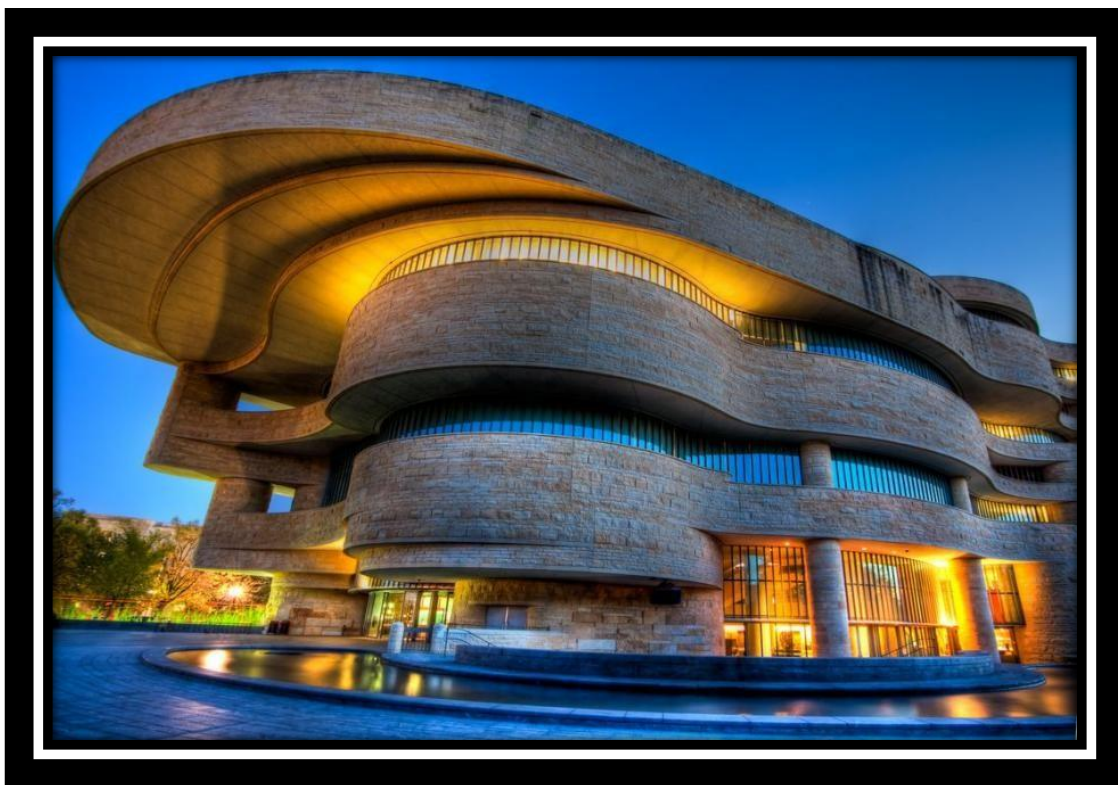




**DOI SELF-GOVERNANCE ADVISORY COMMITTEE
(SGAC)**

QUARTERLY MEETING

March 25-26, 2015



Embassy Suites DC Convention Center

900 10th Street Northwest, Washington, DC 20001

Phone: (202) 739-2001

**DOI Self-Governance Advisory Committee and Technical Workgroup
Quarterly Meeting**

Tuesday, March 24, 2015 (8:00 am to 5:00 pm)
Wednesday, March 25, 2015 (8:30 am to 2:00 pm)

Embassy Suites Washington DC - DC Convention Center

900-10th Street NW
Washington, DC 20001
Phone: (202) 739-2001

Table of Contents

1. SGAC AGENDA

- 2015 SGAC Calendar
- SGAC Membership Matrix

2. TSGAC Committee Business

- January Quarterly Meeting Minutes
- January Quarterly Meeting Assignment Matrix
- SGAC Correspondence Matrix

3. Draft 2015-2017 National Tribal Self-Governance Strategic Plan

4. Office of Management & Budget

- OMNI Circular FAQ

5. Budget Update

- Summary Tables from the President's FY 2016 Budget Request
- NCAI DOI Budget Analysis

6. CSC Workgroup Update

- DOI CSC Workgroup Recommendations

Tab 1: AGENDA

DOI SELF-GOVERNANCE ADVISORY COMMITTEE

c/o Self-Governance Communication and Education
P.O. Box 1734, McAlester, OK 74501
Telephone (918) 302-0252 ~ Facsimile (918) 423-7639 ~ Website: www.tribalselfgov.org

DOI Self-Governance Advisory Committee and Technical Workgroup Quarterly Meeting

Wednesday, March 25, 2015 (2:00 pm to 6:00 pm)

Thursday, March 26, 2015 (8:30 am to 1:30 pm)

Embassy Suites Washington DC - DC Convention Center

900-10th Street NW
Washington, DC 20001
Phone: (202) 739-2001

AGENDA

Wednesday, March 25, 2015 (2:00 pm to 6:00 pm)

Meeting of the SGAC and Technical Workgroup Members

-
- | | |
|----------------|--|
| 2:00 pm | SGAC Tribal Caucus (<i>Send items for discussion to Jennifer McLaughlin, Tribal Technical Co-Chair at Jmclaughlin@jamestowntribe.org</i>) <ul style="list-style-type: none">• Cole Memo Regarding Marijuana Policy |
| 2:30 pm | Invocation
Roll Call
Introductions – (All Participants and Invited Guests) |
| 2:45 pm | <u>Opening Remarks</u>
<i>W. Ron Allen, Tribal Chairman/CEO, Jamestown S’Klallam Tribe and Chairman, Self-Governance Advisory Committee (SGAC)</i>

<u>SGAC Committee Business</u> <ul style="list-style-type: none">• Approval of Meeting Minutes (January 29, 2015)• Annual Conference (Panel Session Input, Facilitators, Presenters & Note Takers) |
| 3:00 pm | <u>Office of Self-Governance Update</u>
Overview of OSG Activities
<i>Sharee Freeman, Director, Office of Self-Governance, DOI</i> |
| 3:20 pm | <u>Office of Management & Budget</u> <ul style="list-style-type: none">• Omni Circular (Super Circular)
<i>Melanie Stansbury, Examiner, Office of Management and Budget</i>
<i>Anna Naimark, Presidential Management Fellow, Office of Management and Budget</i> |
| 3:50 pm | <u>Budget Update</u> <ul style="list-style-type: none">• Update of President’s 2016 Request, 2015 Funding Distribution, and FY 2017 Budget formulation(Tommy)• Update on FBMS Review Committee (Tommy)• FY2016 Budget Update – Restoring 2013 Sequester Cuts and Protecting Tribal Programs from Future Sequesters• Update on prior budget issues raised<ul style="list-style-type: none">➢ Equitable Distribution of Increases for Self-Governance Tribes/Line Item Increases Outside of Self-Governance – steps taken to ensure budget equity➢ Streamlining one time funds and other programs into Grants.gov➢ Opening Central Office Shares |

- Congressional Budget Update (Amber)
Thomas Thompson, Deputy Assistant Secretary - Indian Affairs (Management)
Amber Ebarb, Policy Analyst, National Congress of American Indians
- 4:20 pm **CSC Workgroup Update**
Vickie Hanvey, Government Resources Self-Governance Administrator, Cherokee Nation
Rhonda Butcher, Self-Governance Director, Citizen Potawatomi Nation
- 4:40 pm **Legislative Update**
 - Mandatory Funding CSC
 - Title IV
 - Map 21
 - 477 Update
 - NAHASDA
 - Elementary & Secondary Education Act
 - TLOA Extension of Bureau of Prisons Pilot Program / Criminal Database Access
Geoff Strommer, Partner, Hobbs, Straus, Dean & Walker, LLP
Lloyd Miller, Partner, Sonosky, Chambers, Sachse, Miller & Munson, LLP
- 5:10 pm **Discussion of Issues in Preparation for Meeting with AS-IA**
- 5:40 pm **Strategic Plan Review and Approval**
- 6:00 pm **Adjourn for the Day**

Thursday, March 26, 2015 (8:30 am to 1:30 pm)

Meeting of the SGAC and Technical Workgroup with Kevin Washburn, Assistant Secretary –
Indian Affairs, Department of the Interior (AS-IA – DOI)
(only Members of the SGAC and Proxies to be seated at the table)

-
- 8:30 am **Opening Remarks**
Kevin Washburn, Assistant Secretary – Indian Affairs, Department of the Interior
W. Ron Allen, Tribal Chairman/CEO, Jamestown S’Klallam Tribe and
Chairman, Self-Governance Advisory Committee (SGAC)
 - 9:00 am **Discussion of Issues with Assistant Secretary – Indian Affairs**
 - 10:30 am **Break**
 - 10:45 am **Resume Discussion of Issues with Assistant Secretary – Indian Affairs**
 - Noon
1:30 pm **SGAC Executive Session with the Assistant Secretary – Indian Affairs**
 - Noon
1:30 pm **Technical Workgroup Work Session**
 - 1:30 pm **Adjourn Meeting**

2015 SGAC Calendar

Date	Event	Location
March 24-25	2nd Quarterly Meeting	Washington, DC
April 26-30	Tribal Self-Governance Annual Consultation Conference	Reno, NV
July 21-22	3rd Quarterly Meeting	Washington, DC
August 11-12	Self-Governance Finance Training	Eastern Region
September 9-10	Tribal Self-Governance Strategy Session	Flagstaff, AZ
October 6-7	4th Quarterly Meeting	Washington, DC

2016 SGAC Proposed Calendar

Date	Event	Location
January 26-27	1st Quarterly Meeting	Washington, DC
March 29-30	2nd Quarterly Meeting	Washington, DC
April 24-29	Tribal Self-Governance Annual Consultation Conference	Orlando, FL
July 19-20	3rd Quarterly Meeting	Washington, DC
September 13-14	Tribal Self-Governance Strategy Session	TBD
October 25-26	4th Quarterly Meeting	Washington, DC

DOI SELF-GOVERNANCE ADVISORY COMMITTEE

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SGAC MEMBERSHIP LIST

(March 2, 2015)

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SGAC & Technical Work Group Membership List

(March 2, 2015)

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SGAC & Technical Work Group Membership List
(March 2, 2015)

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DOI SELF-GOVERNANCE ADVISORY COMMITTEE

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SGAC & Technical Work Group Membership List
(March 2, 2015)

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SGAC & Technical Work Group Membership List
(March 2, 2015)

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Tab 2: COMMITTEE BUSINESS

DOI SELF-GOVERNANCE ADVISORY COMMITTEE

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DOI Self-Governance Advisory Committee and Technical Workgroup Quarterly Meeting and Tribal Self-Governance Strategy Session

Embassy Suites

900 10th Street NW

Washington, DC 20001

Phone: (202) 739-2001 ~ Fax: (202) 739-2099

Meeting Summary

January 29, 2015 (8:00 am to 5:00 pm)

Meeting of the SGAC and Technical Workgroup Members

Governor Romero from Taos Pueblo provided the invocation.

Roll Call

Alaska:	William Micklin, 1st Vice President, Central Council Tlingit and Haida Indian Tribes of Alaska Robert Keith, Chairman of the Board, Kawerak, Inc
Albuquerque:	Luis Romero, Governor, Taos Pueblo
Pacific:	Ryan Jackson, Council Member, Hoopa Valley Tribe
Eastern Oklahoma:	Mickey Percy, Executive Director, Choctaw Nation of Oklahoma Vickie Hanvey, Self-Governance Director, Cherokee Nation of Oklahoma
Southern Plains:	George Thurman, Principal Chief, Sac and Fox Nation Rhonda Butcher, Director, Citizen Potawatomi Nation
Western:	Delia M. Carlyle, Councilmember, Ak-Chin Indian Community Virginia M. Sanchez, Chairwoman, Duckwater Shoshone Tribe
Northwest:	W. Ron Allen, Chairman/CEO, Jamestown S'Klallam Tribe Tyson Johnston, First Councilmen, Quinault Indian Nation

Opening Remarks

W. Ron Allen, Tribal Chairman/CEO, Jamestown S'Klallam Tribe and Chairman, Self-Governance Advisory Committee (SGAC)

Title IV amendments were introduced yesterday by Senator Barasso and SGAC is hopeful that Self-Governance Tribes will be able to push it through during this Congressional session. And SGAC appreciates the Administration's support in enacting this legislation.

Republicans have taken over but the President issued a strong statement of what he wants to achieve and what he wants Indian Country to be part of during the last two years of the Administration.

Kevin Washburn, Assistant Secretary – Indian Affairs, Department of the Interior

Anne Bledsoe-Downs spent her fourth quarter of 2014 leading the Tribal Nations Conference and we are glad she is joining again today. The meeting with Standing Rock

Sioux children and the Tribal Nation Conference has reinvigorated the President. Anne has been working to institutionalize the White House Council on Native American Affairs.

BIA Update

In what may represent the Bureau's most important accomplishment during this Administration, the Bureau finalized the land into trust rule for Alaska. The rule will ensure that Alaska Tribes can put land into trust. There will be an informational session/listening session in Alaska in February to discuss the implementation.

Bureau continues to work on a myriad of issues including, Right of Way Regulations, ICWA Regulations, HIP Regulations, Secretarial Election Regulations, Transportation Regulations, and working with the IRS on Tax policy issues. Specifically the Bureau has have working on Tax policy with the IRS in developing policy.

Additionally, the Bureau has been focusing on the Bureau of Indian Education Reform using the Blueprint reform, shared previously.

FY 16 Budget Request

We are embargoed from talking about the Budget but I think you will be pleased. There is a Native youth initiative in the budget, known as the Generation Indigenous Initiative.

Appropriators uphold the trust responsibility as they have done in the past.

A number of Congressional representatives visited the Hopi Reservation (Cole, Simpson & others) It is a good sign that members of the Appropriations Committee are visiting Indian country.

SGAC Committee Business

MOTION: Cherokee Nation made a motion to approve the October Meeting Summary without amendments.
Pueblo of Taos seconded the main motion.
The meeting summary was approved without objections.

Office of Self-Governance Update

Sharee Freeman, Director, Office of Self-Governance, DOI

New OSG Staff

- Finance team
 - Danny Santiago, Fina, Celeste, Thomas Gubatayo (NWFO slowly taking over Nic Longley's responsibilities), Nic Longley (working part time and training Thomas to take over)
- Shawna McCovey (NW Office will negotiate SG compacts and work with new Tribes)
- Lance Fisher (Expertise in IT will prepare fund transfers and postings for the SG database posting of announcements and regulations and consultation)
- Michaela – Intern

Annual Reports

- The meeting materials included a document that provides dates and times for all Annual, Quarterly Reports Due, and Identify Points of Contact for Reports.

Funding Distribution

- OSG Provided a new streamline financial flow chart.
 - Tommy Thompsons' is working with Mohawk, Inc to improve the process
- OSG also reported that the final base \$120 million was transferred on January 10th and was obligated yesterday (January 28, 2015). This week additional money for Law Enforcement (\$114 million), Detention (\$114 million) and 75% of Welfare Assistance (\$15 million) will be obligated this week.
 - All of the 638 are done
 - Welfare assistance
 - Transportation
 - UDO's – 26 Self-Governance Tribes have not pulled down their money.
 - CSC overpayment letters – there are two
- Climate Change Funding was announced some time ago. OSG was able to get it so that these dollars could be included in AFA
- Law Enforcement Training
 - Law Enforcement Training – there are free trainings being offered for Tribal law enforcement personnel.

Superintendent Boot Camp

- Superintendent Boot camp – OSG Director participated as well as Matt Kallappa to provide them with one (1) hour fifteen (15) minute training and the Self-Governance film was shown. The training overall was 40 minutes. New and old Superintendents attended the session. There will be additional trainings in March & April. Feedback on the curriculum was provided by a number of SGAC Tribal Representatives.

Other DOI Updates

- Secretarial Order on Wildland Fire and Management and listening sessions.
 - Feb 4th Teleconference
 - Feb 9th Portland, OR
 - April 17th Reno, NV
- Tribal Transportation Regulations Consultation Dates
 - Seattle February 12th.
 - Recommend that the dollars for transportation work through the FHA

Correspondence

- There are three letters still outstanding for responses, but are in the process for signature.

Tribal Comments

Alaska Rep - There was some discussion about DOJ & BIA OJS and which Department would be better to run our justice/court programs through. Federal Highway has done a good job. Is there anyway Justice could start working with SG Agreements with Tribes similar to Federal Highways?

OSG – Tribes have been asking who should run their Transportation programs and we recommend Federal Highways because they provide technical assistance and provide outreach to Tribes. Tribal Transportation Program at BIA doesn't always help SG Tribes. I know that Tribes are pursuing SG in Federal Highways. Department of Justice is a harder nut to crack. They have tried to capture all the grant funding for tribes and roll it up into one application. We can begin conversations with them. They are fascinated with SG. We will speak with Nicole Hannah – Tribal Liaison from BIA/OJS.

Tribal Rep – Tribes haven't fleshed out the pros and cons or identified the land mines. In conjunction with that we are also raising the issue of implementation of TLOA and VAWA in Indian country, including Alaska. The lack of law enforcement/court resources in Alaska, California and other PL280/Settlement Act states is an issue. Is Interior looking at ways to provide Tribes with resources? It is a complicated issue.

OSG – It may be best to be with Justice because they have more money than Interior. It is something to consider since Interior does not have a lot of funds left at the end of the day.

Alaska – Federal agencies are not required by Congress to enter into a SG Funding Agreement but they should encourage other agencies to look at what Federal Highways has done.

Tribal representatives requested that SGAC develop a report on the President's legacy with respect to Self-Governance since 2008. This Administration highlights that the President is pro SG so it would be good to see the initiatives that reflect this.

Office of Bureau Director Update

Michael S. Black, Director, DOI-BIA

- Fee to Trust is still top priority we only have 18 months and 220,000 acres to go to meet the department goal.
- We completed a review of law enforcement programs in the field over a two week process. The intent of the review was to identify shortcomings and where improvements are needed. It can serve as a really good roadmap for Tribes.
 - However there's no funding tied to these reviews to make corrections.
- Darren or Mike Black can help direct resources
- Just came from a meeting with HUD, USDA, IHS, and EPA, BIA
 - Environmental review to improve housing developments process
 - Trying to improve the environmental report
- Another effort is improving the 184 loans
 - There's a gap and obstacles in getting TSRs to the lending official
 - The program requires forms from us to the mortgage companies and there have been gaps and miscommunication and have found various stopping points in the process. We are taking a look at it with HUD to try and figure out a way to simplify the process.
- Internal improvements
 - DOI and BIA rank at the bottom of the best places to work in the Federal Gov't
 - Improve communication and reaching out to ground staff
 - He's learning about the experience of regional staff
 - Survey will go out to all BIA processes
- Three vacant regional positions – tribes get to review the cert list and provide feedback and recommendations
 - Eastern region
 - Eastern Oklahoma
 - Rocky mountain region
- SGAC is requesting that BIA take over the title insurance process for fee-to-trust property. The underwriters prefer not to work with us based on the Non-Intercourse Act from the 1700s and they believe they would be assuming too much risk. Request that the Solicitor put out a letter to explain fee to trust to Insurance Companies and take on negotiations with

industry on behalf of Tribal beneficiaries. US Government would be far more effective than Tribes.

- We aren't getting support for gov't support – what is allowable when general functions are not allowable.
- There is a problem with moving correctional facility.
 - We have taken some tribes down to the facility to see it. Most feedback is positive
 - They arrange transportation and provide additional programs that BIA does not provide.
 - Even detainees prefer this facility over others.
- Problem with template cooperative agreements for wildland fire management going out with too little time for tribes to review the template.

Budget Update

Thomas Thompson, Deputy Assistant Secretary - Indian Affairs (Management)

Amber Ebarb, Legislative Associate, National Congress of American Indians

Dave Conner, Self-Governance Coordinator, Red Lake Band of Chippewa Indians

Amber Ebarb, Legislative Associate, National Congress of American Indians

- There are a number of members on the Senate Committee on Indian Affairs that also sit on the Appropriations Committees.
- FY2015 Crominbus Bill – the BIA and IHS received new money. We are still at the 2008 enacted level if you look at inflation and the impacts of sequestration.
- It is important to monitor the President's Budget Request on Monday. We will release an analysis of the President's Budget on Wednesday.
- We do not have a set cap so we will be watching the fights between the Administration and Congress on how to undo sequestration. We need to find other ways to reduce the deficit.
- Congressional Research Report released on HUD, DOE and Indian programs.
- Tribal Labor Force Report – NCAI secured a grant with the National Science Foundation and are working with other researches and recruiting Tribes to be part of the project over a 3 year period. The goal is to improve Tribal data collection and document the impact on Tribal programs.

