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TECHNICAL HANDBOOK FOR ENVIRONMENTAL HEALTH AND ENGINEERING  
VOLUME IV - REAL PROPERTY MANAGEMENT  
PART 31 - GOVERNMENT OWNED REAL PROPERTY

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**CHAPTER 31-12 ACQUISITION AND MANAGEMENT OF MODULAR BUILDINGS AND TRAILERS**

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**31-12.1 INTRODUCTION**

A. PURPOSE

Establish the Indian Health Service (IHS) guidelines for the acquisition and management of modular buildings and trailers.

B. APPLICABILITY

These guidelines apply to all IHS-owned and leased health care installations, sites, and buildings.

C. BACKGROUND

The IHS initially established a policy limiting the purchase of trailers by Deputy Director, Indian Health Service, Memorandum of February 6, 1980.

D. DEFINITIONS

**Modular Building:** A modular building is unit built to building codes in a controlled, environmentally protected building center using precise and efficient construction technology. Modular buildings may be constructed in large sections or as complete buildings and are delivered complete, or erected in sections on site. Modular buildings must comply with the building codes.

**Trailer (Mobile Building, also called manufactured housing):** A manufactured, readily available, building intended to be transported to various locations. A trailer can be identified by some or all of the following features:

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- Permanent frame with axles and wheels
- Finished floors, walls, and ceilings
- Finished exterior walls with windows
- Complete electrical and plumbing systems
- Immediate occupancy

A major difference between a modular building and a trailer is that trailers comply with the Federal Construction Safety Standards Act (i.e., Housing and Urban Development (HUD) Code) and not the building codes. The HUD Code is unique since it is specifically designed for compatibility with the factory production process. Trailers will have a HUD compliance plate with serial number, etc. on the building exterior.

For the purpose of this policy, this definition excludes mobile mammography units, mobile dental units, and other mobile vehicles that may provide health care to remote locations without permanent structures or staff.

### **31-12.2 POLICY**

The IHS tracks and accounts for property in accordance with the Federal Management Regulations (FMR), Parts 102-71 through 102-84. Trailers and modular buildings, whether permanently constructed or temporarily installed, are considered real property if they are located on land owned, leased, or otherwise under the control of the IHS.

#### **A. MODULAR BUILDINGS**

In limited circumstances, the acquisition of modular buildings is authorized using:

- Health Services carryover funds by Public Law (P.L.) 93-638 contractors to meet expanded space requirements;
- Medicare and Medicaid (M/M) collections to correct facilities deficiencies relating to accreditation standards;
- Maintenance and Improvement (M&I) funds as part of the repair-by-replacement program;
- Grants funds;
- Congressionally-appropriated health care construction funds; and
- Tribal donation under the gifting procedures.

An excess modular building may be demolished, transferred to a tribe/tribal organization, or relocated to another installation or site depending on the condition of the unit and the building's

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remaining useful life.

B. TRAILERS

The acquisition of trailers as health care space, administrative space, quarters, etc. is not allowed. Trailers are high maintenance, short-term structures.

Although Special Diabetes Program grants may include language for the acquisition of trailers, the Office of Environmental Health and Engineering (OEHE) policy is that the purchase or lease of trailers for siting on IHS-owned or leased installations or sites is not allowed. Rather, modular buildings should be used.

Excess trailers shall be promptly disposed of once replaced by new space. The transfer of excess trailers to a tribe/tribal organization or any other individual/organization is not allowed. The relocation of a trailer to another installation or site is also not allowed. The IHS is generally disposing of trailers because they are considered non-repairable to a safe condition and transfer of an unsafe trailer is not in the best interest of the IHS. Exceptions to this policy will be considered on a case-by-case basis when the situations warrant retention or transfer of an existing trailer.

**31-12.3 FUNDING GUIDELINES**

A. HEALTH SERVICES CARRYOVER FUNDING

To meet expanded space requirements, P.L. 93-638 contractors are authorized, in limited circumstances, to use appropriated Health Services carryover funds to acquire modular buildings. Refer to the Technical Handbook for Environmental Health and Engineering, Volume III, Part 26, Chapter 6, "Health Services Carryover Funding".

B. MEDICARE AND MEDICAID COLLECTIONS

To correct facilities deficiencies that are not in compliance with accreditation standards, the use of M/M collections is authorized, in limited circumstances, to acquire modular buildings. Refer to the Technical Handbook for Environmental Health and Engineering, Volume III, Part 26, Chapter 5, "Medicaid and Medicare Funded Projects".

C. FACILITIES APPROPRIATIONS

The use of (M&I) funds to acquire modular buildings is allowed under the repair-by-replacement program. Refer to Technical Handbook for Environmental Health and Engineering, Volume VI, Part 74, Chapter 1, "Repair by Replacement Projects". However, using **Equipment or Facilities Support Account (FSA) funding is not allowed.**

The objective of the IHS health care facilities construction funds

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is to provide access to a modern health care delivery system by providing for optimum availability of functional, well-maintained IHS and tribally operated health care facilities and staff housing at IHS health care delivery locations. In limited circumstances, these appropriated funds may be used for modular buildings; e.g., dental building funding.

D. GRANTS

IHS Service Unit grantees may use grants funds to acquire modular units in accordance with the conditions of the grant.

**31-12.4 APPROVAL PROCESS**

For acquisition of modular buildings by:

- Health Services carryover funds, M/M collections or repair-by-replacement projects. The approval processes are outlined in the respective Technical Handbook for Environmental Health and Engineering chapters.
- Grants. Approvals are made on a case-by-case basis through the granting authority application and award process.
- Health care facilities construction funds. Refer to the chapters in the Technical Handbook for Environmental Health and Engineering, Volume II, "Health Care Facility Planning".
- Tribal donations. Refer to IHS Manual, Part 5, Chapter 22, Section 3, "Gifts Administration" and Technical Handbook for Environmental Health and Engineering Volume IV, Part 32, Chapter 4, "Gifts of Real Property".

Follow the real property procedures for the disposal of all excess modular buildings and trailers.

**31-12.5 REPORTING REQUIREMENTS**

Modular buildings and trailers are classified as real property for accounting purposes and will follow the real property accountability procedures. The reporting requirements (e.g., real property vouchers, disposal documents, etc.) for modular buildings and trailers are the same as all other real property actions.

**31-12.6 EXCEPTIONS**

In special circumstances, an exception to these policies may be granted. Area Offices shall submit a written request to the Division of Facilities Operations detailing the circumstances and why an exception is in the best interest of the Government. Exceptions are granted only in unique circumstances and on a case-by-case basis.