



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Public Health Service

**Memorandum**

Indian Health Service  
Rockville MD 20852

**TO:** Area Sanitation Facility Construction (SFC) Program Directors

**FROM:** Mark A. Calkins 2/19/2025  
RADM Mark Calkins, PE Date  
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**SUBJECT:** Interim Program Guidance  
#2025-02  
  
Milestones and Phases  
in Project Data System (PDS)

This memo provides interim guidance to SFC program managers on a specific issue or topic area.

**Issue / Topic Area:**

Definition and utilization of HQ-required milestones and phases in the Project Data System (PDS).

**Background:**

Milestones in the PDS provide users the ability to track and report on the status of projects by phase and to review a project’s schedule, current status, and project completion progress. To ensure accuracy, Areas must initially populate (baseline), provide any updates (planned) and finally enter the actual dates of HQ-required milestones. Areas are encouraged to utilize other standard milestones in the Sanitation Tracking and Reporting System (STARS) milestone library, and establish and utilize any additional Area-defined milestones to improve project management and tracking.

**Guidance:**

**I. Project Category Field**

All active PDS projects shall be assigned one of the categories identified in Table 1. Since the mission of the SFC program is to provide technical and financial assistance to American Indian tribes and Alaska Native villages for cooperative development and construction of safe water, wastewater, and solid waste systems and related support facilities, the vast majority of PDS projects will be categorized as “construction” projects. When planning activities are required to develop a project to a ready-to-fund for construction status, a planning project can be implemented and the associated “planning” category should be used. Areas must change the project category field from planning to construction when 1) planning scope is complete, or 2) funds are added to the project for construction activities, or when an MOA or CPA is signed and milestone 1800 or 1820 is populated.

**Table 1: Project Category**

<b>Category</b>	<b>Description/Instructions</b>
Planning	Project objective is to complete planning, design, and/or construction documents.
Construction	Project objective is to complete construction of sanitation facilities. Project may also include construction document completion.
Operation & Maintenance	Funding to support training and technical assistance with the operation and maintenance activities.
Program Administration	Use at the discretion and direction of the SFC Area Program manager as needed for projects that do not fall into one of the categories above.

Operation and maintenance and program administration are categories that are available for use in specific non-construction projects and thus are rarely used.

**II. HQ-Required Milestones**

HQ has established the milestones identified in Table 2 to support high level project status tracking by phases, and the monitoring of key program performance metrics. These milestones are required to be used and maintained by Areas, depending on the project category (section III). Areas are encouraged to utilize other standard milestones in the STARS milestone library, and establish and utilize any additional Area-defined milestones to improve project management, tracking and reporting to funding partners and tribal stakeholders.

**Table 2: HQ-Required Milestones and Project Phases**

<b>Code</b>	<b>Milestone</b>	<b>Description</b>	<b>Project Phase</b>	
0030	Project Development Plan	Date of the approved Project Development Plan (PDP) or equivalent scope document.  The PDP identifies all the work (scope) required to advance the project through the project development phase, including pre-construction planning, environmental, and preliminary engineering tasks, who will complete the tasks, the schedule and budget for the tasks, and addresses all identified risks.	Planning Project (sub-phase)	Project Development
0040	Planning Agreement	Date (final signature) of agreement. This agreement obligates funds for pre-construction planning, environmental, preliminary engineering or final design activities and could be authorized via PL 86-121, or PL 93-638 Title 5. Population of a date in this milestone starts the tracking of a planning project.		
1100	Preliminary Engineering Report	Date of the completed (PE stamped) Preliminary Engineering Report (PER) or equivalent technical justification/ documentation based on the scope and complexity of the project.		