Thomas Thompson, Deputy Assistant Secretary - Indian Affairs (Management)

- Distribution of dollars
 - Particularly around CSC
 - It's a cash flow issue for some Tribes
- Budget Formulation
 - There is a pretty regulated process to develop the Interior budget through TIBC.
 - There are some SGAC concerns regarding ranking SG priorities at TIBC.
 - The President also gets to weigh in and we want to develop new programs to fund so that people get excited about the budget.
 - We do not have a set cap so we will be watching the fights between the Administration and Congress on how to undo sequestration. We need to find other ways to reduce the deficit
 - There should be more transparency in the budgeting process.
 - Can we get a report on how well the education programs are performing?
- Update Status of FY2015 Appropriations and FY2016 and FY2017 Budgets
 - There are several crossovers between the appropriations and SCIA so that sets us up well for the appropriations
 - House side also looks relatively positive

- Can you provide a trend analysis on line items that are funded?
 - It's possible if we can limit it to general needs and issues to see what BIA is funding.
 - These are the five categories that the organization should concentrate on.
- Update Internal Review Committee – Streamlining Distribution of Funding
 - The analysis shows that there are 138 funding streams in Indian Affairs that go out to Tribes. But we're still using processes from the 40s.
 - There is a workgroup that will review the process and determine where the touch points have to be.
 - We have to get the protocols down for the Tribes. We need to streamline those processes.
 - BIA is looking at modernizing the process and relationships.

SGAC Leadership Executive Session with ASIA Kevin Washburn

SGAC Technical Workgroup Meeting

Strategic Plan Discussion

SGAC members continued working on the priorities identified during the Strategic Planning Session January 27, 2015. The top priorities identified were:

Budget Priorities:

- Restore Fiscal Year 2013 sequestration cuts and exempt Tribal funding from future sequesters.
- Authorize mandatory funding and fully fund Contract Support Costs and expedite payments to Tribes.
- Preserve authority to include one-time or short-term resources in Self-Governance Funding

Legislative Priorities:

- Amend Title IV of the Indian Self-Determination and Education Assistance Act.
- Reauthorize the Native American Housing Assistance and Self-Determination Act.
- Enact legislation that strengthens and reaffirms the original tenants of the Public Law 102-477.
- Expand Self-Governance to the Department of Transportation.

Policy Priorities:

- Revise and streamline each agency's Contract Support Costs policy.
- Expand Tribal consultation on allocation and formula distribution of Bureau of Indian Affairs (BIA).
- Foster greater transparency from the Department of the Interior in announcing new funding announcements.
- Institute a Tribal Advisory Committee for Office of Management and Budget.

DOI SELF-GOVERNANCE ADVISORY COMMITTEE

c/o Self-Governance Communication & Education Tribal Consortium
 PO BOX 1734 ~ McAlester, OK 74502
 Telephone (918) 302-0252 ~ Facsimile (918) 423-7639 ~ Website: www.tribalselfgov.org

SGAC TECHNICAL WORKGROUP ASSIGNMENT MATRIX January 29, 2015 Quarterly Meeting

Technical Workgroup Co-Chairs:
Jennifer McLaughlin, Tribal Co-Chair
Kenneth Reinfeld, Federal Co-Chair

	Assignment	Person(s) Responsible	Date Task Originated	Status
1.	Follow-up Letter to Acting Assistant Secretary Indian Affairs summarizing issues discussed and recommendations/action items raised during the January 29, 2015 Quarterly Meeting.	Jennifer McLaughlin Ken Reinfeld	January 29, 2015	
2.	Formula Funding Matrix <ul style="list-style-type: none"> Send Funding Matrix Report to AS-IA and Outline Next Steps 	Jennifer McLaughlin	January 29, 2015	
3.	Letter Darren Cruzan Funding for Law Enforcement/Courts in P.L.280 & Settlement Act States <ul style="list-style-type: none"> What is the Status of the Required Report to House and Senate (180 day time frame) on the budgetary needs and deficiencies of Tribal courts in P.L. 280 States 	Bruce Baltar	January 29, 2015	
4.	Title IV workgroup <ul style="list-style-type: none"> Work with Hill and Administration to pass legislation 	Title IV Workgroup C. Juliet Pittman Larry Roberts Sharee Freeman	January 29, 2015	Ongoing.
5.	Self-Governance Tribes Trainings for FY2014/FY2015 <ul style="list-style-type: none"> Feedback from Conference Evaluations/Survey Trainings Tools Recommendations on how we can help Tribes educate their members about SG at the local level Orientation Sessions at Tribal meetings (NCAI, USET, Alaska, etc.) 	Office of Self-Governance SGCE (lead)	January 29, 2015	Ongoing coordination.
6.	Letter Ann Marie Bledsoe Downes <ul style="list-style-type: none"> Develop a Report on the President's legacy since 2008 (Budget & Policy Initiatives that have been favorable to Tribes and specific pro-SG initiatives Raise the issue of Tribal Governmental Capacity and Natural Resources with the White House Council on Native American Affairs 	SENSE	January 29, 2015	

7.	Quarterly Meeting Minutes	SGCE Ken Reinfeld	January 29, 2015	Completed.
8.	CSC Subcommittee Workgroup <ul style="list-style-type: none"> Draft letter requesting a meeting with OMB, IBC and DCA from HHS 		January 29, 2015	Hold off – CSC Workgroup is coordinating this effort
9.	Self-Governance 2.0	Sharee Freeman OSG C. Juliet Pittman Cyndi Ferguson Dave Conner Vickie Hanvey Shawn Duran Jennifer McLaughlin	July 30, 2014	Ongoing
10.	Letter Tommy Thompson cc AS-IA <ul style="list-style-type: none"> Trend Analysis/ Accountability Report on the Budget Priorities that were Advanced the last few years through TIBC How well did the Budget Priorities Fare in the Process? Were there any Priorities that Received a Decrease in Funding? Express concern that Program Funds that use to be available to Tribes have been reprogrammed and it has had a negative impact on Tribes ability to carry out critical government functions. 	Kasie Nichols	January 29, 2015	
11.	EPA Workgroup <ul style="list-style-type: none"> Need people on the ground in Tribal communities to do the work 	C. Juliet Pittman Vicki Hanvey Rhonda Butcher Will Micklin Brad Marshall Ken Reinfeld Jennifer McLaughlin Bruce Baltar Tom Elkin	July 30, 2014	ongoing
12.	Letter Mike Black <ul style="list-style-type: none"> Solicitor Issue and Opinion on the Fee to Trust Process to Title Insurance Companies BIA consider taking on the negotiation function with Insurance Companies on behalf of Tribal beneficiaries 		January 29, 2015	Hold off – AK Tribes are addressing this measure
13.	SGAC Follow-up Teleconference Call	SGAC/Technical Workgroup/Federal Partners	January 29, 2015	March 2, 2015 @ 3:00 PM EST
14.	Wildfire Management Workgroup Call <ul style="list-style-type: none"> to establish national issues to coordinate priorities to develop strategy to address issues 	Shawn Duran and SGCE	February 12, 2015	

Summary of DOI Self-Governance Advisory Committee (SGAC) Correspondence Year: 2014

Updated: January 7, 2015

Ref. #	Date Sent	Addressed To	Topic/Issue	Action(s) Needed	Response Received
1.	12/10/2014	Kevin Washburn Assistant Secretary-Indian Affairs	CSC Self-Governance Sub Workgroup Support of CSC Workgroup's Current Draft Recommendations	IHS and DOI work together to implement CSC statutory provisions and develop consistent agencies policies	
2.	11/25/2014	Office of Regulatory Affairs and Collaborative Action Department of Interior ATTN: Elizabeth Appel	Proposed Rule Revising 25 CFR Part 169, Rights of Way Over Indian Land 1076-AF20, Docket ID: BIA-2014-0001		
3.	11/21/2014	Michael S. Black, Director, Bureau of Indian Affairs , Department of the Interior (DOI)	Follow-Up from October 7-8, 2014 Self-Governance Advisory Committee Meeting held in Washington, DC		
4.	11/19/2014	Jacob Lew Secretary of the Treasury Department of the Treasury	Request for Tribal Consultation Regarding Implementation for the Tribal General Welfare Exclusion Act		
5.	11/17/2014	Senate Majority Leader Harry Reid U.U Senate and Senate Minority Leader Mitch McConnell U.S. Senate	Consideration and Passage of S. 919, Department of the Interior Tribal Self-Governance Act of 2013, by		

Summary of DOI Self-Governance Advisory Committee (SGAC) Correspondence – 2014

Ref. #	Date Sent	Addressed To	Topic/Issue	Action(s) Needed	Response Received
			the Full Senate		
6.	11/17/2014	Doc Hastings, Chairman Committee on Natural Resources and Peter Defazio Ranking Member, Committee on Natural Resources	Include H.R. 4546, Department of the Interior Tribal Self-Governance Act of 2014, in the House Natural Resources Committee Mark-up		
7.	11/6/2014	W. Ron Allen Chairman, DOI Self-Governance Advisory Committee	Self-Governance Advisory Committee Top Budget Priorities and Request to Establish a Self-Governance Seat on the Tribal Interior Budget Council		Response from Kevin Washburn, Assistant Secretary Indian Affairs 11/06/2014 to letter dated 8-14-13
8.	11/6/2014	W. Ron Allen Chairman, DOI Self-Governance Advisory Committee	New Financial Policy for Self-Governance Accounts	Request that changes be immediately placed on hold until fully explores and discussed at the January 2015 SGAC meeting	Response from Kevin Washburn, Assistant Secretary Indian Affairs 11/06/2014 to letter dated 12-6-13
9.	10/21/2014	Thomas Thompson, Deputy Assistant Secretary-Management India Affairs	Self-Governance Advisory Committee Budget Concerns		
11.	8/27/14	Darren Cruza, Deputy Bureau Director, BIA-OJS	Follow-Up from Self-Governance Advisory Committee Meeting in April 22-23, 2014	SGAC Leadership is asking that the OJS provide or address issues addressed in letter	

Summary of DOI Self-Governance Advisory Committee (SGAC) Correspondence – 2014

Ref. #	Date Sent	Addressed To	Topic/Issue	Action(s) Needed	Response Received
12.	8/27/14	Tracy Toulou, Director, Office of Tribal Justice, DOJ and Eugenia Tyner-Dawson, Senior Advisor, Office of Tribal Justice, DOJ	Intra-Departmental Coordination of Information for Tribal Workgroups and Advisory Committees	Specifically we would like to know how the Attorney General's Tribal Nations Leadership Council (TNLC), Attorney General's Advisory Committee on Children Exposed to Violence (ACCEV) and the Justice Programs Council on Native American Affairs (JPCNAA) share summaries of issues discussed at these meetings within the Department of Justice and also to the Tribes?	Response Letter received 9/29/14 from Tracy Toulou, Director, Office of Tribal Justice, DOJ and Eugenia Tyner-Dawson, Senior Advisor, Office of Tribal Justice, DOJ
13.	8/26/14	JoAnn Chase, Director AIEO-EPA	Thank You and Follow-up to Self-Governance Advisory Committee Meeting	Follow-Up with a meeting request in early September 2014	
14.	8/18/14	Kevin Washburn Assistant Secretary-Indian Affairs	Contract Support Costs (CSC) Self-Governance Sub Workgroup Recommendations		
15.	8/20/2014	W. Ron Allen Chairman, DOI Self- Governance Advisory Committee	Follow-up from July 2013 Self-Governance Advisory Committee (SGAC) Quarterly Meeting		Response letter from Kevin Washburn Assistant Secretary-Indian Affairs to letter dated August 2, 2013
16.	8/18/2014	Joseph M. Ward, Jr. Director Interior Business Center	Contract Support Costs (CSC) Self-Governance Sub Workgroup Indirect Cost (IDC) rate Proposal Policy Request	Clarification on current IDC policy and IBC practice pertaining to multiple-year IDC Rate Agreements	Response letter received 8/29/14 from Joseph M. Ward Interior Business Center, Director

Summary of DOI Self-Governance Advisory Committee (SGAC) Correspondence – 2014

Ref. #	Date Sent	Addressed To	Topic/Issue	Action(s) Needed	Response Received
17.	8/7/2014	W. Ron Allen Chairman, DOI Self-Governance Advisory Committee	Follow-up from October 2013 Self-Governance Advisory Committee (SGAC) Quarterly Meeting		Response letter from Kevin Washburn Assistant Secretary-Indian Affairs to letter dated December 27,2013
18.	7/23/2014	Kevin Washburn Assistant Secretary-Indian Affairs	Follow-up from the April 22-23, 2014 Self-Governance Advisory Committee (SGAC) Quarterly Meeting		
19.	7/3/2014	Michael S. Black, Director, Bureau of Indian Affairs , Department of the Interior (DOI)	Communicating New Funding and Grant Opportunities to Self-Governance Tribes	Request that Bureau of Indian Affairs (BIA) take steps to address the communication issues expressed by SGAC Tribal Leadership	
20.	7/3/2014	Scott Aikin, National Native American Liaison U.S. Fish and Wildlife Service, Department of the Interior (DOI)	Summary of recommendations from the Self-Governance Advisory Committee, April 22-23-14, Quarterly Meeting in Washington, DC	Updates on feedback and recommendations stated in the letter	Email response received 7-7-14. Thank you for this letter. I greatly appreciate the time taken to put these comments together and I look forward to talking with the SGAC Chair and others more about this in the near future.
21.	7/1/2014	Kevin Washburn Assistant Secretary-Indian Affairs	Self-Governance Tribes and the Tiwahe Initiative	Request that steps are taken to ensure equitable Self-Governance participation in the Tiwahe Initiative	
22.	6/20/2014	Don Young, Chairman House Committee on Natural Recourse Subcommittee on Indian and Alaska Native Affairs	Proposed "Carcieri" Amendments to the Indian Reorganization Act, H.R. 279, and H.R. 666	Request the Subcommittee not to support exclusion for Alaska Tribes in H.R. 279 and H.R. 666.	

Summary of DOI Self-Governance Advisory Committee (SGAC) Correspondence – 2014

Ref. #	Date Sent	Addressed To	Topic/Issue	Action(s) Needed	Response Received
		and Colleen Hanabusa, Ranking Member, House Committee on Natural Recourse Subcommittee on Indian and Alaska Native Affairs			
23.	6/20/2014	Jon Tester, Chairman Senate Committee on Indian Affairs, U.S. Senate and John Barrasso, Vice-Chairman, Senate Committee on Indian Affairs	Passage of S. 2188, "Carcieri" Amendments to the Indian Reorganization Act	Request not to support exclusion for Alaska Tribes as S. 2188. Request to continue to support S. 2188 as passed by the SCIA.	
24.	6/9/2014	Barbara Mikulski, Chairwoman, Richard Shelby, Ranking Member, Jack Reed, Chairman, Lisa Murkowski, Ranking Member	Appropriations Increases Requested in FY 2015 Interior and Related Agencies Appropriations Bills for BIA and IHS	Request to restore the sequestered funds to Tribal Programs	
25.	6/9/2014	American Indian Education Study Group Bureau of Indian Education	Comments on the Proposal to Redesign the U.S DOI-BIE		

Summary of DOI Self-Governance Advisory Committee (SGAC) Correspondence – 2014

Ref. #	Date Sent	Addressed To	Topic/Issue	Action(s) Needed	Response Received
26.	3/18/2014	Kevin Washburn Assistant Secretary-Indian Affairs	Budget Equity for Self-Governance Tribes in the FY 2014 BIA Spending Plan	Share how funds will be distributed to the following programs: Tribal Priority Allocations-Social Services, Forestry Programs, Wildlife & Parks, RES Programs , Johnson-O'Malley Assistance Grants, Tribal management /Development, Fish, Wildlife & Parks Projects, Criminal Investigations/ Police Services and Detention/Corrections	Response letter from Kevin Washburn Assistant Secretary-Indian Affairs to letter received October 17, 2014
27.	2/28/2014	Kevin Washburn Assistant Secretary-Indian Affairs	Follow-up from the January 21-22, 2014 Self-Governance Advisory Committee (SGAC) Quarterly Meeting		
28.	2/14/2014	Nick J. Rahall, II Ranking Minority Member House Transportation and Infrastructure Committee	Self-Governance Program within the Department of Transportation		
29.	2/6/2014	Thomas Thompson, Deputy Assistant Secretary-Management India Affairs	Request for meeting to discuss OSG Database and New Financial Policy for Self-Governance Accounts	Meeting with Thomas Thompson and OSG to discuss and identify issues specific to Self-Governance and to develop recommended action	

Summary of DOI Self-Governance Advisory Committee (SGAC) Correspondence – 2014

Ref. #	Date Sent	Addressed To	Topic/Issue	Action(s) Needed	Response Received
30.	2/4/2014	Kevin Washburn Assistant Secretary-Indian Affairs Dr. Yvette Roubideaux, M.D., M.P.H. Director Indian Health Service	Operating Plans-FY 2014 Consolidated Appropriations Act	Provide Tribal Leaders with draft version of the FY2014 Operating Plans. Request consulting with Secretaries Sebelius and Jewell and ask them to scrutinize their departments budgets and find available funds from other agencies to ensure that no services are cut as Indian Affairs and IHS fully fund Contract Support Costs requirements for FY 2014.	4/21/2014 Letter Received from Thomas Thompson, Deputy Assistant Secretary –Indian Affairs (Management)
31.	1/22/2014	Kevin Washburn Assistant Secretary-Indian Affairs Dr. Yvette Roubideaux, M.D., M.P.H. Director Indian Health Service	Immediate Tribal Consultation Needed on Contract Support Cost Funding	Begin Immediate efforts to consult with and solicit the advise and participation of Tribes in formulation a plan to address funding of contract support cost (CSC) as directed by Congress	

TAB 3: STRATEGIC PLAN

National Tribal Self-Governance 2015-2017 Strategic Plan & Priorities

“TRIBAL SELF-GOVERNANCE – A LEGACY FOR THE FUTURE”

APPROVED: March XX, 2015

Our Vision

Preserve and Protect Tribal and Indigenous Sovereignty, Culture, History, Treaty and Self-Governing Rights.

Our Mission

Fully Implement and Advance Tribal Self-Governance Authorities.

Our Guiding Principles

- Tribes are sovereign nations, and, as such, all relations between the United States and Tribes are of a formal government-to-government nature;
- As sovereign nations, Tribal governments have the inherent authority and control over their territories, Treaty rights, natural resources and the welfare of their citizens. Further, Tribal governments have the authority to set internal priorities (without federal interference); and, under Self-Governance, may redesign programs and reassign federal funds to more efficiently meet their local needs;
- Tribal governments are accountable to their citizens and this is intrinsic in any accountability model on the utilization of federal funds;
- The devolution of federal funds and service delivery allows Tribal governments increased programmatic and administrative responsibility and minimizes federal reporting burdens, monitoring and oversight; and,
- Tribes have the right to choose the institutional arrangement by which they receive federally funded services. For Self-Governance Tribes, federal agencies become advisors and providers of technical assistance rather than day-to-day managers of service delivery. This principle is congruent with the current Administration’s directive for transparency and accountability.

Development of the Strategic Plan

Each year, Self-Governance Tribes conduct their Strategic Planning Session to review and identify top priorities for the upcoming year. These priorities are further discussed and advanced in the quarterly meetings of the DOI Self-Governance Advisory Committee (SGAC) and the IHS Tribal Self-Governance Advisory Committee (TSGAC), the Annual Self-Governance Conference and other workgroup and committee meetings.

The 2015-2017 National Tribal Self-Governance Strategic Plan and Priorities for the 114th Congressional Session (hereafter referred to as the Strategic Plan) is intended to be fluid and the issues and strategies will be updated as needed by Tribal leadership. The Strategic Plan includes 3 main objectives:

- | | |
|-----------------------------|---|
| <u>Objective #1:</u> | Advance Self-Governance Policy, Budget & Legislative Priorities |
| <u>Objective #2:</u> | Strengthen Self-Governance Advocacy Efforts |
| <u>Objective #3:</u> | Implement and Track Goals/Actions in the Strategic Plan |

Executive Summary

Self-Governance is a Tribally-driven, Congressional legislative option, whereby Tribal governments are authorized to negotiate annual appropriated funding and assume management and control of programs, services, functions and activities (or portions thereof) that were previously managed by the federal government. Self-Governance represents the expansion and growth of the historical legislation, P.L. 93-638, the Indian Self-Determination and Education Assistance Act (ISDEAA), in that it allows Tribes, as sovereign nations, to exercise their right to be self-governing and to take program funds and manage them to best fit the needs of their citizens and Tribal communities.

Since initiation of the first Self-Governance agreement more than two decades ago, the number of Tribes and the amount of programs and funding managed under this legislation has steadily increased. Today there are 262 Self-Governance Tribes within the Department of the Interior and 351 Tribes operating Health Programs within the Indian Health Service.

2015-2017 Top Tribal Self-Governance Priorities

In January 2015, the Self-Governance Tribes held their annual Strategic Planning Session in conjunction with the SGAC and TSGAC quarterly meetings in Washington, DC. During the strategic plan, a series of White Papers provided an overview of the top issues and proposed actions for Tribal leaders' consideration. Based on these papers, group discussion and input, the following top budget, legislative, and policy priorities were identified:

Budget Priorities:

- Restore Fiscal Year 2013 sequestration cuts and exempt Tribal funding from future sequesters.
- Authorize mandatory funding and fully fund Contract Support Costs and expedite payments to Tribes.
- Preserve authority to include one-time or short-term resources in Self-Governance Funding Agreements.
- Enact Advanced Appropriations for the Indian Health Service.

