



Tribal concerns, Ramah decision reflected in first changes to Policy since issued in 2006

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WASHINGTON - Principal Deputy Assistant Secretary - Indian Affairs Lawrence S. Roberts today issued an updated Contract Support Costs (CSC) Policy for the Indian Affairs Manual (IAM). The updated Policy reflects extensive tribal consultation and the work of the Bureau of Indian Affairs' (BIA) CSC Workgroup, which is comprised of tribal and federal experts.

The updated Policy provides for the full payment of CSC and helps ensure that the payment of CSC is accurate, timely, and meets 100 percent of a tribe's CSC need as calculated under the Policy. The Policy also simplifies and streamlines CSC calculation to expedite payment.

"The updated Contract Support Costs Policy was driven by our strong commitment to tribal self-determination and self-governance," Roberts said. "The Policy will ensure that tribes contracting or compacting to administer Indian Affairs programs and services receive the amount of CSC that the Indian Self-Determination and Education Assistance Act requires. "I want to thank the tribal representatives and federal staff of the CSC Workgroup for their multi-year effort to collaboratively draft the Policy, review tribal comments on the Policy, and incorporate tribal input in the final version of the updated Policy."

This is the first update to the CSC Policy since it was initially issued in May of 2006. The Supreme Court's decision in *Salazar v. Ramah Navajo Chapter* and the Administration's commitment to fully fund CSC necessitated significant revisions. The update repeals the 2006 approach of equitable distribution of insufficient CSC funds to reflect the modern approach of fully funding CSC.

Many of the key components of the updated policy involve the calculation and payment of CSC. After hearing from tribal leaders about the burdens of increased employee health insurance premiums, increased facilities support costs, and additional administrative expenses, direct CSC will now be calculated as 18 percent of tribal budgeted salary costs, not including fringe, of section 106(a)(1) programs. In addition, the policy provides a simplified method for calculating indirect CSC for smaller tribes that do not meet the single-audit threshold for funding and do not have an approved IDC rate that is four or fewer years old. These provisions will provide administrative and financial relief to tribes that will ensure they are not forced to use program funding to cover administrative costs.

Incorporating the updated policy into the Indian Affairs Manual respects tribal requests to provide clear policy. To view the updated CSC Policy, along with other parts of the Indian Affairs Manual, visit the Indian Affairs website at:

<https://www.indianaffairs.gov/WhatWeDo/Knowledge/Directives/IAM/index.htm>.

The Principal Deputy Assistant Secretary - Indian Affairs oversees the BIA which directly administers or

funds tribally based infrastructure, economic and workforce development, law enforcement and justice, social services (including child welfare), tribal governance, and trust land and natural and energy resources management programs for the nation's federally recognized American Indian and Alaska Native tribes.

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