Code	Milestone	Description	Project Phase	
1699	Planning Project Sub-Phase End	Date when scope elements associated with the planning project are complete.	Project Documents (sub-phase)	
1700	Project Summary	Date (final signature by SFC Program manager) on the Project Summary.		
1800	Memorandum of Agreement (MOA).	Date (final signature) of the PL-86-121 MOA <u>or</u> PL-93-638, Title 5, Subpart N CPA between the IHS and the Tribe/ Nation/ or Tribal-Designated Entity. (For the vast majority of projects, only one of these milestones will be utilized. Select N/A for the milestone not used). This agreement defines all roles and responsibilities and obligates funds for construction activities.		
1820	Construction Project Agreement (CPA).	<b>“Project Duration” start milestone.</b>		
1900	Environmental Review Determination	Date that the delegated authority signs and issues the environmental determination. The delegated authority would normally be the Area NEPA coordinator. This milestone is N/A if milestone 1820 is populated (under PL 93-638 Title 5, Subpart N, Tribes have assumed NEPA authority and responsibility to issue the environment determination.)		
1999	Project Development <b>Phase-End</b>	Date that planning and all project documents are executed and approved. <b>Outcome: the project is well-planned, preliminary engineering is completed, the environmental determination is made, funds are obligated for construction, and it is ready to efficiently execute.</b>		

Code	Milestone	Description	Project Phase
2000	Construction Documents Start	Date that work on the final design package starts.  Areas can further define to meet unique program delivery methods.	Construction Documents
2699	Construction Documents 100% Complete  <b>Phase-End</b>	Date when all activities associated with the primary construction documents package are complete. <b>Outcome: The design is complete, the plans and specifications are PE stamped, the project is ready for procurement or determination of construction pricing.</b>	
2700	Procurement Start	Date when the primary construction contract package is submitted to contracting or a procurement entity for action. Areas can further define to meet unique program delivery methods. For instance, for force account, this milestone could be defined to be the date that the construction documents are submitted to the tribal construction entity for a final material takeoff.	Procurement
2830	Construction Contract Award or equivalent	Date when the primary construction contract is awarded, or equivalent. Areas can further define to meet unique program delivery methods. For instance, for force account, this milestone could be defined to be the date that the final material takeoff and / or projected total construction cost is confirmed with the tribe.	
2999	Procurement <b>Phase-End</b>	Date when all activities related to the primary procurement phase are completed. <b>Outcome: The construction method is confirmed, the contractor is selected and pricing is secured, and the project is ready for construction.</b>	

Code	Milestone	Description	Project Phase
3000	Construction Start	Date when the notice to proceed is issued, or primary construction activities start.  Areas can further define to meet unique program delivery methods.	Construction
3960	Final Inspection	Date of the Final Inspection. The facilities are complete and placed into use. Very minor punch list items may remain. Per the Criteria manual, a final inspection shall be conducted on all completed sanitation facilities construction projects. <b>“Project Duration” end milestone.</b>	
3999	Construction Phase-End	Date when all construction work in the project scope is complete including all punch list items, the facilities are in use, the construction contract is complete (final payment issued). <b>Outcome: The homes are served with improved sanitation facilities; the deficiency has been addressed.</b>	
4320	Transfer Agreement	Date of agreement <u>or</u> letter signature.	Closeout
4330	Tribal Close Out Letter	Use the appropriate milestone based on the requirement specified in the 1800 or 1820 agreement. For the vast majority of projects, only one of these milestones will be utilized. Select N/A for the milestone not used.	
4999	Final Report Published <b>Closeout Phase End</b>	Date of Final Report Publication. Project status changes from “Active” to “Inactive”  <b>Outcome: Funds are reconciled, as-builts and project records are established, O&amp;M responsibilities are established.</b>	

### **III. HQ-Required Milestones by Category**

The Project Category field is used to identify which HQ milestones from Table 1 are required for that project. Table 3 shows the resultant HQ-required milestones by project category.

**Table 3 – HQ Required milestones by Project Category**

<b>Category</b>	<b>Required HQ milestones</b>
Planning	0030, 0040, 1100, and 1699
Construction	1700 1800 or 1820. (Use “N/A” checkbox to mark one as “Not/ Applicable”) 1900 (N/A if 1820 is utilized) 1999, 2000, 2699, 2700, 2830, 2999, 3000, 3960, 3999 4320 or 4330. (Use “N/A” checkbox to mark one as “Not Applicable”) 4999
Operation & Maintenance	4999
Program Administration	4999

### **IV. Phase-End Milestones**

In order to accurately track and report overall project status by phase, the milestones in Table 4 are considered “phase-end” milestones; “actual” dates populated in these milestones signify the intended outcome has been achieved. In order to advance a project to the next phase, dates must be populated in these milestones in sequential order. Population of downstream “actual” phase-end milestones will not advance a project forward until “actual” phase-end milestones are populated for all upstream phases.