Legislative Priorities:

- Amend Title IV of the Indian Self-Determination and Education Assistance Act.
- Reauthorize the Native American Housing Assistance and Self-Determination Act.
- Enact legislation that strengthens and reaffirms the original tenants of the Public Law 102-477.
- Expand Self-Governance to the Department of Transportation.
- Permanently reauthorize and provide full funding for the Special Diabetes Program for Indians.
- Enact Medicare-Like Rates for IHS outpatient services for IHS, Tribal and Urban facilities.
- Amend Title VI of ISDEAA to expand Self-Governance to other Health and Human Services agencies and programs.

Policy Priorities:

- Revise and streamline each agency's Contract Support Costs policy.
- Expand Tribal consultation on allocation and formula distribution of Bureau of Indian Affairs.
- Foster greater transparency announcing new DOI funding opportunities.
- Include Purchase and Referred Care in all VA-IHS reimbursement agreements.
- Institute a Tribal Advisory Committee for Office of Management and Budget.
- Update an IHS Facilities Policy that includes broad Tribal input.
- Evaluate the Indian provisions of the Affordable Care Act and continue consultation to implement outstanding provisions.

BUDGET PRIORITIES SUMMARY

Restore Fiscal Year 2013 sequestration cuts and exempt Tribal funding from future sequesters.

Tribal governments experienced heavy budgetary cuts as a result of the 2012 sequester. These cuts affect direct services to Tribal citizens, that include, but are not limited to, public safety, social welfare, and health care services. As Congressional members debate the Fiscal Year (FY) 2016 appropriations, Self-Governance Tribes first, urge Congress to restore Tribal funding cuts and, second, to uphold the Tribal trust responsibility and amend the Budget Control Act of 2011 to exempt Tribal funding from future sequesters.

Authorize mandatory funding and fully fund Contract Support Costs and expedite payments to Tribes.

Self-Governance Tribes support the President's proposal to fully fund Contract Support Costs (CSC) in FY 2016 and its shift from discretionary funding to mandatory funding. Self-Governance Tribes expressly support the shift in funding to remedy the need for Administrators to make fiscal decisions without consultation from Congressional members and Tribal leaders. Additionally, mandatory funding protects appropriations that are allocated for direct services in Tribal communities.

Preserve authority to include one-time or short-term resources in Self-Governance Funding Agreements.

Self-Governance Tribes have noticed a troubling trend that Department of the Interior (DOI) is moving one-time funding to grants that cannot be included in Self-Governance Funding Agreements and are restrictive in nature – undermining core Self-Governance tenants. This trend allows DOI to heavily regulate and restrict the inclusion of indirect costs to administer Tribal programs; and hinders Tribal governments' ability to re-design programs to better meet the needs at the local level.

Enact Advanced Appropriations for the Indian Health Service.

Since FY 1998, there has been only one year (FY 2006) when the Interior, Environment and Related Agencies budget, which contains the funding for Indian Health Service (IHS), has been enacted by the beginning of the fiscal year. Late funding creates significant challenges to Tribes and IHS provider budgeting, recruitment, retention, provision of services, facility maintenance and construction efforts. Providing sufficient, timely, and predictable funding is needed to ensure the federal government meets its obligation to provide health care for American Indian and Alaska Native people. Enacting advanced appropriations will provide more stable funding and sustainable planning for the entire Indian Health Care system by appropriating funding two years in advance.

LEGISLATIVE PRIORITIES SUMMARY

Amend Title IV of the Indian Self-Determination and Education Assistance Act.

Amending Title IV of the Indian Self-Determination and Education Assistance Act (ISDEAA) is a top legislative priority for Self-Governance Tribes. Over the past thirty-five years, the ISDEAA has been one of the most successful mechanisms allowing Tribes to develop the capacity for government-building activities. However, Title IV of the ISDEAA, the Self-Governance program within the DOI, has serious gaps and problems. Self-Governance Tribes must continue to advance the vision of the ISDEAA by working to amend Title IV of the ISDEAA to create consistency between Title IV Self-Governance in the DOI and Title V Self-Governance in the Department of Health and Human Services (HHS) to create administrative efficiencies for Self-Governance Tribes.

Reauthorize the Native American Housing Assistance and Self-Determination Act.

Current authorization of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) expired on September 30, 2013. NAHASDA is the main authorization of Tribal housing programs. Tribal programs under NAHASDA have been successful in allowing Tribes the self-determination necessary to provide effective programs for Tribal citizens. Tribes are now exercising

their right to self-determination by designing and implementing their own housing and other community development infrastructure programs. Reauthorization of NAHASDA is critical to continue to support Tribal housing authorities that build keystone housing and community infrastructure in Tribal communities.

Enact legislation that strengthens and reaffirms the original tenants of Public Law 102-477.

The 477 Program provides tribal governments with the flexibility to design employment, training, and economic development plans that utilize funding from several federal programs to best meet the needs of their local communities. While PL 102-477 is still technically a “demonstration project,” the 477 Program has existed for over two decades and currently over 250 tribes and tribal organizations consolidate multiple programs into a single 477 Plan. Despite nearly two decades of success, the viability of the 477 Program was jeopardized by two federal agency actions. Legislation is necessary to make the 477 Program permanent and remove administrative burdens for Self-Governance Tribes.

Expand Self-Governance to the Department of Transportation.

Congress has sought to address transportation infrastructure deficiencies in Indian Country by increasing funding available to Tribes, broadening eligibility for direct Tribal participation in federal transportation programs and by extending the ISDEAA to several of those programs. With increased funding and expanded authority, Tribes have demonstrated that they are best positioned to ensure the effective and efficient use of federal transportation infrastructure funds. Despite these results, the Departments of Transportation (DOT) and Interior have been unwilling to extend the ISDEAA framework into new program areas, such as transit and highway safety. However, reauthorization of transportation legislation expires in May 2015 and Tribal advocates are urging Congressional members to expand Self-Governance tenants to the DOT.

Permanently reauthorize and provide full funding for the Special Diabetes Program for Indians.

Congress established the Special Diabetes Program for Indians (SDPI) in 1997 as part of the Balanced Budget Act to address the growing epidemic of diabetes in American Indians and Alaska Natives communities. SDPI programs have become the nation’s most strategic and comprehensive effort to combat diabetes. Self-Governance Tribes believe the success of these programs require the permanent reauthorization and supporting funding for SDPI.

Enact Medicare-Like Rates for IHS outpatient services for IHS, Tribal and Urban facilities.

IHS, Tribes and Tribal organizations currently cap the rates they will pay for hospital services to what the Medicare program would pay for the same service (the “Medicare-Like Rate” or “MLR”). Currently, this MLR cap applies only to hospital services, which represent only a fraction of the services provided through the Purchase and Referred Care system. Proposed legislative fixes would amend Section 1866 of the Social Security Act to expand application of the MLR Cap. It would direct the Secretary to issue new regulations to establish a payment rate cap applicable to medical and other health services in addition to the current law's cap on services provided by hospitals. It would make the MLR cap apply to all Medicare-participating providers and suppliers. Self-Governance Tribes support this legislative fix to leverage the limited resources provided to IHS, Tribal and Urban health programs.

Advance legislation to expand Self-Governance to other Health and Human Services agencies and programs.

Title VI of the ISDEAA required HHS to determine the feasibility of a demonstration project extending Tribal Self-Governance to HHS agencies other than the Indian Health Service. HHS determined it was feasible, convened the Self-Governance Tribal Federal Workgroup (SGTFW) and issued a final report in September 2014. After repeated attempts to reconstitute the SGTFW to continue working on the report recommendations, Self-Governance Tribes will seek out legislative proposals to implement recommendations outlined in the report.

POLICY PRIORITIES SUMMARY

Revise and streamline each agency's Contract Support Costs Policy.

After years of advocacy, CSC funding has changed monumentally in the last twelve months. As a result of full funding and Presidential support for mandatory funding, each agency must identify, assess, and implement modifications to each agency's CSC policy that reflects recent legislative and funding changes. Each agency has a Tribal-Federal Workgroup that made several recommendations to update the CSC policy. Self-Governance Tribes urge each agency to review those recommendations begin updating the policy as quickly as possible.

Expand Tribal consultation on allocation and formula distribution of Bureau of Indian Affairs.

In 2012, Self-Governance Tribes published the Program Formulas Matrix Report, which identifies areas where the formulas and methodologies currently used by the Bureau of Indian Affairs (BIA) for distribution can be improved and provide recommendations for eleven programs. Action on these recommendations has stalled in the last several years. However, as DOI seeks to move funding to one-time grants, the Formula Matrix Report recommendations are increasingly important. Continued consultation and discussion with BIA officials and Tribes is needed to implement changes recommended in the report.

Foster greater transparency announcing new DOI funding opportunities.

Access to program and initiative funding is critical as Tribes work to meet the needs of their citizens locally. As such, Self-Governance Tribes encourage DOI agencies to streamline their grant and funding announcements so that all Tribes have equal opportunity for one-time funding and support.

Include Purchase and Referred Care in all VA-IHS reimbursement agreements.

When the IHS and the Veterans Administration negotiated the first national agreement, required under the Indian Health Care Improvement Act (IHCIA), the agencies only included reimbursement for direct care provided by IHS facilities. This agreement has become the model for Tribal programs in negotiating with local VA facilities. However, it does not adequately address the specialty care Tribal systems provide eligible veterans. After two years of implementation and changes to the Veterans Administration health care delivery, Self-Governance Tribes believe the time is right to revisit the reimbursement agreement and include specialty and referred care.

Institute a Tribal Advisory Committee for Office of Management and Budget.

Given the role the Office of Management and Budget (OMB) plays in the Tribal funding – from guiding the President's annual budget request to distributing appropriations to all federal agencies – a Tribal Advisory Committee could prioritize Tribal needs and requests. Other advisory committees have assisted in educating and building momentum within agencies and departments to further Tribal sovereignty and priorities.

Update the IHS Facilities Construction Policy to include broad Tribal input.

The IHS Health Care Facilities Design and Construction Policy does not currently reflect new authorities available under IHCIA, nor does it accurately reflect the tenants of Self-Governance. Additionally, the Facilities Appropriations Advisory Board (FAAB) recently decided to review and possibly update the Policy to reflect new authorities and make recommendations to the prioritization system. Self-Governance Tribal leadership believes the time is ripe to make changes that have broad Tribal support and allow for greater flexibility in construction projects.

Evaluate the Indian-specific provisions of the Affordable Care Act and continue consultation to implement outstanding provisions.

After nearly five years of implementation, an assessment is needed to ensure that Indian-specific provisions of the Affordable Care Act (ACA) are working effectively and efficiently. Additionally, some provisions continue to require Tribal consultation and technical fixes that may be successful through negotiated rulemaking process.

Key Goals & Objectives

OBJECTIVE #1: Advance Self-Governance Policy, Budget & Legislative Priorities

- Mobilize Self-Governance Tribal leaders to actively advance priority issues
- Develop common messages and themes
- Coordinate and strengthen advocacy efforts with all Self-Governance Tribes

Department of the Interior (DOI)/Indian Affairs Issues	
<u>DOI/Indian Affairs Budget Issues:</u>	<u>Strategy and Actions Items</u>
Restore Fiscal Year 2013 sequestration cuts and exempt Tribal funding from future sequesters.	<ul style="list-style-type: none"> • Include sequestration exemption requests as a preamble to all budget-related communication and requests. • Collect impact narratives from Tribal communities about sequestration cuts and program delivery.
Authorize mandatory funding, fully fund Contract Support Costs (CSC) and expedite payments to Tribes.	<ul style="list-style-type: none"> • Create and implement campaign to support Mandatory CSC funding proposal. • Monitor resolution of CSC claims process. • Request opportunity to negotiate Direct CSC.
Increase funding to support Self-Governance priorities issues and programs. Programs include, but are not limited to: <ul style="list-style-type: none"> • Land into Trust Program • TLOA implementation priorities areas. • Natural Resources Management • Tribal Priority Allocations • Transportation and Infrastructure 	<ul style="list-style-type: none"> • Concentrate advocacy efforts on Congressional action, including message and theme development. • Include Self-Governance in all funding increases. • Collect, analyze and present data to support budget requests. • Provide training to encourage and assist Tribal leaders and experts to strengthen advocacy on the Hill. • Invite Office of Management and Budget (OMB) to SGAC Meetings. • Establish a liaison or representative at the OMB. • Advocate for full transparency in all funding formulas. • Include requests that the \$19 billion identified in the OMB Crosscut Funding document for Tribes be distributed to directory to Tribes via a negotiated formula.
Preserve authority to include one-time or short-term resources in Self-Governance Funding Agreements for Self-Governance Tribes choosing to assume operation of these programs.	<ul style="list-style-type: none"> • Request Tribal consultation with BIA officials regarding unilateral funding decisions, specifically one-time funding and transfer to www.grants.gov.
<u>DOI/Indian Affairs Legislative Issues:</u>	<u>Strategy and Actions Items</u>
Amend Title IV of the Indian Self-Determination and Education Assistance Act.	<ul style="list-style-type: none"> • Organize specific advocacy activity for Title IV amendments to engage support of Tribal leadership.
Reauthorize the Native American Housing Assistance and Self-Determination Act	<ul style="list-style-type: none"> • Collaborate with national organizations to support ongoing and previously developed priorities.
Enact legislation that strengthens and reaffirms the original tenants of Public Law 102-477	<ul style="list-style-type: none"> • Identify a Congressional champion to support enactment of legislation similar to S1574 introduced in the 113th Congress.
Expand and modernize the trust relationship through contracting and compacting in other Departments and Bureaus.	<ul style="list-style-type: none"> • Work in partnership with other regional and national organizations to advance trust modernization legislation and policy.

Department of the Interior (DOI)/Indian Affairs Issues	
Enact a clean Carceri-fix legislation.	<ul style="list-style-type: none"> • Support ongoing legislative efforts to introduce and enact legislation that reverses the Supreme Court's decision.
<u>DOI/Indian Affairs Legislative Issues:</u>	<u>Strategy and Actions Items</u>
Empower Tribal Education Agencies' (TEAs) authority to take over education of Native children.	<ul style="list-style-type: none"> • Consider and identify possible legislation to advance TEA's authority. • Advocate for the inclusion of Tribal Colleges in the President's Community College initiative.
Include Self-Governance tenants in future comprehensive tax reform.	<ul style="list-style-type: none"> • Participate in the Tribal Tax Workgroup to ensure Self-Governance tenants are included in national priorities.
Develop and pass legislation to reverse the Oliphant decision.	<ul style="list-style-type: none"> • Collect local stories for Congressional member that describe the negative impact that the Oliphant decision has on Tribal communities.
<u>DOI/Indian Affairs Legislative Issues:</u>	<u>Strategy and Actions Items</u>
Revise and streamline BIA CSC Policy.	<ul style="list-style-type: none"> • Continue work with the Self-Governance CSC Sub-Workgroup to maintain SG Priorities in the policy revision.
Expand Tribal consultation on allocation and formula distribution of BIA.	<ul style="list-style-type: none"> • Advance recommendations developed under the Program Matrix Report.
Foster greater transparency in announcing new DOI funding opportunities.	<ul style="list-style-type: none"> • Monitor how new funding and grant announcements are shared.
Remove Barriers to Self-Governance Implementation in DOI/BIA.	<ul style="list-style-type: none"> • Conduct SG Training of DOI/IA Senior Officials. • Invite Senior Staff to Annual SG Conference. • Fully implement the Self-Governance Title IV regulations requiring the identification of Inherent Federal Functions and Tribal Shares including all BIA Regions and Central Office.
Increase Non-BIA agreements.	<ul style="list-style-type: none"> • Share Tribal success stories at the Annual Consultation Conference. • Tie federal performance factor to increase in non-BIA agreements.
Demand consultation, reinforce EO 13175, and hold BIA accountable.	<ul style="list-style-type: none"> • Conduct a review of the BIA Tribal Consultation Policy and develop a system of accountability, including development of an Annual Report.

Department of Health and Human Services (HHS)/Indian Health Service (IHS) Issues	
<u>HHS/IHS Budget Issues:</u>	<u>Strategy and Actions Items</u>
Enact Advanced Appropriations for IHS	<ul style="list-style-type: none"> • Identify a Congressional champion. • Continue to collaborate with other national and regional organization to advance legislative efforts.
Restore Fiscal Year 2013 sequestration cuts and exempt Tribal funding from future sequesters.	<ul style="list-style-type: none"> • Include sequestration exemption requests as a preamble to all budget-related communication and requests. • Collect impact narratives from Tribal communities about sequestration cuts and program delivery. • Enact an amendment to the Budget Control Act of 2011 to fully exempt Tribal programs from implementation of a government-wide sequestration of FY 2016 and 2017 appropriations.
Authorize mandatory funding, fully fund Contract Support Costs (CSC) and expedite payments to Tribes.	<ul style="list-style-type: none"> • Create and implement campaign to support Mandatory CSC funding proposal. • Monitor resolution of CSC claims process.
Support 2014 IHS Budget Summit recommendations.	<ul style="list-style-type: none"> • Monitor and advance recommendations developed during the 2013 IHS Budget Summit. • Ensure Self-Governance representation at all HHS/IHS Budget Formulation Mtgs.
Increase funding to support Self-Governance priorities issues and programs including, but not limited to: <ul style="list-style-type: none"> • Facilities construction • Mental and behavioral health • ACA and IHCIA Implementation 	<ul style="list-style-type: none"> • Prepare reports/analysis on unfunded and critical ACA and IHCIA provisions where funding is necessary. • Create transparency in formula methodology and formulas. • Invite OMB to TSGAC Meetings. • Advocate for an OMB Asst. Director for Native American Programs. • Educate Congressional members who do not represent Tribes directly. • Request and encourage Tribes to include “common” testimony. • Include requests that the \$19 billion identified in the OMB Crosscut Funding document for Tribes be distributed to directory to Tribes via a negotiated formula.
Move IHS funding to Mandatory funding.	<ul style="list-style-type: none"> • Develop a research paper to support the Mandatory funding proposal.
<u>HHS/IHS Legislative Issues:</u>	<u>Strategy and Actions Items</u>
Permanently reauthorize and provide full funding for the Special Diabetes Program for Indians.	<ul style="list-style-type: none"> • Collaborate with national organizations to support national campaign.
Enact Medicare-Like Rate for IHS outpatient services for IHS, Tribal and urban facilities.	<ul style="list-style-type: none"> • Build on the agency proposed rule. • Gain broader support from IHS, Tribal and urban facilities.
Amend Title VI of ISDEAA to expand Self-Governance to other Health and Human Services agencies and programs.	<ul style="list-style-type: none"> • Establish a workgroup to draft legislation that supports expansion. • Identify Congressional leadership to support legislation. • Work in coordination with Title IV amendments group.
Evaluate ACA Indian-specific provisions to ensure the Tribes have maximum flexibility for implementation.	<ul style="list-style-type: none"> • Exempt Tribal Employers from employer insurance coverage mandate. • Streamline the ACA definition of “Indian” for purposes of health care delivery.

Department of Health and Human Services (HHS)/Indian Health Service (IHS) Issues	
<u>HHS/IHS Legislative Issues:</u>	<u>Strategy and Actions Items</u>
Write and enact legislation the supports Tribal administration of Medicaid.	<ul style="list-style-type: none"> • Share Navajo Nation Feasibility Study. • Develop proposal that supports Tribal administration. • Identify national partners to support the Self-Governance proposal.
Exempt Tribal members from Medicaid Estate Recovery.	<ul style="list-style-type: none"> • Develop white paper to describe issue and proposed solutions.
<u>HHS/IHS Policy Issues:</u>	<u>Strategy and Actions Items</u>
Revise and streamline IHS CSC Policy.	<ul style="list-style-type: none"> • Continue to monitor the IHS CSC Workgroup to ensure SG Priorities in policy changes.
Include Purchase and Referred Care in all VA-IHS reimbursement agreements.	<ul style="list-style-type: none"> • Invite VA representatives to the annual Self-Governance Conference. • Clarify new opportunities Veterans Access, Choice, and Accountability Act of 2014.
Institute a Tribal Advisory Committee for OMB.	<ul style="list-style-type: none"> • Determine if OMB has a Tribal Consultation Policy and recommend adoption of a policy in accordance with EO 13175.
Update the IHS Facilities Construction Policy to include broad Tribal input.	<ul style="list-style-type: none"> • Identify Self-Governance priorities and recommendations. • Participate in FAAB meetings. • Change policy to incorporate new authorities under IHCA.
Evaluate Indian-specific provisions of the ACA and continue consultation to implement outstanding provisions.	<ul style="list-style-type: none"> • Create Tribal certification for ACA contractors who are to assist Tribal members with ACA Indian-specific provisions.
Streamline SDPI granting process and create a long-term solution for grant reporting and funding.	<ul style="list-style-type: none"> • Translate administrative hours required to conduct grant administrative requirements to time that could be used to provide patient care.
Terminate administrative caps across all HHS programs.	<ul style="list-style-type: none"> • Include Self-Governance representation on all HHS Tribal Advisory committees.
Create a uniform Federal Advisory Committee Statement to build consistency across departments.	<ul style="list-style-type: none"> • Establish a workgroup to develop statement and recommendations for implementation.
Develop relationship with HHS OIG regarding utilization of 3 rd party billing.	<ul style="list-style-type: none"> • Invite OIG authors to Annual Meeting. • Educate Self-Governance Tribes about tracking and reporting on their revenue. • Request that documentation behind the report be shared with Tribes.

