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CITIZEN POTAWATOMI NATION

Submitted to: consultation@bia.gov

July 26, 2016

Lawrence Roberts, Acting Assistant Secretary – Indian Affairs
Bureau of Indian Affairs
U.S. Department of the Interior
1849 C Street, NW
MS-3071-MIB
Washington, DC 20420

Re: Support of Contract Support Costs (CSC) Proposed Policy

Dear Acting Assistant Secretary Roberts:

The Citizen Potawatomi Nation extends support to the proposed amendments to the Department of Interior – Bureau of Indian Affairs Contract Support Costs policy. The proposed policy changes were deliberated through the BIA Contract Support Cost workgroup, allowing for meaningful input and the active engagement of Tribal leadership and representatives in the process. We commend our Federal partners, Tribal leadership and others who worked together on the development of these important amendments.

The CPN supports the draft policy because it reflects authorization and requirement to fully fund CSC as provided by the ISDEAA. It honors the rates as approved by the Interior Business Center and provides simplified, consistent and alternative calculation methods for CSC.

We would urge you to consider the following recommendations as far as suggested amendments:

- Revise the language that reads "current budgeted salary costs of Indian Affairs 106(a)(1) programs" to "Current Tribally budgeted salary costs for IA programs transferred in the 106(a)(1) amount" and delete the terms "excluding fringe" because salaries by definition do not include fringe;
- Raise the *Direct Contract Support Cost* rate from 15% to 18% of salaries. The rising costs of health insurance premiums and other associated costs have drastically impacted Tribes and now that CSC is to be fully funded from an indefinite appropriation, an increase of 18% does not seem like an unreasonable request;
- In the absence of a viable rate or lump sum negotiation, the Bureau should pay indirect costs based upon the prior year's amount or based on the *de Minimis* rate of 10% adopted in the Office of Management and Budget Super circular;

- Tribes should not be forced to accept CSC based on older rates because the Interior Business Center (IBC) is often slow to issue current rate agreements. Therefore, it should be left up to the Tribe whether to close out with the current fiscal year rate in place on September 30th of that year or wait for the new fiscal year rate to be approved;
- Tribes should be given the option to have any overpaid amounts applied as an offset in the following year;
- The Bureau should employ the same collaborative process in the editing and drafting of the Handbook that it did with the CSC Policy and the workgroup should be engaged in the process. The Bureau should also consult with Tribes regarding proposed amendments to the Handbook;
- Develop a CSC Report for Tribes that can be released to Tribes even if the formal report to Congress is delayed;
- Examples of allowable pre-award and startup costs should be included in the Manual for reference purposes. Tribes should be given the opportunity to provide input on this list; and,
- The policy should state that increases in CSC need are paid when identified. For example, the associated CSC should be paid at the same time any additional program funding is distributed or when newly- increased IDC rates are received. Tribes should not be required to wait to year-end to be paid CSC that is due and owing, potentially disrupting their cash flow. Finally, Title I and Self-Governance tribes should be treated as favorably as the other regarding prompt CSC payments.

Thank you for this opportunity to comment on the draft CSC policy. If you have any questions please do not hesitate to contact me or Rhonda Butcher, Self-Governance Director at (405) 275-3121 or email rbutcher@potawatomi.org.

Sincerely,



John A. Barrett
Tribal Chairman

CC: Rhonda Butcher, Director, Office of Self-Governance, Citizen Potawatomi Nation
Hankie Ortiz, Deputy Bureau Director, Office of Indian Services, Indian Affairs
Sharee Freeman, Director, Office of Self-Governance
Jim Mackay, Tribal Co-Chair, DOI CSC Workgroup
SGAC Members and Technical Workgroup