services

If a T/TO has a janitorial contract with a professional cleaning service provide:

- Copy of contract to show terms, amount, scope of work

Tribal Janitorial Staff & Supplies

- IHS may compensate salary and fringe for janitorial staff
- If tribal janitorial staff provide service to additional buildings including the 105(I) lease facility, compensation will be provided for the percentage of time spent cleaning the 105(I) leased facility. Tribe can offer method to pro-rate percentage.
- To pro-rate, most T/TO's will use the total square feet to determine the cost per sqft. and multiply cost per sqft. by individual building.



Site Maintenance

- IHS may compensate salary and fringe for site maintenance staff
- Site maintenance includes: weeding, ground cover, trimming, controlling debris removal; spring/fall cleanup, pruning/hedging, parking lot repair, sealing or striping

Fire Protection/Fire Fighting Services

In high-risk fire zones, compensation may be provided for specialized fire protection and fire fighting equipment in cases of emergency.

- Fire Hose
- Fire Blankets
- Fire Buckets
- Other fire fighting protection tools



Monitoring and Preventive Maintenance

This compensation element is for annual services provided under a contract for various types of preventive maintenance such as **(provide copy of contract)**:

- Heating/ventilation/air conditioning
- Plumbing
- Electrical
- Elevators
- Boilers
- Fire safety system



Roof, Foundation, Walls, Floors

Option 1 – Compensation for repair expenses

- Expenses associated with repair projects for roof, foundation, walls and floors may be compensated under this element.

Option 2 – One Time Expense – Roof, Foundation, Walls, Floors

- As an alternative to Option 1, Tribe may request one-time expense item associated with this compensation element by providing current quote and justification for repair project. If approved, IHS may provide pre-approval and compensate once final invoice is received and requested.

This is a one-time expense, and will be removed from the next lease period.



Security Services & Equipment

- IHS may compensate salary and fringe for security staff
- Professional security guard service, monitoring systems and installation of security systems may be compensated under the 105(I) lease.
- T/TO staff who provide security services to other tribally owned buildings, including the 105(I) leased facility, compensation may be provided for the percentage of time security service is provided to the 105(I) leased facility.
- Security systems – includes security equipment



Management Fees

- Full-time onsite Facility Manager, who is responsible for the nuts and bolts of keeping the facility running smoothly; schedules repair projects.
- Staff Member, who serves as Facility Manager in addition to regular duties.
- Roaming Facility Manager, who provides services to tribally owned buildings, including the 105(I) leased facility.



Maintenance Staff & Material

- IHS may compensate for salary/fringe for maintenance staff
- Maintenance Material/Supplies: Compensate for items associated with repair projects such as tools, material, freight, wi-fi for HVAC Building Automation System; Continuous telecommunication lines for fire protection-alarm systems monitoring, fire protection-alarm systems that require telecommunication line for continuous monitoring; That portion of IT/Telecommunication services can be compensated under a 105I lease.

Unscheduled & Scheduled Maintenance & Repairs to Buildings & Equipment

- Repair of doors, windows, walls, electrical wiring, gas pipes, water pipes, plumbing services, repair of walls, plastering/painting, repair of flooring
- Facility Condition Assessments



Alterations needed to meet contract requirements

Compensation may be provided if IHS requires the T/TO alter the facility to meet new IHS contract/compact requirements. Prior approval by IHS is required before beginning alteration project.

- Describe the new IHS contract/compact requirement
- Describe the required alteration
- Provide a quote



Other Reasonable Expenses

If requesting other reasonable expenses, provide general ledger summary that describes each item and expense not otherwise provided under compensation elements (a) – (g) above.



Questions?

Contact:

Dr. Chris Poole, DHA
Director (Acting), ODSCT
Mail Stop: 08E17
5600 Fishers Lane
Rockville, MD 20857
Email: Chris.Poole@ihs.gov
Telephone: (218) 444-0475

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