Objective #2: Strengthen Self-Governance Advocacy Efforts

- Improve Coordination and Advocacy
- Develop Communications Strategy
- Collaborate with other National and Regional Tribal Organizations on mutual issues

<u>Goals</u>	<u>Strategies & Actions</u>
Develop a coordinated Self-Governance education campaign to provide accurate information to the Administration, Congress, non-Self-Governance Tribes and other interested parties about Self-Governance.	<ul style="list-style-type: none">• Self-Governance Communication & Education Office (SGCE) to work with Tribal leadership and other subject matter experts to develop briefing documents.• SGCE to assist in gathering Tribal examples of how Self-Governance works at the local level and identify challenges, including quotes, excerpts and slogans to strengthen message.• Develop targeted educational materials (briefing packages, brochures, videos, digital storytelling, photos, etc.) for new legislators.• Organize a social media campaign.
Improve communication and information sharing.	<ul style="list-style-type: none">• Develop a Communication Plan and Strategy to track and monitor Strategic Plan Goals.• Identify a representative group to orchestrate, track and coordinate strategy and messages. Potential groups to assist include SGCE, SENSE Incorporated, SGAC, TSGAC, the National Congress of American Indians (NCAI), the National Indian Health Board (NIHB) and other National/Regional Tribal organizations.• SGCE to share updated information via established communication channels, such as newsletters, websites, broadcast e-mails, and meetings.• Use Social Media (Twitter, Facebook, Constant Contact, etc.) to assist in outreach to Self-Governance Tribes.• Create a plan to support new Self-Governance Tribes.
Support proactive Tribally-driven measures to advance and expand Self-Governance throughout the Federal system.	<ul style="list-style-type: none">• Expand Self-Governance to other federal agencies.• Identify and address obstacles and barriers to advancing Self-Governance.
Encourage Tribal communities to host voter registration.	<ul style="list-style-type: none">• Partner with Native Vote to Get Out the Vote.

Objective #3: Implementation of the Strategic Plan

- Review and Monitor Strategic Plan
- Track and Update Issues
- Monitor Congressional appropriations and advocate for legislative priorities, budget increases, etc.

<u>Goals</u>	<u>Strategies & Actions</u>
Advance Self-Governance goals identified in the Strategic Plan, including budget, policy and legislative priorities.	<ul style="list-style-type: none">• Request meetings with the Administration and Congress and present Self-Governance priorities in a unified message.• Report back to the SGAC/TSGAC, SGCE office and share with other Self-Governance Tribes on-going outreach and feedback.• Provide training for Tribal leaders to become regional and national advocates.
Monitor, track and update issue “white papers” as needed.	<ul style="list-style-type: none">• Review Strategic Plan at each SGAC/TSGAC Quarterly Meeting.• Assign SGAC/TSGAC Technical Workgroup to update white papers as needed.• Include key priorities and develop related panels and update at 2013 Annual Self-Governance Conference.
Leverage graduate students and other experts as a think tank to develop white papers and recommendations.	<ul style="list-style-type: none">• Develop partnerships with academic and research institutions.• Identify research needs and projects that need long-term support.• Distinguish databases and sources to support legislative, policy and budget requests.
Identify and urge legislators to champion Self-Governance legislative priorities.	<ul style="list-style-type: none">• Develop relationships with new members of Congress and build upon existing relationships with the Obama Administration and the 114th Congress and staff.• Collaborate with other national and regional organization to build national strategies that support and encourage Congressional champions.

OMB

Frequently Asked Questions

For The Office of Management and Budget's
Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
At 2 CFR 200

The following are frequently asked questions presented by the COFAR on OMB's Uniform Guidance at 2 CFR 200. Please note that in case of any discrepancy, the actual guidance at 2 CFR 200 governs. If there is a question pertaining to the application of the guidance to a particular Federal award, that question should be addressed to the Federal awarding agency or pass-through entity in the case of a subrecipient. This document is only intended to provide additional context and background for the guidance as Federal and non-Federal entities seek to understand the policy changes.

Table of Contents

200.23	5
.23-1 Vendor vs Contractor and Generally Accepted Accounting Principles (GAAP)	5
.23-2 (previously Q III-1) Vendor vs Contractor Clarification	5
200.54	6
.54-1 Indian Tribes Removed from Definition of State – Implications for Tribal Law	6
.54-2 Indian Tribes Removed from Definition of State- GAAP	6
.54-3 (previously Q III-6) Tribes Removed from Definition of State- Implications for Applications	6
200.101	6
.101-1 Applicability of Uniform Guidance to Federal Acquisition Regulation (FAR) based contracts	6
.101-2 (also applicable to 200.503) Audit Requirements of FAR based contracts in addition to the Uniform Guidance Audit Requirement	7
.101-3 (also applicable to 200.419) Cost Accounting Standards (CAS) and the Uniform Guidance	7
200.110	7
.110-1 Effective Dates and Indirect Cost Rates	7
.110-2 Effective Dates and Indirect Cost Rate Proposals	8
.110-3 Effective Dates and Disclosure Statements (DS-2s)	8
.110-4 Effective Dates and Applications	8
.110-5 Effective Dates, Applications, and DS-2s	8
.110-6 Effective Dates and Grace Period for Procurement	8
.110-7 Effective Dates and Incremental Funding	9
.110-8 Effective Dates and Formula & Entitlement Programs	9

.110-9 Effective Dates and Consistent Implementation (Federal).....	9
.110-10 Effective Dates and Consistent Implementation (States).....	9
.110-11 Effective Dates and Subawards	10
.110-12 (updated from previous Q II-1) Effective Dates.....	10
.110-13 (Previously Q II-2) Effective Dates and Federal Awards Made Previously.....	10
.110-14 (Previously Q II-3) Effective Dates and Pre-Existing Guidance	10
.110-15 (Updated from the previous Q II-4) Single Audit Compliance Supplement and Audit Resolution	10
200.112	11
.112-1 Conflict of Interest	11
200.201	11
.201-1 Fixed Amount Awards.....	11
.201-2 Fixed Amount Awards and Cost-share or Match.....	11
.201-3 Fixed Amount Awards and End of Award Certifications.....	12
200.203	12
.203(a) Notices of Funding Opportunities	12
200.205	12
.205-1 Review of Risk Posed by Applicant- Financial Stability	12
200.303	12
.303-1 Should vs Must and Internal Controls	12
.303-2 (previously Q III-5) Should vs. Must In General	13
.303-3 (Previously Q III-4) Should vs Must and the Green book.....	13
200.306	13
.306-1 Exceptions in Statute for restrictions on cost sharing or matching.....	13
200.307	13
.307-1 Fees and Royalties and Bayh-Dole.....	13
200.309	14
.309-1 (Updated from the previous Q III-2) Period of Performance and No-Cost Extension .	14
200.313	14
.313-1 Equipment and Conditional Title	14
.313-2 Changes to Equipment Inventory Systems	14
200.318	15
.318-1 (Previously Q III-7) Equipment and A-110 Screening Procedures	15

200.320	15
.320-1 Methods of Procurement – Micro vs Small vs Over Threshold	15
.320-2 Methods of Procurement- Sole Source for Research	16
.320-4 Methods of Procurement and Strategic Sourcing and Shared Services	16
.320-5 Methods of Procurement and Charge Cards	16
.320-6 Methods of Procurement and Indirect Costs	16
200.331	17
.331-1 Pass-through Entities, Indirect Cost Rates, and State Funds	17
.331-2 Limits on layers of Subrecipients for Indirect Costs.....	17
.331-3 Delayed Federal funds and Indirect Cost Rates	17
.331-4 Indirect Cost Rates and Blended Subawards	17
.331-5 Indirect Cost Rates and Entities Who Do Not Have Indirect Costs	17
.331-6 Pass-through Entities and Indirect Cost Rate Negotiation	18
.331-7 Indirect Cost Rates and non-Compliance with Guidance	18
200.332	18
.332-1 Fixed Amount Subawards	18
200.400	18
.400-1 Fixed Amount Subawards and Profit	18
.400-2 Dual Role of Students and Post-Doctoral Staff	19
.400-3 (Previously Q III-3) Profit and Nonprofits	19
200.401	19
.401-1 Fixed Amount Awards and Cost Principles	19
200.413	19
.413-1 What Counts as Prior Approval.....	19
200.414	20
.414-1 De Minimis Rate and Governments.....	20
.414-2 Indirect Cost Rate Extensions – “Current” and “one-time”	20
.414-3 Documentation Required for Extension	20
.414-3 Timing of Request for Extension.....	21
.414-4 Extensions and Fixed-Rates with Carry-Forward	21
.414-5 (Previously Q IV-3) Extensions and Old Rates, Shorter Extensions	21
200.415	21
.415-1 Authorization to Legally Bind the non-Federal entity	21

200.430	21
.430-1 Authorization of Changes to Time and Effort Systems	21
.430-2 Time and Effort and Tribes	22
200.431	22
.431-1 Fringe Benefits and Indirect Costs	22
200.436	22
.436-1 Depreciation and Cost Sharing	22
.436-2 (Previously Q IV-1) Depreciation and Cost Sharing.....	22
200.440	23
.440-1 Prior Approval for Fluctuations in Exchange Rates.....	23
200.444	23
.444-1 Salaries and wages for Tribal Councils.....	23
200.458	23
.458-1 Pre-Award Costs.....	23
.458-2 (Previously Q IV-2) Uncommitted Cost Sharing.....	23
200.512	23
.512-1 Tribes Opting out of Online Report Publication- Definition of Tribal Entities	23
.512-2 Availability of Reports for Public Inspection.....	24
.512-3 Waivers for low-risk auditee standards	24
.512-4 (Previously Q V-1) Application of Option Not to Publish for Tribes	24
.512-5 (Previously Q V-2) Single Audit Accountable Official.....	24
Appendix III	25
Appendix III-1 Utility Cost Adjustment.....	25
Appendix V	25
Appendix V-1 SWCAP For Tribes	25
Previous FAQs – Background on Uniform Guidance.....	25
I - Process and Background	25
Q I-1: When and why did we begin this process?	25
Q I-2: How have we engaged stakeholders over the past two years?	26
Q I-3: How does this reform complement OMB’s work on the Evidence Agenda?.....	26
Q I-4: Did OMB hold formal consultations with Indian Tribes?	26
Q I-5: Who will be impacted by this reform?	26
Q I-6: Where can I get more information about the policies that are changed?	26

Q I-7: What is the impact of this reform? How does this reform reduce administrative burden and risk of waste, fraud, and abuse?	26
Q I-8: Why and how did the COFAR reach some of the particular policy recommendations that they did? What are the major differences between the final guidance and the proposed guidance? Can you give us an example of a policy call where the COFAR had to make some tough tradeoffs and share some of the thinking behind the decision?	28
Q I-9: What are the other COFAR priorities this year?	28
Q I-10: Responses to comments. Beyond the preamble to the Federal Register notice publishing	29
2 CFR 200 (and the provisions themselves), does OMB plan any further responses to the comments of those who responded to the February 2013 version?	29
Attachment 1: Procurement “Bear claw”	29

200.23

.23-1 Vendor vs Contractor and Generally Accepted Accounting Principles (GAAP)

Does the elimination of the term "vendor" in favor of "contractor" require non-Federal entities (such as states) to change their longstanding practice of awarding "contracts" to nonprofits which they treat substantively as "subawards" for purposes of this guidance? Would continuing this practice be contrary to GAAP?

No, this policy does not require such a change, nor would it be in conflict with GAAP. States may call an agreement with a nonprofit however they like, so long as the agreement is audited according to the appropriate policies under the Uniform Guidance based on the determination made in accordance with section 200.330. See also 200.93 which states “A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.”

.23-2 (previously Q III-1) Vendor vs Contractor Clarification

What clarification can OMB and COFAR provide regarding changes to the term contractor and the elimination of the term vendor?

- In existing guidance, the COFAR has found that some confusion results from the fact that OMB Circular A-133 makes a distinction between subrecipients and “vendors” while other circulars describe either subawards or “subcontracts”.
- For purposes of the Uniform Guidance, when a non-Federal entity provides funds from a Federal award to a non-Federal entity, the non-Federal entity receiving these funds may be either be a subrecipient or a contractor. The term contractor is used for purposes of consistency and clarity to replace areas in the previous guidance that referred to vendors, though substantively in the previous guidance, these two terms have always had the same meaning.
- Section 200.330 Subrecipient and Contractor Determinations, as well as section 200.22 Contract and 200.92 Subaward provide guidance on making subrecipient and contractor determinations. This language was largely taken from existing guidance in OMB Circular A-133 on subrecipient and vendor determinations.
- As described in the Uniform Guidance in the sections noted above, it is the substance of the award that determines how it should be treated, even though the pass-through entity or non-Federal entity receiving the award may call it by a different name.
- So, if a pass-through entity makes an award that it calls a “contract”, but which meets the criteria under section 200.330 to be a subaward to a subrecipient, the non-Federal entity must comply with the provisions of the

Uniform Guidance relevant to subawards, regardless of the name used by the pass-through entity to refer to the award agreement.

- Likewise, any Federal awards that meet the criteria under section 200.330 for the non-Federal entity to be considered a contractor, whether the non-Federal entity providing the funds calls it a “vendor agreement” or a “subcontract”, the non-Federal entity must comply with the provisions of the Uniform Guidance relevant to a contractor.

200.54

[.54-1 Indian Tribes Removed from Definition of State – Implications for Tribal Law](#)

In section 200.54, of the published guidance, Indian tribes were removed from the definition of state. Several sections of the guidance refer to state law, does this include tribal law?

Yes, in some cases. The COFAR will review the Uniform Guidance and, when Federal agencies issue implementing regulations, make technical edits as necessary to ensure that references to tribal law are explicitly included where intended.

[.54-2 Indian Tribes Removed from Definition of State- GAAP](#)

Also related to section 200.54, the previous guidance allowed non-Federal entities to submit financial statements under a cash basis. Does this new definition scope Indian tribes out of using the cash or modified-cash basis method of submitting financial statements?

No. Neither the Single Audit Act Amendments of 1996 (SAA) nor the Uniform Guidance require non-Federal entities to submit financial statements in accordance with generally accepted accounting principles (GAAP). Cash or modified-cash basis financial statements may be submitted to meet the requirements of 2 CFR 200 subpart F. However, the SAA (31 USC 7502(e)(1)) and the Uniform Guidance (2 CFR 200.514(b)) require the auditor to determine whether the financial statements submitted to comply with the SAA are presented fairly in all material respects in accordance with GAAP. See also section 200.403 Factors Affecting Allowability of Costs, paragraph (e).

[.54-3 \(previously Q III-6\) Tribes Removed from Definition of State- Implications for Applications](#)

In section 200.54 Indian tribes were removed from the definition of a state. How will this impact the application process for funds reserved for states? Will tribes no longer qualify?

- This should have no impact on the application process for funds reserved for states. These definitions are applicable only to the Uniform Guidance at 2 CFR 200 unless specifically indicated otherwise.

200.101

[.101-1 Applicability of Uniform Guidance to Federal Acquisition Regulation \(FAR\) based contracts](#)

If the Federal agency awards a FAR based contract to the contractor, a non-federal entity, to what extent is the Uniform Guidance applicable to the contract?

The cost principles in Subpart E, and the audit requirements in Subpart F, of the Uniform Guidance are applicable to the FAR based contracts awarded by a Federal agency to a non-federal entity that is an educational institution; state, local, or Federally recognized Indian Tribal government; or nonprofit organization. While the Subpart E cost principles are applicable to FAR based contracts, their practical impact is on negotiated prime contracts and subcontracts thereof; as a practical matter, the cost principles are not applicable in certain instances, e.g., when the contract or subcontract is for the acquisition of a commercial item, a firm, fixed price contract or subcontract is awarded on the basis of adequate price competition without the submission of certified cost or pricing data, or the price is set by law or regulation. While the Subpart F audit requirements are applicable to FAR based contracts, those audit requirements are not sufficient to meet FAR contract audit requirements as a practical matter. (See FAQ 200.101-2 – Audit Requirements of FAR based contracts in addition to the Uniform Guidance Audit Requirement.)

The other subparts of the Uniform Guidance are applicable to the FAR based contracts awarded by a Federal agency, and any subcontracts awarded in accordance with any flow down requirements from the prime contract or higher tier subcontract – but only to the extent that the Uniform Guidance provision is not inconsistent with the terms and conditions of the contract and FAR requirements. The terms and conditions of the contract and FAR requirements must be given effect as they cannot be read out of the contract, modified or superseded by the Uniform Guidance provision. Any Uniform Guidance provision that addresses the same matter as covered by the terms of the contract and FAR requirements are, at the most, supplemental requirements secondary to, and in addition to, the FAR contract requirements.

[.101-2 \(also applicable to 200.503\) Audit Requirements of FAR based contracts in addition to the Uniform Guidance Audit Requirement](#)

Does an audit conducted in accordance with Subpart F of the Uniform Guidance which implements the Single Audit Act (SAA) requirements satisfy the contract audit requirements of FAR based contracts awarded by a Federal agency?

Generally, the practical answer is NO; the audit required by Subpart F of the Uniform Guidance does not satisfy the audit requirements required by the terms of the FAR based contract and FAR requirements, including, but not limited to, the Cost Accounting Standards (CAS), Truth in Negotiations Act (TINA), contractor business systems, incurred costs, and indirect costs/overhead rates (see section 200.503(c)). Despite the name which implies a single audit, the SAA (31 U.S.C. 7503(b) – Relation to other audit requirements) gives a Federal agency, Inspector General, or the Government Accountability Office (GAO) the authority to conduct additional audits beyond the single audit required by the SAA when the additional audits are necessary for the agency to carry out its responsibilities under Federal law or regulation. See section 200.503(b) of the Uniform Guidance.

[.101-3 \(also applicable to 200.419\) Cost Accounting Standards \(CAS\) and the Uniform Guidance](#)

What is the relationship of the Cost Accounting Standards (CAS) to the Uniform Guidance?

The Cost Accounting Standards Board (CASB) is an independent board in the Office of Federal Procurement Policy (OFPP) in the Office of Management and Budget (OMB) established by statute (41 U.S.C. 1501, et seq.) The CASB has the exclusive authority to prescribe, amend, and rescind cost accounting standards (CAS), and interpretations of the standards, designed to achieve uniformity and consistency in the cost accounting standards governing the measurement, assignment, and allocation of costs to contracts with the Federal Government. The CAS are mandatory for use by all executive agencies and by contractors and subcontractors in estimating, accumulating, and reporting costs in connection with the pricing and administration of contracts and subcontracts when they are subject to CAS.

As provided by its exclusive statutory authority, actions taken by the CASB to prescribe or amend rules, regulations, cost accounting standards (CAS), and modifications thereof, have the full force and effect of law. Section 200.419 of the Uniform Guidance provides only a brief summary of the CAS regulations; for authoritative CAS guidance and additional details, see 48 CFR 9900, et seq. and 48 CFR Part 30 (FAR Part 30).

[200.110](#)

[.110-1 Effective Dates and Indirect Cost Rates](#)

How does the effective date apply to indirect cost rates?

Existing negotiated indirect cost rates will remain in place until they are due to be re-negotiated. The “effective date” of changes to indirect cost rates must be based upon the date that a newly re-negotiated rate goes into effect for a specific non-Federal entity’s fiscal year. Therefore, for indirect cost rates and cost allocation plans, Federal awarding and indirect cost rate negotiating agencies will use the Uniform Guidance both in generating

proposals for and negotiating a new rate (when the rate is due to be re-negotiated) for non-Federal entity fiscal years starting on or after December 26, 2014.

For example, the Uniform Guidance eliminates the concept of “use allowance” for depreciation. Nevertheless, for non-Federal entities with negotiated rates that are based on “use allowance”, they would continue to use their existing rate, based on “use allowance”, until the rate is due to be re-negotiated.

[.110-2 Effective Dates and Indirect Cost Rate Proposals](#)

When may non-Federal entities begin to submit proposals for indirect cost rates based on the Uniform Guidance?

Non-Federal entities may begin to submit actual cost proposals based on the Uniform Guidance when they are due for fiscal years that begin on or after December 26, 2014. For example, if a non-Federal entity is required to submit a rate proposal based on FY 2014 actual costs to set rates for FY 2016, the rate proposal can be developed using the provisions in the Uniform Guidance.

[.110-3 Effective Dates and Disclosure Statements \(DS-2s\)](#)

When may institutions of higher education (IHEs) begin to submit revised DS2s based on the Uniform Guidance?

IHEs may begin on or after December 26, 2014 to submit revisions to DS2 statements for fiscal years beginning on or after December 26, 2014. IHEs may submit these alongside revised indirect cost rate proposals, if those proposals are due in less than one year after December 26, 2014.