Some SFC projects, such as a project to serve multiple scattered homes with sanitation facilities, may not advance through phases in a neat sequential order. For example, a specific home will progress through construction documents, procurement, then construction phase, while another home in the same project could effectively be in a different phase. For projects with significant non-sequential scope items, Areas are encouraged to maintain a holistic view on project phases. Projects should not advance and retreat in project phases. For the construction documents and the procurement phases in particular, the status and advancement of the “primary” work package should govern. Areas are encouraged to establish internal standards and guidance for project managers to use in the tracking of projects by phases that have significant non-sequential activities.

**Table 4 - Phase-End Milestones**

<b>Code</b>	<b>Milestone</b>	<b>Intended Outcome</b>	<b>Project Phase</b>
1999	Project Development Phase End	Outcome: the project is well-planned, preliminary engineering is completed, the environmental determination is made, funds are obligated for construction, and it is ready to efficiently execute.	Project Development
2699	Construction Document Phase End	Outcome: The design is complete, the plans and specifications are PE stamped, the project is ready for procurement or determination of construction pricing.	Construction Documents
2999	Procurement Phase End	Outcome: The construction method is confirmed, the contractor is selected and pricing is secured, and the project is ready for construction.	Procurement
3999	Construction Phase End	Outcome: The homes are served with improved sanitation facilities; the deficiency has been addressed.	Construction
4999	Final Report Published/ Closeout Phase End	Outcome: Funds are reconciled, as-builts and project records are established, O&M responsibilities are established. Project end.	Closeout

In addition to a phase end, milestone 4999 also controls whether the project is in active or inactive status. Population of an “actual” date for 4999 will convert the PDS project from active to inactive.

**V. “Project Duration” Milestones**

In response to a request from the Office of Management and Budget (OMB) on/ around 2006, the SFC Program established “project duration” as the programs efficiency measure and has reported the overall average duration of all projects brought to construction complete in the previous fiscal year in the annual budget justification document.

Project duration for each project is measured from the actual date of the Government-to-Government agreement (Memorandum of Agreement or Construction Project Agreement) to the actual date of completion of the sanitation facility.

The earliest of the actual date in either milestone 1800 (MOA) or 1820 (CPA) starts the duration measure, and an actual date in milestone 3960 (final inspection) ends the duration measure. These three unique milestones are considered “project duration” milestones and staff should recognize their increased importance and need for accuracy. Do not use the 1800/1820 “duration” milestone to track any subsequent Tribe/ Nation agreement with a 3<sup>rd</sup> party. An area-



defined milestone may be used to track subsequent agreements.

SFC staff should recognize the importance of and maintain focus on managing projects to meet original baseline, or realistic (updated) planned schedules and look for opportunities to reduce the project duration whenever possible.

**VI. “Baselining” of Milestones.**

When initiating, establishing or funding a PDS project, the project manager/ project engineer must “baseline” the project milestones by populating planned dates into the “Baseline” column. Baseline dates should reflect the schedule formalized in the original project documents (project summary/ scope/ or agreement). Once baselined, this field can be locked by Areas. If the project schedule migrates away from the baseline planned dates, the project manager/ project engineer shall provide updated dates in the “Planned” column based on the current schedule maintained by the project manager.

**VII. Crosswalk between PDS Phases and PMPro Phases**

With the recent historic investment of funding into the SFC program from the Infrastructure Investment and Job Act (IIJA), increased oversight and the associated need for rapid development of the PDS system to be used for public tracking and reporting of project status, the SFC program has revised the definition of project phases in PDS, compared to the how phases are defined in the SFC Project Management Program Guideline (PMPro), 2019 edition. Table 5 provides a crosswalk between PDS phases and PMPro phases. A future update to PMPro guideline will bring full alignment.

**Table 5 – Crosswalk Between PDS Phases and PMPro Phases**

<b>PDS Project Phase</b>	<b>PDS Sub-phase</b>	<b>PMPro Project Phase</b>
Project Development	(N/A, track progress in SDS)	Project Development
	Planning Project	Planning and Design
	Project Documents	
Construction Documents		Construction Documents
Procurement		Construction
Construction		
Closeout		Closeout

**End IGM**