[.110-4 Effective Dates and Applications](#)

Should applications submitted prior to 12/26/2014 for Federal awards which will be made after 12/26/2014 reflect the Uniform Guidance?

Yes. All awards made on or after 12/26/2014 will be made with terms and conditions subject to the Uniform Guidance. Applications that are submitted before 12/26/2014 for Federal awards to be made on or after 12/26/2014 should be developed in accordance with the Uniform Guidance.

[.110-5 Effective Dates, Applications, and DS-2s](#)

May IHEs submit applications that are inconsistent with their DS2 statement if that application is made in order to reflect the Uniform Guidance? For example: May IHE's submit applications with budgets that include administrative support or computing devices in the proposal budget?

Yes. All awards made on or after 12/26/2014 will be made according to the Uniform Guidance, and applications for Federal awards that would be granted after that date should reflect the Uniform Guidance. The Uniform Guidance will apply to new Federal awards made after that date and, if a Federal awarding agency considers its incremental funding actions to be opportunities to change terms and conditions on previously made awards, the Uniform Guidance will apply to that Federal awarding agency's incremental funding actions also. DS2 statements that need to be revised to reflect new policies should be submitted as soon as possible after 12/26/2014. Non-Federal entities will not be penalized for discrepancies between their approved DS-2 and actual charging practices in accordance with the Uniform Guidance, provided that an updated DS-2 (consistent with actual charging practices) has been submitted.

[.110-6 Effective Dates and Grace Period for Procurement](#)

Will the Federal government provide a grace period after the effective date for non-Federal entities to comply with the procurement standards in the Uniform Guidance?

Yes, for one full fiscal year after the effective date of the Uniform Guidance. In general non-Federal entities must comply with the terms and conditions of their Federal award, which will specify whether the Uniform Guidance

applies. However, in light of the new procurement standards, for procurement policies and procedures, for the non-Federal entity's first full fiscal year that begins on or after December 26, 2014, the non-Federal entity must document whether it is in compliance with the old or new standard, and must meet the documented standard. For example, the first full fiscal year for a non-Federal entity with a June 30th year end would be the year ending June 30, 2016. The Single Audit Compliance Supplement will instruct auditors to review procurement policies and procedures based on the documented standard. For future fiscal years, all non-Federal entities will be required to comply fully with the uniform guidance.

[.110-7 Effective Dates and Incremental Funding](#)

How does the effective date apply to incremental funding? I have an award with three more years of expected funding. Normally I would keep the same account number for all five years, with the incremental funding for each year added as it comes in. Do I have to keep my funding subject to the old OMB Circulars in a separate account from the funding awarded after the Uniform Guidance goes into effect? Or can I just assume that the new rules apply as soon as I get my first post-Uniform Guidance increment of funds? Can I apply those rules to any residual balance of old funds as well as the new monies?

The new rules apply as of the Federal award date (see 200.39) to new awards and, for agencies that consider incremental funding actions on previously made awards to be opportunities to change award terms and conditions, the first funding increment issued on or after 12/26/14. For agency incremental funding actions that are subject to the Uniform Guidance, non-Federal entities are not obligated to segregate or otherwise track old funds and new funds but may do so at their discretion. For example, a non-Federal entity may track the old funds and continue to apply the Federal award flexibilities to the funding awarded under the old rules (e.g., local ability to issue fixed price subawards, non-Federal entity determination of the need to incur administrative and clerical salaries based on major project classification). For Federal awards made with modified award terms and conditions at the time of incremental funding actions, Federal awarding agencies may apply the Uniform Guidance to the entire Federal award that is uncommitted or unobligated as of the Federal award date of the first increment received on or after 12/26/14.

[.110-8 Effective Dates and Formula & Entitlement Programs](#)

How does the effective date impact formula and entitlement programs?

The effective date in section 200.110 effective/applicability date applies to formula and entitlement awards that are covered by the Uniform Guidance as it does to other awards.

[.110-9 Effective Dates and Consistent Implementation \(Federal\)](#)

What processes and procedures are (or will be) in place to ensure that the changes in the OMB Guidance will be consistent across the different Federal agencies?

OMB is working with the COFAR and other Federal agencies across the government to ensure consistent implementation of the Uniform Guidance across Federal agencies.

[.110-10 Effective Dates and Consistent Implementation \(States\)](#)

What processes and procedures are (or will be) in place to ensure that the changes in the OMB Guidance will be consistently interpreted across all of the states?

The COFAR is working with non-Federal stakeholders that includes representatives of state governments to provide outreach and training to facilitate consistent implementation across non-Federal entities. Please visit the COFAR website at CFO.gov/COFAR for more information.

.110-11 Effective Dates and Subawards

How does the Uniform Guidance apply to Federal awards made prior to December 26 when some subawards are made prior to December 26 and others are made after December 26?

The effective date of the Uniform Guidance for subawards is the same as the effective date of the Federal award from which the subaward is made. The requirements for a subaward, no matter when made, flow from the requirements of the original Federal award from the Federal awarding agency.

.110-12 (updated from previous Q II-1) Effective Dates

When does the Uniform Guidance become effective?

The effective date is covered in section 200.110, Effective/applicability date.

- Federal agencies must implement the requirements to be effective by December 26, 2014.
- Subpart F, Audit requirements, will apply to audits of non-Federal entity fiscal years beginning on or after December 26, 2014. The revised audit requirements are not applicable to fiscal years beginning prior to that date.
- Administrative requirements and cost principles will apply to new awards and to funding increments, in cases where the Federal agency considers funding increments to be an opportunity to modify the terms and conditions of the Federal award, to existing awards made on or after Dec 26, 2014.
- Existing Federal awards that do not receive incremental funding with new terms and conditions will continue to be governed by the terms and conditions of the Federal award.

.110-13 (Previously Q II-2) Effective Dates and Federal Awards Made Previously

Will this apply only to awards made after the effective date, or does it apply to awards made earlier?

- Once the Uniform Guidance goes into effect for non-Federal entities, it will apply to Federal awards or funding increments after that date, in cases where the Federal agency considers funding increments to be an opportunity to modify the terms and conditions of the Federal award. It will not retroactively change the terms and conditions for funds a non-Federal entity has already received.
- We would anticipate that for many of the changes, non-Federal entities with both old and new awards may make changes to their entity-wide policies (for example to payroll or procurement systems). Practically speaking, these changes would impact their existing/older awards. Non-Federal entities wishing to implement entity-wide system changes to comply with the Uniform Guidance after the effective date of December 26, 2014 will not be penalized for doing so.

.110-14 (Previously Q II-3) Effective Dates and Pre-Existing Guidance

Should we continue using 2 CFR 220, 225, and 230 until December 2014, even though these regulations have now been removed from the CFR?

- The terms and conditions of the Federal award always govern, and even once the Uniform Guidance goes into effect, Federal agencies will need to ensure that all non-Federal entities have full access to the terms and conditions of Federal awards made prior to the Uniform Guidance becoming effective.
- The original circulars are also available on the OMB website at http://www.whitehouse.gov/omb/grants_circulars.
- Federal agencies may not impose the Uniform Guidance prior to the effective date.

.110-15 (Updated from the previous Q II-4) Single Audit Compliance Supplement and Audit Resolution

What are the next steps for the single audit Compliance Supplement and single audit resolution?

- The COFAR has made a commitment that for the rest of this year, work will focus primarily on initiatives that support smooth implementation of this Uniform Guidance.
- The 2015 Compliance Supplement is expected to be released in April 2015 and will implement changes to complement the Uniform Guidance, such as streamlining the audit objectives and procedures for the 14 types of

compliance requirements. OMB outreach in developing the 2015 Supplement is including non-Federal stakeholders.

- The COFAR is also working to draft best practices around cooperative audit resolution, and exploring possibilities for publishing a list of links to Federal agency audit resolution policies.
- The Federal Audit Clearinghouse (FAC) is working to develop additional analytical tools to better support audit resolution and provide data for outcome based metrics to allow Federal agencies to track the effectiveness of audit finding follow-up over time.
- The COFAR will be working with the FAC and the auditing profession to explore ways to combine the single audit reporting package (i.e., Schedule of Expenditures of Federal Awards and Auditor's Summary) with the reporting to the FAC in the data collection form to reduce duplication and improve the accuracy of FAC data.
- Finally, the COFAR plans to consider how to better coordinate the process of issuing management decision letters governmentwide.

200.112

.112-1 Conflict of Interest

Section 200.112 states "The Federal awarding agency must establish conflict of interest policies for Federal awards. The non-Federal entity must disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with applicable Federal awarding agency policy." Does this policy refer to scientific conflicts of interest that might arise in the research community?

No, however Federal agencies may have special policies or regulations specific to scientific conflicts of interest, such as HHS's policy at 42 CFR Part 50. The conflict of interest policy in 2 CFR 200.112 refers to conflicts that might arise around how a non-Federal entity expends funds under a Federal award. These types of decisions include, for example, selection of a subrecipient or procurements as described in section 200.318.

200.201

.201-1 Fixed Amount Awards

Section 200.201(b)(1) states that fixed amount awards and subawards can be used when there is a "specific" project scope and "adequate cost, historical or unit price data is available" to assure that the recipient or subrecipient will "realize no increment above actual cost." What standards will an agency use (or should pass-through entities use) when deciding when a project scope is "specific" and what constitutes "adequate" cost, historical, or unit price data?

The wording in this section was not intended to create a new, higher standard for budgeting. Fixed amount (fixed price) awards are appropriate when the work that is to be performed can be priced with a reasonable degree of certainty. Samples of appropriate mechanisms to establish an appropriate price include the non-Federal entity's past experience with similar types of work for which outcomes and their costs can be reliably predicted, or the non-Federal entity can easily ability to obtain price estimates (e.g., bids, quotes, catalog pricing) for significant cost elements.

.201-2 Fixed Amount Awards and Cost-share or Match

Section 200.201(b)(2) states that a fixed amount award (or subaward) cannot be used in programs that require a mandatory cost-share or match. Do salary costs that exceed a Federal awarding agency's salary cap constitute "mandatory cost-sharing" for the purpose of determining whether a fixed amount award or subaward can be used?

No, salary costs above a Federal awarding agency's cap are not a mandatory cost-share or match but, instead, are the result of limitations on the amount of salary costs that may be charged to the Federal award, and are paid at the discretion of the non-Federal entity. Since these salary costs above a Federal awarding agency's cap are not a mandatory cost-share or match, a fixed amount award or subaward can be used.

.201-3 Fixed Amount Awards and End of Award Certifications

Section 200.201(b)(3) states: "The non-Federal entity must certify in writing to the Federal awarding agency or pass-through entity at the end of the Federal award that the project or activity was completed or the level of effort was expended. If the required level of activity or effort was not carried out, the amount of the Federal award must be adjusted." What reporting and documentation requirements should the non-Federal entity provide to the awarding agency?

The Federal awarding agency or pass-through entity may specify the form or format required to certify completion or that the level of effort was expended, in the case of Federal awarding agencies through an OMB-approved information collection. If no format is specified, the recipient should certify completion to the Federal awarding agency (or the subrecipient should certify to the pass-through entity) as a part of the closeout process. Consistent with section 200.308(c)(3), a reduction of more than 25% of the level of effort must be reported to the Federal awarding agency and would require an adjustment. In other cases where an adjustment is necessary, typical mechanisms would include basing the adjustment on the percentage of completed work, actual costs incurred to date, or on another documented basis.

200.203

.203(a) Notices of Funding Opportunities

This section of the guidance specifies that Federal awarding agency must display the following Information posted on the OMB-designated government-wide website for finding and applying for Federal financial assistance. How does this guidance relate to the use of the current federal system called Grants.gov and OMB's requirements that Agencies utilize that system to post funding opportunity announcements and allow applicants to apply through the system?

While the guidance does not specify a particular system for finding and applying for Federal financial assistance, the current system of Grants.gov remains the federal government's central portal for discretionary financial assistance find and apply functionalities. In accordance with OMB Memorandum – M-04-01 and M-04-05 – Federal agencies are required to use Grants.gov "Find" functionality and directed to use the "Apply" functionality for discretionary grants. OMB Memorandum M-10-16 documented the technical boost for Grants.gov in response to the Recovery Act and reinforced expectations for agency use of Grants.gov, stating, "Federal grant-making agencies are instructed to resume using the "Apply" functionality of Grants.gov for all the programs that previously used this functionality prior to the memorandum (M-09-14), by no later than April 30, 2010. Federal agencies shall also continue using the "Find" functionality of Grants.gov to post all discretionary grant opportunities."

200.205

.205-1 Review of Risk Posed by Applicant- Financial Stability

In section 200.205, "Federal awarding agency review of risk posed by applicants," what guidelines are auditors given to determine financial stability?

The guidance in this section applies to Federal awarding agency pre-award review of risk posed by applicants, not the risk assessment process used by auditors. Guidance given to auditors for reviewing risk can be found in Subpart F of the Uniform Guidance and generally accepted government auditing standards (GAGAS).

200.303

.303-1 Should vs Must and Internal Controls

According to auditing standards, "should" really means "must unless there is a well-documented reason why not". Is this the case in the Uniform Guidance? Does the "should" in section 200.303 referencing guidance provided by GAO and COSO really mean "must"?

See should vs must answer in .303-2 below for the meaning of “should” in the Uniform Guidance. COFAR will review the guidance and consider whether technical corrections are needed related to the use of “should”.

[.303-2 \(previously Q III-5\) Should vs. Must In General](#)

The word “should” is used throughout section 200. Does it really mean “must”?

- No. The word “must” is used throughout part 200 to indicate requirements. The word “should” is used to indicate best practices or recommended approaches that the COFAR wanted non-Federal entities to be aware of, but not necessarily required to comply with.

[.303-3 \(Previously Q III-4\) Should vs Must and the Green book](#)

In section 200.303 Internal Controls, what is the expectation about a non-Federal entity’s compliance with the guidance in the Green Book?

The requirement is that the non-Federal entity must establish and maintain effective internal controls over Federal awards that provide reasonable assurance that awards are being managed in compliance with Federal statutes, regulation and the terms and conditions of the Federal award. The Uniform Guidance also refers non-Federal entities to the following three documents for best practices:

- “Standards for Internal Control in the Federal Government” (Green Book) issued by the Comptroller General.
- “Internal Control Framework” issued by the Committee on Sponsoring Organizations (COSO).
- Appendix XI, Compliance Supplement – Part 6 Internal Control (which currently follows COSO but will consider both the Green Book and COSO in the 2015 update (200.514(c)(1)).

While non-Federal entities must have effective internal control, there is no expectation or requirement that the non-Federal entity document or evaluate internal controls prescriptively in accordance with these three documents or that the non-Federal entity or auditor reconcile technical differences between them. They are provided solely to alert the non-Federal entity to source documents for best practices. Non-Federal entities and their auditors will need to exercise judgment in determining the most appropriate and cost effective internal control in a given environment or circumstance to provide reasonable assurance for compliance with Federal program requirements.

[200.306](#)

[.306-1 Exceptions in Statute for restrictions on cost sharing or matching](#)

Section 2 CFR 215.23(a)(5) stated as one of the criteria for matching is that it cannot be “paid by the Federal Government under another award, except when authorized by Federal statute to be used for cost sharing or matching.” Section 200.306(a)(5) states this criteria a little differently: matching cannot be “paid by the Federal government under another Federal award, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements.” Is this a change in policy?

No.

[200.307](#)

[.307-1 Fees and Royalties and Bayh-Dole](#)

According to the Bayh-Dole Act (35 USC 202(c)(7)), for nonprofit organizations (e.g., IHEs, Nonprofit research institutions, other research performers), a portion of the license fees and royalties on patents are required to be returned to the inventor and the balance is to be used for education and research. Therefore, should the income from license fees and royalties be excluded from the definition of program income?

Yes, income from license fees and royalties on research funded by a Federal award should be excluded from the definition of program income. U.S. law or statute takes precedent over the Uniform Guidance.

200.309

.309-1 (Updated from the previous Q III-2) Period of Performance and No-Cost Extension

Section 200.309 Period of Performance says that costs may be incurred only during the period of performance. Does this mean that the agency regulations will no longer be able to allow no-cost extensions as a normal course of business?

- No. A Federal agency may allow no-cost extensions of the period of performance to the extent such no-cost extension does not violate applicable laws and regulations.

200.313

.313-1 Equipment and Conditional Title

Section 200.313(a) of the guidance specifies that title for equipment acquired under a Federal award will vest upon acquisition in the non-Federal entity as a “conditional title”. This is new terminology for those non-Federal entities that have followed Circular A-110. What is meant by “conditional title” and will this affect how non-federal entities have historically accounted for equipment ownership?

There is no change intended in the Uniform Guidance for how non-Federal entities should account for equipment ownership. The concept of “conditional title” always has been in effect, and simply means that equipment ownership vests in the non-Federal entity at the time of acquisition and that it is contingent on meeting the requirements for use, management, and disposition of the equipment as required in section 200.313.

.313-2 Changes to Equipment Inventory Systems

Section 200.313(d)(1) of the guidance specifies the attributes that must be maintained in the property records of the non-Federal entity. For non-Federal entities that have followed Circular A-110, there are two changes:

- “percentage of Federal participation in the project costs” (Uniform Guidance) versus “information from which one can calculate the percentage of Federal participation in the cost of the equipment” (A-110. .34(f)(1)(vi)), and
- “the location, use and condition of the property” (Uniform Guidance) versus “location and condition of the equipment and the date the information was reported” (A-110. .34(f)(1)(vii)). Are non-Federal entities expected to change the attributes of their property records and ultimately be required to implement costly changes to their existing equipment inventory systems?

No. The requirements for property records have not substantively changed in the Uniform Guidance. The requirements for property records are meant to ensure that the non-Federal entity maintains an equipment inventory system that demonstrates the non-Federal entity has an effective system of controls to account for and track equipment that has been acquired with Federal funds. Non-Federal entities are not expected to change their equipment inventory systems or the data elements contained in those systems, if they are in compliance with the current requirements in Circular A-110. In the examples in the question:

- The percentage of Federal participation in the cost of equipment in Circular A-110 was identical to the percentage of Federal participation in the cost of the original project or program. One could infer that from the amount of compensation a recipient was required under 2 CFR 215.34(g) to make to a Federal agency at the time of disposition—i.e., “compensation shall be computed by applying the percentage of Federal participation in the cost of the original project or program to the current fair market value of the equipment.” The A-110 requirement in 2 CFR 215.34 for the recipient’s records to have information from which one could calculate the percentage of Federal participation in the cost of the equipment then required two numbers, the percentage of Federal participation in the original project or program and information from which one could derive the current fair market value. The Uniform Guidance makes that more explicitly clear through the definition of “Federal interest” in 2 CFR 200.41; and
- “the location, use and condition of the property” is referring to an indicator in the property records that the

specific equipment item is active and linked with the appropriate Federal award, identical to the requirement in Circular A-110.

The COFAR will review these sections and consider whether any technical corrections are needed for clarity in the Uniform Guidance.

200.318

.318-1 (Previously Q III-7) Equipment and A-110 Screening Procedures

Does the insertion of "or duplicative" in the first sentence of 200.318(d) mean that universities will have to revert to equipment screening procedures that were eliminated under the Federal Demonstration Project over 20 years ago?

- The Uniform Guidance in section 200.318(d) states that the non-Federal entity's procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.
- The above language does not require any specific equipment screening procedures.

200.320

.320-1 Methods of Procurement – Micro vs Small vs Over Threshold

How are procurements of micro-purchase and small purchases under the simplified acquisition threshold less burdensome than those above it?

In summary, all purchases under the simplified acquisition threshold (including micro-purchases) require fewer terms and conditions, have a lesser competition standard than purchases over the simplified acquisition threshold, can be solicited informally, and do not require a cost or price analysis.

Section 200.320 describes the five methods of procurements – (1) micro-purchase (less than to \$3,000), (2) small purchase (less than \$150,000), (3) sealed bids purchases (more than \$150,000), (4) competitive proposal purchases (more than \$150,000), and (5) Noncompetitive purchases (special circumstances which are applicable for all purchase levels).

All five procurement types must comply with the Procurement Standards in section 200.318, which can be summarized generally as follows: (1) the purchase complies with the non-Federal entity's documented procedures in place, (2) purchases are necessary, (3) open competition (to the extent required by each method), (4) conflict of interest policy and (5) proper documentation for the purchases.

Purchases of supplies or services under \$3,000 are treated as "micro-purchases." The purchase orders may be awarded without soliciting any competitive quotations if the non-Federal entity considers the costs to be reasonable. The non-Federal entity must, to the extent practicable, distribute these purchases equitable among qualified suppliers. For example, a purchase of computer paper in the amount of \$2,000 can be treated as "a micro-purchase." No rate competitive quotations are necessary for the purchase. A cost or price analysis is not required. However, in accordance with the non-Federal entity's written policies, which may include strategic sourcing or bulk purchase arrangements as described in section 200.318 and addressed in FAQ .320-4, the non-Federal entity must consider whether to make the purchase from any one of a number of office supply stores.. Such policies may dictate the purchase of computer paper to rotate among qualified suppliers if they offer the same rates.

Purchases under the simplified acquisition threshold are purchases for goods or services meeting the small purchase threshold (currently at \$150,000). Therefore, all purchases between \$3,000 and \$150,000 can use the "small purchase procedures" stated in section 200.320 (b) which describes the procedures as "relatively simple and informal." It states that "price or rate quotations must be obtained from an adequate number of qualified sources." It leaves the discretion of the non-Federal entity written policy to determine the "adequate" number of

qualified sources (i.e., any number greater than one) and the methods of methods of obtaining the price or rate quotations (e.g., it can be in writing, orally, vendor price list on website, or generated via online search engine). Section 200.323 also excludes the small purchases from any requirements for cost or price analysis.

For example, a purchase order for chlorine supplies in the amount \$10,000 can be treated as a small purchase order. This purchase order requires a rate quote from at least two sources, which can be obtained in writing from two suppliers or research done on a public website. A cost or price analysis is not required. In addition, if the chlorine is of special quality that is offered by only one company or only one company can deliver in the time frame required for the project, the purchase order can be made under the sole source purchase provision in section 200.320 (f).

For purchases over the simplified acquisition threshold (currently at \$150,000), the more prescriptive methods of either sealed bids (if the non-Federal entity has very specific parameters for the purchase) or competitive proposals apply. For a visual of this FAQ, see the Procurement Bearclaw attachment.

[.320-2 Methods of Procurement- Sole Source for Research](#)

Procurement by noncompetitive proposals: Frequently, researchers need to acquire items from a particular source for scientific reasons; would this constitute a valid reason for a procurement by noncompetitive proposals? Is this method of procurement available for procurements of any dollar amount?

Yes; this would be a valid reason, and yes this option is available at all dollar amounts, provided it complies with the general procurement standards under 200.318, including documentation requirements in 200.318 (i).

[.320-4 Methods of Procurement and Strategic Sourcing and Shared Services](#)

Do the requirements for competition in the methods of procurement apply to each individual item I purchase, or may I apply them to broader procurement decisions in order to leverage strategic sourcing agreements, shared services arrangements, or other practices that result in more efficient use of the funds?

Yes, the requirements for competition apply to broader procurement decisions. Section 200.318 General Procurement Standards paragraphs (d) and (e) explicitly encourage non-Federal entities to build into their procurement policies practices that consolidate procurements where appropriate to make most efficient use of Federal funds.

[.320-5 Methods of Procurement and Charge Cards](#)

Does the Uniform Guidance require non-Federal entities to limit charge card purchases to a particular threshold amount?

No. The Uniform Guidance provides requirements for the internal control framework that surround any purchase, but does not provide any guidance around whether the non-Federal entity uses cash, charge cards, checks, or any other payment medium for the transaction.

[.320-6 Methods of Procurement and Indirect Costs](#)

Does the Uniform Guidance procurement standards apply to procurements made for indirect costs (for example: would a non-Federal entity need to follow them when hiring a plumber to fix a broken pipe in the headquarters building?)

No. The Uniform Guidance procurement standards do not apply to procurements made in indirect cost areas. They apply to procurements for goods and services that are directly charged to a Federal award.

200.331

.331-1 Pass-through Entities, Indirect Cost Rates, and State Funds

When a pass-through entity uses Federal and non-Federal funds to make a subaward to a nonprofit as a subrecipient, is the requirement in section 200.331(a)(4) for pass-through entities to provide an indirect cost rate applicable for only for the portion of the funds from Federal award that are utilized or the total funds?

Federal Uniform Guidance including section 200.331(a)(4) applies to Federal funds as specified in the terms and conditions of the Federal award.

.331-2 Limits on layers of Subrecipients for Indirect Costs

Is there a limit on the number of layers of subrecipients at which the requirement to pay indirect costs is no longer applicable? For example, a state may pass-through Federal grant funds to a local government. The local government may then pass all or some of the funds through to a local nonprofit, which then also utilizes the services of other nonprofit providers as subrecipients.

No, there is no limit under the Uniform Guidance, but the Federal award may have a limit.

.331-3 Delayed Federal funds and Indirect Cost Rates

When the awarding of Federal funds is held up due to the delayed approval of the Federal budget or other reasons, so states must use state funds in order to provide continued services in the interim, are those dollars considered state or Federal with regard to meeting the OMB requirements? For example, if temporarily using state funds while waiting for Federal funds, is the state required to reimburse subrecipients for their indirect costs as directed in the Uniform Guidance?

Yes, any costs ultimately charged to a Federal award must comply with the terms and conditions of that Federal award, including the Uniform Guidance. Pre-award costs are governed by section 200.458, and the Cash Management Improvement Act and its implementing regulations at 31 CFR Part 205.

.331-4 Indirect Cost Rates and Blended Subawards

States often blend several Federal funding streams to pay for services performed by nonprofit organizations. Each Federal funding stream may have a different set of requirements, particularly as it relates to indirect costs — some with statutory caps on indirect costs and others without a cap and are covered by the new provision in the Uniform Guidance. How should a pass-through entity calculate the indirect cost rate it must reimburse the nonprofit?

Each Federal award is subject to its own terms and conditions, and the funding streams would be tracked accordingly. For payments of indirect cost to the subrecipients, the pass-through entity must follow any statutory caps required by the funding streams. If a non-Federal entity wishes to blend funds from multiple Federal awards and apply only one set of terms and conditions to all the funds, the terms and conditions of that arrangement must be agreed to in advance by all participating Federal awarding agencies.

.331-5 Indirect Cost Rates and Entities Who Do Not Have Indirect Costs

2 CFR 200.210(a)(15), 2 CFR 200.331(a)(1)(xiii) and (a)(4) all make reference to indirect cost rates as a requirement for recipients and subrecipients. Not all entities charge indirect cost rates. Will they now be forced to establish such rates?

No. Non-Federal entities that are able to allocate and charge 100% of their costs directly may continue to do so. Claiming reimbursement for indirect costs is never mandatory; a non-Federal entity may conclude that the amount it would recover thereby would be immaterial and not worth the effort needed to obtain it.

[.331-6 Pass-through Entities and Indirect Cost Rate Negotiation](#)

This section states that pass-through entities are expected to honor a subrecipient's negotiated F&A rate agreement, or use a 10% MTDC de minimis rate, or negotiate an F&A rate with the subrecipient. Is it acceptable to require a subrecipient to accept a rate lower than 10% MTDC via negotiation, or in lieu of their negotiated F&A rate? If a subrecipient requests to establish a rate via negotiation, does the pass-through entity have to establish the rate via negotiation?

If the subrecipient already has a negotiated F&A rate with the Federal government, the negotiated rate must be used. It also is not permissible for pass-through entities to force or entice a proposed subrecipient without a negotiated rate to accept less than the de minimis rate. The cost principles are designed to provide that the Federal awards pay their fair share of the costs recognized under these principals. (See section 200.100(c).) Pass-through entities may, but are not required, to negotiate a rate with a proposed subrecipient who asks to do so.

[.331-7 Indirect Cost Rates and non-Compliance with Guidance](#)

What should I do if my pass-through entity won't honor my entity's federally negotiated indirect cost rate agreement?

You may wish to remind your pass-through entity of their obligation under the uniform guidance in part 200.331. As with any instance where a non-Federal entity does not comply with the guidance, the pass-through entity will be vulnerable to any of the measures available in sections 200.338-200.342, Remedies for Non-Compliance, depending on the Federal awarding agencies oversight of their Federal award. The COFAR is working with a Coalition of non-Federal entities to evaluate the effectiveness of implementation and the overall impact of the guidance. For information about where to direct inquiries about the Uniform Guidance in general, please see part 200.108.

[200.332](#)

[.332-1 Fixed Amount Subawards](#)

My institution has a fixed amount subaward issued on an active Federal award and it is over the \$150,000 Simplified Acquisition Threshold; it will continue to be active after 12/26/14. Instead of modifying the subaward, can I give my subrecipient a new fixed amount subaward to cover just this year's funding so I can stay below the threshold?

It is acceptable to have more than one fixed amount subaward with the same subrecipient if necessary to complete work contemplated under a Federal award. It is expected, however, that each fixed amount subaward will have its own distinct statement of work and be priced for the work and deliverables that will be due under that subaward, and that prior approval of the Federal awarding agency is required for each subaward issued under funding received on or after 12/26/14, as outlined in 200.332. Non-Federal entities having special circumstances, including an unanticipated need to increase a fixed price subaward above the threshold, should consult with their Federal awarding agency for guidance on how to complete the planned scope of work with the least amount of administrative burden.

[200.400](#)

[.400-1 Fixed Amount Subawards and Profit](#)

Section 200.400(g) states that a non-Federal entity may not "earn or keep any profit resulting from Federal financial assistance, unless expressly authorized by the terms and conditions of the Federal award." Does that mean that a non-Federal entity cannot retain any unexpended balance on its fixed amount awards and subawards?

No. Section 200.400 (a)(3) provides an exception to this policy for fixed amount awards. See also FAQ .401-1. Provided that the cost of a fixed amount award was determined according to the Uniform Guidance, any residual unexpended balance that remains at the end of a completed award is not "profit" and, therefore, can be retained.

.400-2 Dual Role of Students and Post-Doctoral Staff

The Uniform Guidance states; "For non-Federal entities that educate and engage students in research, the dual role of students as both trainees and employees contributing to the completion of Federal awards for research must be recognized in the application of these principles." Staff in postdoctoral positions engaged in research, while not generally pursuing an additional degree, are expected to be actively engaged in their training and career development under their research appointments as Post-Docs. This dual role is critical in order to provide Post-Docs with sufficient experience and mentoring for them to successfully pursue independent careers in research and related fields. Does 200.400(f) require recognition of the dual role of postdoctoral staff appointed on research grants as, both trainees and employees, when appointed as a researcher on research grants?

Yes, the Uniform Guidance 200.400(f) requires the recognition of the dual role of all pre and post-doctoral staff, who are appointed to research positions with the intent that the research experience will further their training and support the development of skills critical to pursue careers as independent investigators or other related careers. Neither Pre-Docs or Post-Docs need to be specifically appointed in 'training' positions to require recognition of this dual role. The requirements and expectations of their appointment will support recognition of this dual role per 200.400(f).

.400-3 (Previously Q III-3) Profit and Nonprofits

How does the usage of the term "profit" in §200.400(g) apply, if at all, to Federal awards with or performed by nonprofit organizations?

- The guidance in section 200.400(g) states that the non-Federal entity may not earn or keep any profit resulting from Federal financial assistance, unless expressly authorized by the terms and conditions of the Federal award (with a reference to §200.307 Program income).
- The guidance in 200.400(g) is intended only to make this long-standing requirement explicit for purposes of accountability and oversight. It has always been true that costs under Federal awards must be reasonable, allocable and allowable. By definition, this has always excluded any additional increment for profit beyond cost for non-Federal entities executing Federal awards or subawards.

200.401

.401-1 Fixed Amount Awards and Cost Principles

This section states that cost principles do not apply to capitation awards, scholarships, fellowships, traineeships, other fixed amounts, and fixed amount awards. However, section 200.400 states that cost principles must be used in the pricing of fixed-price contracts and subcontracts where costs are used in determining the appropriate price. Can you clarify the application of the cost principles to fixed-price and fixed-rate awards and subawards?

For fixed amount awards described in 200.400 and 200.401, the cost principles should be used as a guide when proposing (pricing) the work that will be performed, but are not formally used as compliance requirements for these types of awards. In other words, the recipient and the Federal agency, or the pass-through entity and the subrecipient, will use the principles along with historic information about the work to be performed to establish the amount that should be paid for the work to be performed. Once the price is established and the fixed amount award or subaward is issued, payments are based on achievement of milestones (e.g., per patient, per procedure, per assay, or per milestone) and not on the actual costs incurred.

200.413

.413-1 What Counts as Prior Approval

I have a Federal award that qualifies as a major project or activity and I'm directly charging administrative costs to it. When I receive incremental funding on my project next spring, I understand I am going to now need prior written approval from the Federal awarding agency to continue charging those costs to the new incremental funds. If I list my intention to continue charging those costs in my next continuation progress report and the

Federal awarding agency issues my award without making any mention of my request, does that count as prior written approval?

It depends. Non-Federal entities should refer to the terms and conditions of their Federal award or address their questions to the Federal awarding agency awarding official (or pass-through entity if appropriate) to clarify when pre-approval has been granted.

200.414

.414-1 De Minimis Rate and Governments

Is the 10 percent de minimis rate for new organizations which have never negotiated an IDC rate at 200.414 (f) available to governmental organizations or tribal government entities which have never negotiated an IDC rate?

Yes. Provision of the 10 percent de minimis indirect cost rate is conditioned on the non-Federal entity meeting the requirements specified at 200.414 (f). These include limiting availability to organizations that have never received a negotiated indirect cost rate, except for those described in Appendix VII of Part 200, paragraph (D)(1)(b) "governmental department or agency unit that receives more than \$35 million in direct Federal funding must submit its indirect cost rate proposal..." State and local government departments that have never negotiated indirect cost rates with the Federal government and receive less than \$35 million in direct Federal funding per year may use the 10% de minimis indirect cost rate, and must keep the documentation of this decision on file. Federally recognized Indian tribes that have never negotiated an indirect cost rate with the Federal government may also use the 10% and must keep the documentation of this decision on file.

.414-2 Indirect Cost Rate Extensions – "Current" and "one-time"

Section 200.414(g) of the Uniform Guidance states: "Any non-Federal entity that has a federally negotiated indirect cost rate may apply for a one-time extension of a current negotiated indirect cost rates for a period of up to four years."

- What is meant by the term "current negotiated indirect cost rates"?
- What is meant by the term "one-time"?

A current negotiated indirect cost rate is the negotiated rate *in effect (i.e., not expired)* when the non-Federal entity requests a rate extension. Rate extension requests will only be considered once in a rate negotiation cycle. For example, a non-Federal entity with a current negotiated rate for 7/1/15-6/30/16 requests an extension of that rate for 3 years, until 6/30/19. If approved by the cognizant agency for indirect costs, the non-Federal entity is required to submit a proposal and request a negotiation of an indirect cost rate for the period beginning 7/1/19. Assuming these are predetermined rates effective until 6/30/23, the non-Federal entity could then request an extension of the current negotiated rate at the end of this approved period (6/30/23), prior to the submission of a proposal for negotiated rates in the next period. "Current negotiated rates" include only "predetermined" and "final" rates (not "provisional" or "fixed" rates).

.414-3 Documentation Required for Extension

Section 200.414(g) allows any non-Federal entity that has a federally negotiated indirect cost rate to apply for a one-time extension of its current negotiated indirect cost rates for a period of up to four years. This extension will be subject to the review and approval of the cognizant agency for indirect costs. Are there any documentation requirements that must be submitted? Are non-Federal entities eligible for multiple four-year extensions?

See FAQ .414-2. The intent of allowing for indirect cost rate extensions is to minimize the administrative burden for the non-Federal entity. As such, documentation requirements to support a four-year indirect cost rate extension should be kept to a minimum. A non-Federal entity can apply for a one-time extension (up to four years) on its most current negotiated rate. Subsequent one-time extensions (up to four years) are available if a renegotiation is completed between each extension request. Once there is a new negotiated indirect cost rate in effect, a non-Federal entity could request a one-time extension on that rate.

.414-3 Timing of Request for Extension

When should an institution contact the cognizant agency for indirect costs to request extension of their current negotiated rate?

Such requests should be submitted 60 days prior to the due date of the next proposal for indirect costs, but cognizant agencies for indirect costs can accept extension requests submitted later than that on a case by case basis.

.414-4 Extensions and Fixed-Rates with Carry-Forward

How might an organization with negotiated fixed rates with carry-forward effectively use the option for an extension of a current negotiated rate provided by 200.414(g)?

A fixed-rate with carry-forward agreement cannot be extended. If a non-Federal entity with a fixed-rate with carry-forward agreement would like to take advantage of the flexibilities in this provision of the Uniform Guidance, it would need to first negotiate a final or predetermined rate, which could then be extended, subject to the approval of the cognizant agency. The carry-forward for the last fixed year would have to be resolved in accordance with cognizant agency for indirect cost procedures.

.414-5 (Previously Q IV-3) Extensions and Old Rates, Shorter Extensions

Can an entity extend their rate for up to 4 years even if it's a really old rate (say 10 years ago)? Can they only extend for 4 years? What about 3 years or 2 years?

- Uniform Guidance in section 200.414 states that any non-Federal entity with a federally negotiated indirect cost rate may apply for a one-time extension for a period of up to 4 years. The extension is subject to the review and approval of the cognizant agency for indirect costs.
- Requests for extensions may be for periods of less than 4 years. The extension period is subject to the review and approval of the cognizant agency for indirect costs.

200.415

.415-1 Authorization to Legally Bind the non-Federal entity

This section requires certain financial reports and payment requests to be signed by someone who is "authorized to legally bind the non-Federal entity." How should a non-Federal entity determine who has that authority?

It is up to the non-Federal entity to determine how best to establish the authority to legally bind the non-Federal entity.

200.430

.430-1 Authorization of Changes to Time and Effort Systems

Section 200.430(a) provides new guidance for the costs of salaries and wages. What processes do non-Federal entities need to follow to be authorized to change their current systems for documenting payroll charges? Can non-Federal entities make incremental changes that reduce burden but maintain the spirit of their current processes? For those institutions that are required to file a DS-2, what is the role of the DS-2 in this process?

Changes to the process through which payroll charges are documented are allowable and can be implemented when the non-Federal entity complies with the guidance in this section, including standards defined in paragraph .430(i) Standards for Documentation of Personnel Expenses. For non-Federal entities that disclose their current process in a DS-2, any change will require a corresponding change in the DS-2. In most cases, this simply means that the non-Federal entity would revise its current DS-2 and provide a high level summary of the processes that meet paragraph (i). The DS-2 should be comprehensive enough to document the non-Federal entity's accounting practices without further information. Non-Federal entities can develop solutions that meet the requirements in paragraph (i) and reduce the burden related to their current process whether they be incremental or more significant, including complete elimination of current systems.

[.430-2 Time and Effort and Tribes](#)

In paragraph 200.430(i)(5) regarding compensation for personal services, “For states, local governments and Indian tribes, substitute processes or systems for allocating salaries and wages to Federal awards may be used in place of or in addition to the records described in paragraph 200.430(i)(5)(1) if approved by the cognizant agency for indirect cost.” Please verify tribes will now be required to obtain approval from IBS due to the “If approved by cognizant agency for indirect cost”.

Yes. This is not a policy change.

[200.431](#)

[.431-1 Fringe Benefits and Indirect Costs](#)

Will the COFAR consider deleting the requirement in 200.431(b)(3)(i) and 200.431(e)(3) that fringe benefits be charged as indirect costs when the non-Federal entity is using a cash basis of accounting?

Based on the COFAR’s recommendation, OMB will issue a technical correction to clarify that the fringe benefit rate process (in addition to the indirect cost process) can also be used for payments of unused leave, worker’s compensation, unemployment compensation, severance pay, and similar employee benefits. If a non-Federal entity uses specific identification for fringe benefits, then it can only charge termination leave (or other fringe benefit costs) in the indirect cost rate (if it charges leave on the cash basis), but if it has fringe benefit rates, it could charge termination leave (or other fringe benefit costs) through either its fringe benefit rate or its indirect cost rate. Generally, the preference would be to include the termination leave costs (or other fringe benefit costs) as part of the fringe benefit rate(s) if these costs are already included. If these costs are included in the indirect cost rate for non-Federal entities required to submit long-form proposals, then they would have to go to General Administration (GA) and, in the case of IHEs, would be subject to the 26% administrative cap for IHEs.

[200.436](#)

[.436-1 Depreciation and Cost Sharing](#)

Section 200.436(c)(3) states the following is excluded from the acquisition cost of the asset: “Any portion of the cost of buildings and equipment contributed by or for the non-Federal entity, or where law or agreement prohibits recovery.” This would suggest that the depreciation on the institutional/matching/cost sharing contributions to construction and major instrumentation is unallowable for recovery. FAQ .436-2 (previously IV-1) clarifies that this qualification is limited to instances of cost sharing or matching, but the language remains unclear, and could be interpreted inappropriately to reverse longstanding Federal policy allowing institutions to recover through their F&A rates their contributions to construction projects and instrumentation partially funded through Federal awards, unless prohibited by law or agreement. Is depreciation on the institutional contribution allowable, even in cases of cost sharing or matching?

Yes, depreciation on the institutional contribution is allowable, unless law or agreement prohibits recovery. Based on the COFAR’s recommendation, OMB will issue a technical correction to the Uniform Guidance to clarify.

[.436-2 \(Previously Q IV-1\) Depreciation and Cost Sharing](#)

Per 200.436(c)(3), the acquisition cost of depreciable assets will exclude: “Any portion of the cost of buildings and equipment contributed by or for the non-Federal entity, or where law or agreement prohibits recovery.” Is this qualification limited to instances of cost sharing or matching or does it apply more broadly?

Yes, this qualification is limited to instances of cost sharing or matching as described by 200.436(c) above it, from which it follows. 200.436(c) is copied here with emphasis in bold added: “(c) **Depreciation is computed applying the following rules.** The computation of depreciation must be based on the acquisition cost of the assets involved. **For an asset donated to the non-Federal entity by a third party,** its fair market value at the time of the donation

must be considered as the acquisition cost. Such assets may be depreciated or claimed as matching but not both. **For this purpose, the acquisition cost will exclude:** ... (3) Any portion of the cost of buildings and equipment contributed by or for the non-Federal entity, or where law or agreement prohibits recovery;”

200.440

.440-1 Prior Approval for Fluctuations in Exchange Rates

This section requires Federal awarding agency prior approval for fluctuations in exchange rates (for international projects). How can prior approval be obtained when the exchange rate may fluctuate on a daily basis as expenditures occur?

Prior approval is not required every time the exchange rate changes and a Federal award is charged. Approval of exchange rate fluctuations are required only when the change results in the need for additional Federal funding, or the increased costs results in the need to significantly reduce the scope of the project.

200.444

.444-1 Salaries and wages for Tribal Councils

In section 200.444 the guidance now includes language that up to 50% of the salaries and expenses for the tribal council can be included in the indirect cost calculation without documentation. Does this include the Chairman or equivalent?

Yes, provided these expenses are allocable to managing and operating Federal programs.

200.458

.458-1 Pre-Award Costs

I want to request pre-award spending in October 2014 for my award that will be funded soon after the Uniform Guidance goes into effect. How can I make sure the costs I incur will be allowed on my grant?

All pre-award spending is incurred at the non-Federal entity’s own risk, since the terms and conditions of the Federal award are not yet known. In the event that a non-Federal entity incurs a cost that subsequently is not allowed by that Federal awarding agency’s implementation plan, that cost must be removed unless the Federal awarding agency agrees in writing to grant a retroactive approval for that cost in that circumstance.

.458-2 (Previously Q IV-2) Uncommitted Cost Sharing

Uncommitted cost sharing is not discussed in the Uniform Guidance. Is the OMB Clarification of Uncommitted Cost Sharing in OMB M-01-06 dated January 5, 2001 still applicable?

- Yes. The OMB Clarification on uncommitted cost sharing is available here:

<http://www.whitehouse.gov/sites/default/files/omb/assets/omb/memoranda/m01-06.pdf>

200.512

.512-1 Tribes Opting out of Online Report Publication- Definition of Tribal Entities

In section 200.512 regarding Report Submission, tribes have the option to opt out. If they choose to exercise this option, they are responsible for providing their audit reports to any pass-through entities. When do 'tribal entities' meet the requirements as an Indian tribe and become eligible to opt out? Does this apply to all entities of the tribe? For example, hospitals, clinics, housing authorities, and tribal economic development entities?

This determination is dependent on how the tribal entity is organized and reports under Subpart F of the Uniform Guidance. If the entity is established as part of an Indian tribe that meets the definition of 200.54, accountable to tribal governance, and included with the Indian tribe’s reporting under Subpart F; then the Indian tribe’s election to opt out under 200.212(b)(2) would include the tribal entity. However, if the organization is established as a

nonprofit organization outside of the tribe, it would not meet this definition. For example, a nonprofit organization as defined at 200.70 that files its single audit separately could not elect to opt out under section 200.512(b)(2).

[.512-2 Availability of Reports for Public Inspection](#)

Section 200.512 states “Unless restricted by Federal statute or regulation, if the auditee opts not to authorize publication, it must make copies of the reporting package available for inspection”. Please clarify. Does this mean any individual could ask for a financial statement?

As has always been the case under the Single Audit Act, any individual may ask for a non-Federal entity’s single audit report (which includes financial statements). A non-Federal entity would be required to determine whether Federal statute provides an exception to the Single Audit Act and furnish the report accordingly.

[.512-3 Waivers for low-risk auditee standards](#)

With regard to section 200.512 issuing financial statements on primarily governmental core activities (excluding economic development activities for example) the reports would be considered modified. A modification to a report results in the auditee not being considered low risk. Previously an auditee could apply for a waiver for low-risk auditee standards; this is no longer available and was not addressed in the Uniform Guidance. An inaccurate high-risk assessment may cause additional burden and challenges for tribes.

The COFAR considered this and found that the waiver process held significant potential for additional administrative burden and inconsistency across government, and that in practice Federal awarding agencies historically received extremely few requests for waivers. As a result, the COFAR recommended eliminating the waiver provision from the Uniform Guidance.

[.512-4 \(Previously Q V-1\) Application of Option Not to Publish for Tribes](#)

In Section 200.512 paragraph (b)(2) regarding Report Submission, tribes have the option to opt out of authorizing the Federal Audit Clearinghouse (FAC) to make the reporting package publically available on a Web site. Does this apply to all entities associated with the tribe? For example, would hospitals, clinics, housing authorities, and economic development entities associated with a tribe be permitted to use this option?

This option applies and is limited to entities meeting the definition of “Indian tribe” in section 200.54. However, if a tribe elects this option they are required to provide a copy of their reporting package to pass-through entities and make a copy of their reporting package available for public inspection as required by the Single Audit Act Amendments of 1996. The impact of the option is the exclusion of the reporting package from public availability on the FAC Web site.

[.512-5 \(Previously Q V-2\) Single Audit Accountable Official](#)

In section 200.513 a “Single Audit Accountable Official” is required and will be responsible for overseeing the Single Audit. Can you clarify this position? Is this an additional position on top of the National Single Audit Coordinators in the agency’s Office of Inspector General (OIG)?

- Section 200.513(c)(5) requires Federal awarding agencies to provide OMB the name of a single audit accountable official from among the senior policy officials of the agency and for this official to designate the agency’s key management single audit liaison at a working level to facilitate the agency’s day to day activities related to the single audit process. The responsibilities of these positions as outlined in the section 200.513(c)(5) and (6) are to ensure agency management effectively uses the single audit process to reduce improper payments and improve Federal program outcomes and to hold agency management accountable for doing so through metrics. In addition to improving the agency’s use of the single audit process, the designation of these officials will facilitate interagency coordination to carry out the COFAR’s strong program oversight agenda such as improving audit resolution, single audit metrics, making better use of Federal Audit Clearinghouse data, and revising the

Compliance Supplement to focus on the requirements most likely to cause improper payments, waste, fraud, and abuse.

- Since these two new designees relate to management responsibilities and since the OIG is independent of management, these management officials will be organizationally separate from the OIG.
- Some OIGs have a member of their staff designated as the national single audit coordinator who has responsibilities related to the single audit process consistent with the OIG duties under the IG Act. While management and OIG functions are separate, they both have goals related to accountability for Federal awards and effective use of the single audit process. Therefore it is expected that the agency's single audit accountable official and key management single audit liaison would work together and coordinate with the OIG national single audit coordinator while respecting the independence of the OIG under the IG Act.

Appendix III

Appendix III-1 Utility Cost Adjustment

Section B.4.c, Operation and maintenance expense, includes guidance on the allocation of utility expenses. All IHEs now are eligible to receive up to a 1.3% utility cost adjustment on the institution's F&A rate. Some of the direction for the allocation utility expense is not clear and could create uncertainty when an institution negotiates their F&A rate with its cognizant agency for indirect costs. If there is a disagreement in interpretation, how should this situation be resolved?

Sections C.11.f, g, and h of Appendix III include processes and procedures for ensuring an objective and fair negotiation of rates. When there are areas of disagreement, IHEs and the cognizant agency for indirect costs should follow the processes and procedures described in sections C.11.f, g, and h, and further work toward resolving disagreements in a collaborative manner. OMB may be consulted when there are questions applicable to the interpretation of the Uniform Guidance.

Appendix V

Appendix V-1 SWCAP For Tribes

Did this appendix replace Appendix C to Part 225 – State/Local-Wide Central Service Cost Allocation Plans (SWCAP)? If so, why did the Appendix's new title include reference to Indian tribes? SWCAPs have historically been applicable to states and U.S. territories, not Indian tribes.

Yes, Appendix V to part 200 does replace Appendix C to Part 225 and provides guidance on the preparation, submission and approval of Statewide Cost Allocation Plans (SWCAP). Indian tribes are not required to prepare and submit tribe-wide cost allocation plans for reimbursement of indirect costs. Based on the COFAR's recommendation, OMB will issue a technical correction to remove Indian tribe in the title of Appendix V.

Previous FAQs – Background on Uniform Guidance

I - Process and Background

Q I-1: When and why did we begin this process?

- This Uniform Guidance was developed in response to the November 23, 2009 Executive Order 13520 on Reducing Improper Payments and the February 28, 2011 Presidential Memorandum on Administrative Flexibility, Lower Costs, and Better Results for State, Local, and Tribal Governments.
- In those documents, the President directed OMB to work with Executive Branch agencies; state, local, and tribal governments; and other key stakeholders to evaluate potential reforms to Federal grants policies.
- The Council on Financial Assistance Reform (COFAR) was established in October 2011 and has led several efforts to improve delivery, management, coordination, and accountability of Federal grants and cooperative agreements, which includes the development of the Uniform Guidance.

Q I-2: How have we engaged stakeholders over the past two years?

- This reform follows OMB's February 1, 2013 Notice of Proposed Guidance (NPG) and February 28, 2012 Advance Notice of Proposed Guidance (ANPG) published in the Federal Register.
- The COFAR also hosted a public webcast on the NPG (available at cfo.gov/COFAR) and participated in public discussions of the proposed reforms when invited by interested stakeholders.
- The ANPG and NPG each received more than 300 public comments, which are available to the public on www.regulations.gov
- The process has been led by the COFAR, an interagency council of OMB, the eight largest Federal grant-making agencies and one rotating small grant-making agency. Other Federal grant making agencies have provided input as well.

Q I-3: How does this reform complement OMB's work on the Evidence Agenda?

- These reforms complement targeted efforts by OMB and a number of Federal agencies to reform overall approaches to grant-making by implementing innovative, outcome-focused grant-making designs and processes in collaboration with their non-Federal partners as described in OMB Memorandum 13-17, Next Steps in the Evidence and Innovation Agenda.
- The Uniform Guidance will provide a backbone for sound financial management as Federal agencies and their partners continue to develop and advance innovative and effective practices
- OMB plans to work with agencies to examine ways these new flexibilities can be used to support innovative, outcome-focused grants.
- Specifically this reform focuses on performance over compliance for accountability by; (see Q I-7 #2 under What is the Impact of this reform? below)

Q I-4: Did OMB hold formal consultations with Indian Tribes?

- In addition to the two formal comment periods and public webcast on the reform, OMB held three conference calls with tribal leaders on February 10, 2012, March 15, 2012, and May 22, 2013.

Q I-5: Who will be impacted by this reform?

- This reform will impact Federal agencies, non-Federal entities (states, local governments, Indian tribes, institutions of higher education (IHE), and nonprofit organizations) that receive Federal awards as a recipient or subrecipient, and their auditors. (See expected impact below. Q I-7))

Q I-6: Where can I get more information about the policies that are changed?

- Please visit www.cfo.gov/COFAR for more information on the following resources:
 - o A link to a recorded webcast that was broadcast on December 20, 2013.
 - o A link to a recorded training webcast that was broadcast on January 27, 2014.
 - o Crosswalks and side-by-sides that explain where to find revised sections of the old guidance in the Uniform Guidance and show the language from the old guidance next to the new language. These crosswalks and side-by-sides are available at http://www.whitehouse.gov/omb/grants_docs

Q I-7: What is the impact of this reform? How does this reform reduce administrative burden and risk of waste, fraud, and abuse?

- Here is a list of ways that the Uniform Guidance reduces administrative burden and risk of waste fraud and abuse:

1. Eliminating duplicative and conflicting guidance:

- ☑ By combining eight previously separate sets of OMB guidance into one, OMB has eliminated about 80 pages (or about 25% of pages) of overlapping duplicative and conflicting provisions of guidance that were developed separately over many years.

☐ Beyond dealing with the administrative burden associated with understanding such guidance, non-Federal entities have faced risks of more restrictive oversight and audit findings that stem from inappropriate applications of the guidance caused by overlapping requirements.

☐ This completes a long-standing goal of co-locating all related OMB guidance into Title 2 of the Code of Federal Regulations.

2. Focusing on performance over compliance for accountability (linking to the OMB Evidence Agenda):

- By expanding options for fixed amount awards based on meeting performance milestones.
- Set the stage for OMB waivers to approve new strategies for innovative program designs that draw on OMB guidance in M-13-17.
- Streamline reporting requirements for salaries and wages to focus on high standards for internal controls with flexibility for non-Federal entities in how they meet the standards. Also includes flexibilities for entities that have approval to try new approaches based on outcomes or to combine funds from multiple programs.

3. Encouraging efficient use of information technology and shared services:

- Updated provisions account for the efficient use of electronic information, as well as the acquisition and use of the information technology systems and shared services that permeate an effective and modern operating environment.
- These provisions encourage non-Federal entities to, whenever practicable, collect, transmit and store Federal award-related information in open and machine-readable formats in accordance with the May 9, 2013 Executive Order on Making Open and Machine Readable the New Default for Government Information.

4. Providing for consistent and transparent treatment of costs:

- Updated policies on indirect cost reduce administrative burden by providing more consistent and transparent treatment governmentwide.
- The provisions set conditions that make transparent agency decisions to use other than approved indirect cost rates, and provide for a de minimis indirect cost rate for those non-Federal entities that have never had a rate and for whom existing requirements to negotiate might be a burden that prevents them from receiving assistance at all or implementing it effectively.
- It also clarifies allowable direct charges for administrative expenses and contingency costs.

5. Limiting allowable costs to make the best use of Federal resources:

- Language is strengthened in certain areas such as conferences, morale, relocations, and student activities to appropriately limit allowable costs under Federal awards.

6. Setting standard business processes using data definitions:

- Updated provisions set the stage for Federal agencies to manage Federal awards via standardized business process and use of consistently defined data elements.
- This will reduce administrative burden on non-Federal entities that must navigate the processes of multiple Federal agencies as they manage information required to implement Federal awards.

7. Encouraging non-Federal entities to have family-friendly policies:

- Provisions in the Uniform Guidance provide flexibilities that, when implemented by non-Federal entity-wide policy, better allow for employees of non-Federal entities to balance their personal responsibilities while maintaining successful careers contributing to Federal awards, resolving an issue that has been identified as one that often prevents women from maintaining careers in science.

8. Strengthening oversight:

- New language requires Federal agencies and pass-through entities to review the risk associated with a potential recipient prior to making an award (including by making better use of available audit information where appropriate).

- It also requires disclosures of relevant conflict of interest or criminal violations, expressly prohibiting profit, requiring certifications by senior officials of the non-Federal entity, and providing Federal agencies with strong remedies to address situations of non-compliance.

9. Targeting audit requirements on risk of waste, fraud, and abuse:

- The Uniform Guidance focuses audits where there is greatest risk of waste, fraud, and abuse of taxpayer dollars.
- It strengthens existing requirements for Federal agencies to rely to the extent possible on the work of the Single Audit before initiating additional audits.
- It improves transparency and accountability by making single audit reports available to the public online and encourages Federal agencies to take a more cooperative approach to audit resolution that will more conclusively resolve underlying weaknesses in internal controls.
- Targets Federal oversight resources where the most Federal dollars are at risk by raising the threshold for the single audit requirement from \$500,000 to \$750,000, covering over 99% of the funds currently covered while eliminating the requirement for about 5,000 entities and saving the government about \$250 million per year.

Q I-8: Why and how did the COFAR reach some of the particular policy recommendations that they did? What are the major differences between the final guidance and the proposed guidance? Can you give us an example of a policy call where the COFAR had to make some tough tradeoffs and share some of the thinking behind the decision?

- OMB worked with the COFAR to review the many valuable comments on the proposal received from different stakeholders.
- The COFAR recommended improving policies that protect against waste, fraud, and abuse, while reducing unnecessarily burdensome administrative requirements, and so reorients recipients toward achieving program objectives.
- For a complete discussion of the COFAR's policy recommendations, please see the preamble published with the Uniform Guidance at <https://www.federalregister.gov/articles/2013/12/26/2013-30465/uniform-administrativerequirements-cost-principles-and-audit-requirements-for-federal-awards>.
- The policy outcomes in the Uniform Guidance reflect recommendations from the COFAR to OMB after considering feedback from all stakeholders.
- The COFAR deliberated carefully on each issue, and recognized that in some cases it was impossible to please everyone.
- For example, on the single audit threshold, some stakeholders recommended a higher level, while others recommended a lower one, while all stakeholders agreed that the audit threshold was an important piece of the single audit process.
- Single Audits must be viewed both in terms of how they are performed as well as the broader framework of internal controls in place, particularly those governing the relationships between pass-through entities and subrecipients.
- The COFAR recommended the audit threshold be raised to \$750,000 because that is a level that continues to provide coverage for over 99% of the Federal dollars that are currently covered by the Single Audit, while relieving burden for over 5,000 entities and allowing Federal oversight resources to be targeted where the most Federal dollars are at risk.
- The COFAR considered this reform carefully in the context of the other recommended reforms.
- For more details on this and other specific areas of reform, please visit www.cfo.gov/COFAR.

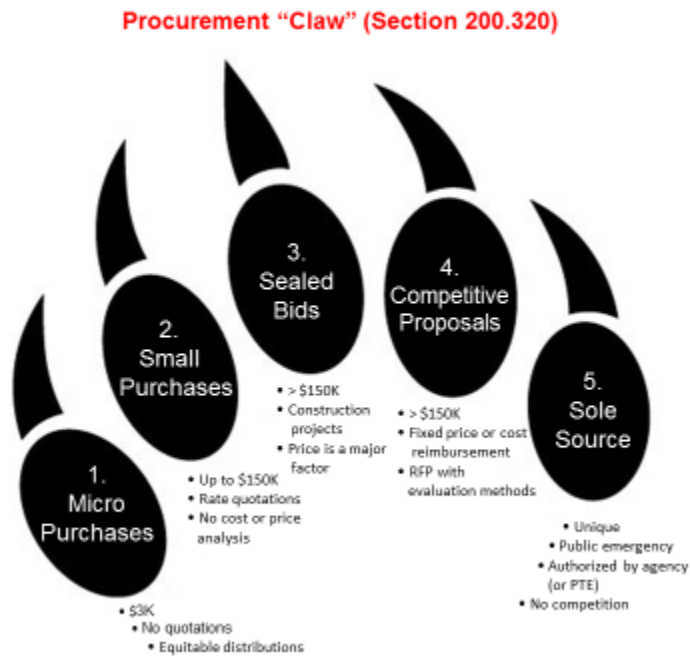
Q I-9: What are the other COFAR priorities this year?

- The COFAR's highest priority this year is facilitating smooth implementation of the Uniform Guidance.
- For additional information on the COFAR's coming work, please see the presentation available here: <https://cfo.gov/wp-content/uploads/2013/12/2013-12-04-COFAR-Priorities-forPrincipals.pdf>
- For further information about all COFAR activities, please visit www.cfo.gov/COFAR

Q I-10: Repones to comments. Beyond the preamble to the Federal Register notice publishing 2 CFR 200 (and the provisions themselves), does OMB plan any further responses to the comments of those who responded to the February 2013 version?

- The preamble constitutes the COFAR's responses to comments, and this FAQ document will be updated periodically to reflect further COFAR clarifications where needed.

Attachment 1: Procurement "Bear claw"



Procurement "Claw" (Sections 200.317-326)



Tab 5: Budget Update

Indian Affairs
2016 Budget Request
(dollars in thousands)

Activities Subactivities Program Elements	2014 Enacted	2015 Enacted	Internal Transfers	Fixed Costs	Program Changes	2016 President's Budget Request	Change from 2015	TPA	CENTRAL	REGIONAL	OTHER PROGRAMS/ PROJECTS
OPERATION OF INDIAN PROGRAMS											
BUREAU OF INDIAN AFFAIRS											
TRIBAL GOVERNMENT											
Aid to Tribal Government (TPA)	25,839	24,614	-144	363	0	24,833	219	24,833			
Consolidated Tribal Gov't Program (TPA)	74,623	76,348	-194	934	0	77,088	740	77,088			
Self Governance Compacts (TPA)	152,881	158,767	1,053	2,501	0	162,321	3,554	162,321			
Contract Support (TPA)	242,000	246,000	0	0	26,000	272,000	26,000	272,000			
Indian Self-Determination Fund (TPA)	5,000	5,000	0	0	0	5,000	0	5,000			
New Tribes (TPA)	463	463	0	1	0	464	1	464			
Small & Needy Tribes (TPA)	1,845	1,845	0	0	1,250	3,095	1,250	3,095			
Road Maintenance (TPA)	24,303	26,461	0	232	0	26,693	232	26,693			
Tribal Government Program Oversight	8,128	8,181	20	72	4,000	12,273	4,092	0	4,569	7,704	0
Central Oversight	2,534	2,548	0	21	2,000	4,569	2,021		4,569		
Regional Oversight	5,594	5,633	20	51	2,000	7,704	2,071			7,704	
Total, Tribal Government	535,082	547,679	735	4,103	31,250	583,767	36,088	571,494	4,569	7,704	0
HUMAN SERVICES											
Social Services (TPA)	35,763	40,871	-86	394	6,000	47,179	6,308	47,179			
Welfare Assistance (TPA)	74,809	74,809	-18	0	0	74,791	-18	74,791			
Indian Child Welfare Act (TPA)	10,710	15,433	108	100	0	15,641	208	15,641			
Housing Program (TPA)	8,000	8,009	-1	13	0	8,021	12	8,021			
Human Services Tribal Design (TPA)	411	407	-169	8	0	246	-161	246			
Human Services Program Oversight	3,085	3,105	-1	22	0	3,126	21	0	912	2,214	0
Central Oversight	903	907	0	5	0	912	5		912		
Regional Oversight	2,182	2,198	-1	17	0	2,214	16			2,214	
Total, Human Services	132,778	142,634	-167	537	6,000	149,004	6,370	145,878	912	2,214	0
TRUST - NATURAL RESOURCES MANAGEMENT											
Natural Resources (TPA)	5,165	5,089	20	59	3,000	8,168	3,079	8,168			
Irrigation Operations and Maintenance	11,342	11,359	0	39	1,500	12,898	1,539				12,898
Rights Protection Implementation	35,297	35,420	0	218	4,500	40,138	4,718				40,138
Tribal Management/Development Program	9,230	9,244	0	19	5,000	14,263	5,019				14,263
Endangered Species	2,673	2,675	0	9	1,000	3,684	1,009				3,684
Tribal Climate Resilience	9,947	9,948	0	7	20,400	30,355	20,407				30,355
Integrated Resource Info Program	1,996	2,996	0	0	1,000	3,996	1,000				3,996
Agriculture & Range	30,558	30,494	21	236	0	30,751	257	23,982	0	0	6,769
Agriculture Program (TPA)	23,796	23,730	21	231	0	23,982	252	23,982			
Invasive Species	6,762	6,764	0	5	0	6,769	5				6,769
Forestry	47,735	47,735	-166	345	4,000	51,914	4,179	27,643	0	0	24,271
Forestry Program (TPA)	27,567	27,526	-166	283	0	27,643	117	27,643			
Forestry Projects	20,168	20,209	0	62	4,000	24,271	4,062				24,271
Water Resources	10,543	10,297	3	67	4,550	14,917	4,620	3,898	0	0	11,019
Water Resources Program (TPA)	4,104	3,845	3	50	0	3,898	53	3,898			
Water Mgmt., Planning & PreDevelopment	6,439	6,452	0	17	4,550	11,019	4,567				11,019
Fish, Wildlife and Parks	13,823	13,577	-13	82	2,000	15,646	2,069	5,268	0	0	10,378
Wildlife & Parks Program (TPA)	5,466	5,220	-13	61	0	5,268	48	5,268			
Fish, Wildlife & Parks Projects	8,357	8,357	0	21	2,000	10,378	2,021				10,378
Resource Management Program Oversight	5,986	6,018	-1	49	0	6,066	48	0	1,823	4,243	0
Central Oversight	1,802	1,809	0	14	0	1,823	14		1,823		
Regional Oversight	4,184	4,209	-1	35	0	4,243	34			4,243	
Total, Trust-Natural Resources Management	184,295	184,852	-136	1,130	46,950	232,796	47,944	68,959	1,823	4,243	157,771
TRUST - REAL ESTATE SERVICES											
Trust Services (TPA)	15,303	15,150	-173	66	0	15,043	-107	15,043			
Navajo-Hopi Settlement Program	1,135	1,147	0	13	0	1,160	13				1,160
Probate (TPA)	11,989	12,043	-281	166	1,000	12,928	885	12,928			
Land Title and Records Offices	13,732	13,891	-192	206	2,000	15,905	2,014			15,905	
Real Estate Services	36,460	36,435	-52	454	0	36,837	402	34,040	0	0	2,797
RES Program (TPA)	33,669	33,642	-52	450	0	34,040	398	34,040			
RES Projects	2,791	2,793	0	4	0	2,797	4				2,797
Land Records Improvement	6,423	6,436	0	3	1,850	8,289	1,853	0	6,350	1,939	0
LRI - Central	4,499	4,500	0	0	1,850	6,350	1,850		6,350		
LRI - Regional	1,924	1,936	0	3	0	1,939	3			1,939	
Environmental Quality	15,623	15,644	79	69	0	15,792	148	2,692	0	0	13,100
EQ Program (TPA)	2,594	2,586	79	27	0	2,692	106	2,692			
EQ Projects	13,029	13,058	0	42	0	13,100	42				13,100
Alaskan Native Programs	1,002	1,010	0	7	0	1,017	7	1,017	0	0	0
Alaskan Native Programs (TPA)	1,002	1,010	0	7	0	1,017	7	1,017			
Rights Protection	11,781	11,803	-2	44	9,350	21,195	9,392	1,996	0	169	19,030
Rights Protection (TPA)	1,957	1,971	-2	27	0	1,996	25	1,996			
Water Rights Negotiations/Litigation	8,159	8,166	0	14	8,350	16,530	8,364				16,530
Litigation Support/Attny Fees	1,500	1,500	0	0	1,000	2,500	1,000				2,500
Other Indian Rights Protection	165	166	0	3	0	169	3			169	
Trust - Real Estate Services Oversight	13,310	13,443	-33	110	2,000	15,520	2,077	0	3,288	12,232	0
Central Oversight	3,248	3,264	0	24	0	3,288	24		3,288		
Regional Oversight	10,062	10,179	-33	86	2,000	12,232	2,053			12,232	
Total, Trust-Real Estate Services	126,758	127,002	-654	1,138	16,200	143,686	16,684	67,716	9,638	30,245	36,087

Indian Affairs
2016 Budget Request
(dollars in thousands)

Activities Subactivities Program Elements	2014 Enacted	2015 Enacted	Internal Transfers	Fixed Costs	Program Changes	2016 President's Budget Request	Change from 2015	TPA	CENTRAL	REGIONAL	OTHER PROGRAMS/ PROJECTS
PUBLIC SAFETY AND JUSTICE											
Law Enforcement	325,696	328,296	0	2,680	4,000	334,976	6,680	0	6,161	0	328,815
Criminal Investigations and Police Services	191,145	192,824	0	1,680	0	194,504	1,680				194,504
Detention/Corrections	94,038	94,483	0	822	0	95,305	822				95,305
Inspections/Internal Affairs	3,415	3,433	0	29	0	3,462	29				3,462
Law Enforcement Special Initiatives	7,211	8,255	-1,000	50	4,000	11,305	3,050				11,305
Indian Police Academy	4,704	4,716	120	17	0	4,853	137				4,853
Tribal Justice Support	5,232	5,237	1,000	8	0	6,245	1,008				6,245
Law Enforcement Program Management	6,882	6,250	-120	31	0	6,161	-89		6,161		
Facilities Operations & Maintenance	13,069	13,098	0	43	0	13,141	43				13,141
Tribal Courts (TPA)	23,241	23,280	-415	308	5,000	28,173	4,893	28,173			
Fire Protection (TPA)	1,077	1,274	-18	18	0	1,274	0	1,274			
Total, Public Safety and Justice	350,014	352,850	-433	3,006	9,000	364,423	11,573	29,447	6,161	0	328,815
COMMUNITY and ECONOMIC DEVELOPMENT											
Job Placement and Training (TPA)	10,920	11,463	-44	26	0	11,445	-18	11,445			
Economic Development (TPA)	1,713	1,706	63	25	0	1,794	88	1,794			
Minerals and Mining	20,464	20,612	-49	90	4,500	25,153	4,541				
Minerals & Mining Program (TPA)	3,892	3,912	-11	39	0	3,940	28	3,940			
Minerals & Mining Projects	14,908	14,924	0	29	0	14,953	29				14,953
Minerals & Mining Central Oversight	860	860	0	9	4,500	5,369	4,509		5,369		
Minerals & Mining Regional Oversight	804	916	-38	13	0	891	-25			891	
Community Development Oversight	2,203	2,215	0	12	0	2,227	12	0	2,227	0	0
Central Oversight	2,203	2,215	0	12	0	2,227	12		2,227		
Total, Community and Economic Development	35,300	35,996	-30	153	4,500	40,619	4,623	17,179	7,596	891	14,953
EXECUTIVE DIRECTION and ADMINISTRATIVE SERVICES											
Assistant Secretary Support	11,135	11,135	0	110	12,000	23,245	12,110		23,245		
Executive Direction	18,207	18,602	952	169	0	19,723	1,121	14,947	1,632	3,144	0
Executive Direction (TPA)	13,655	14,069	738	140	0	14,947	878	14,947			
Executive Direction (Central)	1,610	1,624	0	8	0	1,632	8		1,632		
Executive Direction (Regional)	2,942	2,909	214	21	0	3,144	235			3,144	
Administrative Services	48,201	48,968	-280	437	0	49,125	157	12,596	22,377	14,152	0
Administrative Services (TPA)	12,595	12,735	-280	141	0	12,596	-139	12,596			
Administrative Services (Central)	35,606	22,236	0	141	0	22,377	141		22,377		
Administrative Services (Regional)		13,997	0	155	0	14,152	155			14,152	
Safety and Risk Management	1,634	1,644	0	16	0	1,660	16	0	744	916	0
Central Safety & Risk Management	732	737	0	7	0	744	7		744		
Regional Safety Management	902	907	0	9	0	916	9			916	
Information Resources Technology	44,157	44,307	0	154	0	44,461	154				44,461
Human Capital Management	26,300	25,264	0	197	0	25,461	197	0	10,629	0	14,832
Human Resources	10,421	10,518	0	111	0	10,629	111		10,629		
Labor-Related Payments	15,879	14,746	0	86	0	14,832	86				14,832
Facilities Management	17,040	17,154	0	140	0	17,294	140	0	0	0	17,294
Regional Facilities Management	3,648	3,678	0	37	0	3,715	37				3,715
Operations and Maintenance	13,392	13,476	0	103	0	13,579	103				13,579
Intra-Governmental Payments	23,419	23,462	0	554	170	24,186	724				24,186
Rentals [GSA/Direct]	35,689	37,156	0	-479	0	36,677	-479				36,677
Total, Executive Direction & Administrative Sves	225,782	227,692	672	1,298	12,170	241,832	14,140	27,543	58,627	18,212	137,450
TOTAL, BUREAU OF INDIAN AFFAIRS	1,590,009	1,618,705	-13	11,365	126,070	1,756,127	137,422	928,216	89,326	63,509	675,076
BUREAU OF INDIAN EDUCATION											
Elementary and Secondary (forward funded)	518,318	536,897	0	5,680	22,940	565,517	28,620	0	0	0	565,517
ISEP Formula Funds	384,404	386,565	0	5,272	0	391,837	5,272				391,837
ISEP Program Adjustments	5,324	5,353	0	48	0	5,401	48				5,401
Education Program Enhancements	12,090	12,119	0	63	10,000	22,182	10,063				22,182
Tribal Education Departments	0	2,000	0	0	0	2,000	0				2,000
Student Transportation	52,796	52,945	0	197	0	53,142	197				53,142
Early Child and Family Development	15,451	15,520	0	100	0	15,620	100				15,620
Tribal Grant Support Costs	48,253	62,395	0	0	12,940	75,335	12,940				75,335
Elementary/Secondary Programs	118,402	119,195	-2	568	22,600	142,361	23,166	17,376	0	0	124,985
Facilities Operations	55,668	55,865	0	233	10,000	66,098	10,233				66,098
Facilities Maintenance	48,396	48,591	0	296	10,000	58,887	10,296				58,887
Johnson-O'Malley Assistance Grants (TPA)	14,338	14,739	-2	39	2,600	17,376	2,637	17,376			
Post Secondary Programs (forward funded)	69,793	69,793	0	0	0	69,793	0	0	0	0	69,793
Tribal Colleges and Universities (forward funded)	69,793	69,793	0	0	0	69,793	0				69,793
Post Secondary Programs	61,887	64,182	15	405	4,810	69,412	5,230	37,069	0	0	32,343
Haskell and SIPI	19,611	19,767	0	223	0	19,990	223				19,990
Tribal Colleges and Universities Supplements (TPA)	1,219	1,219	0	0	0	1,219	0	1,219			
Tribal Technical Colleges	6,465	6,814	0	97	0	6,911	97				6,911
Scholarships and Adult Education (TPA)	31,350	31,190	15	85	4,560	35,850	4,660	35,850			
Special Higher Education Scholarships	2,492	2,742	0	0	250	2,992	250				2,992
Science Post Graduate Scholarship Fund	750	2,450	0	0	0	2,450	0				2,450
Education Management	20,354	20,464	0	137	36,780	57,381	36,917	0	16,868	0	40,513
Education Program Management	14,080	14,186	0	132	2,550	16,868	2,682		16,868		
Education IT	6,274	6,278	0	5	34,230	40,513	34,235				40,513
TOTAL, BUREAU OF INDIAN EDUCATION	788,754	810,531	13	6,790	87,130	904,464	93,933	54,445	16,868	0	833,151
TOTAL, OIP	2,378,763	2,429,236	0	18,155	213,200	2,660,591	231,355	982,661	106,194	63,509	1,508,227

Indian Affairs
2016 Budget Request
(dollars in thousands)

Activities Subactivities Program Elements	2014 Enacted	2015 Enacted	Internal Transfers	Fixed Costs	Program Changes	2016 President's Budget Request	Change from 2015
CONSTRUCTION							
EDUCATION CONSTRUCTION							
Replacement School Construction	954	20,165	0	0	25,339	45,504	25,339
Replacement Facility Construction	0		0	0	11,935	11,935	11,935
Employee Housing Repair	3,818	3,823	0	4	3,738	7,565	3,742
Facilities Improvement and Repair	50,513	50,513	0	21	17,707	68,241	17,728
Total, Education Construction	55,285	74,501	0	25	58,719	133,245	58,744
PUBLIC SAFETY AND JUSTICE CONSTRUCTION							
Facilities Replacement/new construction							
Employee Housing	3,494	3,494	0	0	0	3,494	0
Facilities Improvement and Repair	4,372	4,372	0	0	0	4,372	0
Fire Safety Coordination	166	166	0	0	0	166	0
Fire Protection	3,274	3,274	0	0	0	3,274	0
Total, Public Safety and Justice Construction	11,306	11,306	0	0	0	11,306	0
RESOURCES MANAGEMENT CONSTRUCTION							
Irrigation Project Construction:	4,382	6,000	0	4	0	6,004	4
Navajo Indian Irrig. Project	3,384	3,388	0	4	0	3,392	4
Irrigation Projects-Rehabilitation	998	2,612	0	0	0	2,612	0
Engineering and Supervision	2,044	2,058	0	14	0	2,072	14
Survey and Design	292	292	0	0	0	292	0
Federal Power Compliance [FERC]	633	637	0	4	0	641	4
Dam Projects:	25,408	25,440	0	39	0	25,479	39
Safety of Dams	23,498	23,526	0	31	0	23,557	31
Dam Maintenance	1,910	1,914	0	8	0	1,922	8
Total, Resources Management Construction	32,759	34,427	0	61	0	34,488	61
OTHER PROGRAM CONSTRUCTION							
Telecommunications Improvement & Repair	856	856	0	0	0	856	0
Facilities/Quarters Improvement and Repair	1,171	1,171	0	0	0	1,171	0
Construction Program Management	8,747	6,615	0	42	1,250	7,907	1,292
Total, Other Program Construction	10,774	8,642	0	42	1,250	9,934	1,292
TOTAL, CONSTRUCTION	110,124	128,876	0	128	59,969	188,973	60,097
INDIAN LAND & WATER CLAIM SETTLEMENTS & MISCELLANEOUS PAYMENTS TO INDIANS							
Land Settlements:				0			
White Earth Land Settlement Act (Adm.)	625	625	0	0	0	625	0
Hoopa-Yurok Settlement	250	250	0	0	0	250	0
Water Settlements:							
Pyramid Lake Water Rights Settlement	142	142	0	0	0	142	0
Navajo Water Resources Development Trust Fund	6,000	4,000	0	0	0	4,000	0
Navajo-Gallup Water Supply Project	7,782	9,000	0	0	8,800	17,800	8,800
Duck Valley Water Rights Settlement	12,044	0	0	0	0	0	0
Taos Pueblo	8,812	15,392	0	0	13,820	29,212	13,820
Aamodt	0	6,246	0	0	9,381	15,627	9,381
TOTAL, SETTLEMENTS/MISC. PAYMENTS	35,655	35,655	0	0	32,001	67,656	32,001
INDIAN GUARANTEED LOAN PROGRAM							
Subsidies	5,750	6,686	0	0	0	6,686	0
Program Management	981	1,045	0	17	0	1,062	17
TOTAL, INDIAN GUARANTEED LOAN PROGRA	6,731	7,731	0	17	0	7,748	17
TOTAL, DIRECT APPROPRIATED FUNDS	2,531,273	2,601,498	0	18,300	305,170	2,924,968	323,470

TPA	CENTRAL	REGIONAL	OTHER PROGRAMS/ PROJECTS
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Tribal Priority Allocations

Evaluation of Tribal Priority Allocations Distribution: Tribal Priority Allocations (TPA) fund basic tribal services, such as social services, job placement and training, child welfare, natural resources management, and tribal courts. TPA gives tribes the opportunity to further Indian self-determination by establishing their own priorities and reallocating Federal funds among programs in this budget category. The table below details the program increases and decreases to TPA in the FY 2016 budget.

Tribal Priority Allocations	2014 Enacted	2015 Enacted	Internal Transfers	Fixed Costs	Program Changes	2016 Budget Request	Change from 2015
INCREASES:							
Contract Support (TPA)	242,000	246,000	0	0	26,000	272,000	26,000
Small & Needy Tribes (TPA)	1,845	1,845	0	0	1,250	3,095	1,250
Social Services (TPA)	35,763	40,871	-86	394	6,000	47,179	6,308
Natural Resources (TPA)	5,165	5,089	20	59	3,000	8,168	3,079
Probate (TPA)	11,989	12,043	-281	166	1,000	12,928	885
Tribal Courts (TPA)	23,241	23,280	-415	308	5,000	28,173	4,893
Johnson-O'Malley Assistance Grants (TPA)	14,338	14,739	-2	39	2,600	17,376	2,637
Scholarships and Adult Education (TPA)	31,350	31,190	15	85	4,560	35,850	4,660
TOTAL, TPA PROGRAM INCREASES	365,691	375,057	-749	1,051	49,410	424,769	49,712
DECREASES:	0	0	0	0	0	0	0
TOTAL, TPA PROGRAM DECREASES	0	0	0	0	0	0	0
OTHER TPA PROGRAMS	537,568	551,369	780	5,743	0	557,892	6,523
TOTAL, TPA	903,259	926,426	31	6,794	49,410	982,661	56,235

Indian Affairs
FY 2016 Fixed Costs Summary
(Dollars in Thousands)

Account	Change in Pay Days	Pay Raise	Seasonal Federal Health Benefit Increase	FERS	Working Capital Fund	Working Capital Fund IT	Workers Comp.	Unem- ployment Comp.	GSA and non- GSA Rent	2016 Total Fixed Costs
Operation of Indian Programs	4,197	13,285	1	511	554	0	-53	139	-479	18,155
Construction	30	95	0	3	0	0	0	0	0	128
Settlements	0	0	0	0	0	0	0	0	0	0
Guaranteed Loan Program	4	13	0	0	0	0	0	0	0	17
Total, BIA	4,231	13,393	1	514	554	0	-53	139	-479	18,300

Indian Affairs Budget At A Glance

Dollars in Thousands (\$000)

ACTIVITIES		2014 Enacted	2015 Enacted	Internal Transfers (+/-)	Fixed Costs (+/-)	Program Changes (+/-)	2016 Budget Request
Subactivities	Description						
OPERATION OF INDIAN PROGRAMS							
TRIBAL GOVERNMENT							
Contract Support (TPA)	Fully funds Contract Support Costs	242,000	246,000	0	0	26,000	272,000
Small & Needy Tribes (TPA)	Provides tribes with minimum funding base of 160K (lower 48) & 200K (AK), tribes to have sufficient funds to access government resources	1,845	1,845	0	0	1,250	3,095
Tribal Government Central Oversight	Establishes a Tribal Support Center to provide one-stop online portal and technical assistance to access Federal programs that serve tribes.	2,534	2,548	0	21	2,000	4,569
Tribal Government Regional Oversight		5,594	5,633	20	51	2,000	7,704
Total, Tribal Government		535,082	547,679	735	4,103	31,250	583,767
HUMAN SERVICES							
Social Services (TPA)	Tiwahe Initiative-Provides additional services and social workers to tribes.	35,763	40,871	-86	394	6,000	47,179
Total, Human Services		132,778	142,634	-167	537	6,000	149,004
TRUST - NATURAL RESOURCES MANAGEMENT							
Natural Resources (TPA)	Expands natural resource programs available for youth, includes climate adaptation	5,165	5,089	20	59	3,000	8,168
Irrigation Operations and Maintenance	Supports climate adaptation activities-green infrastructure	11,342	11,359	0	39	1,500	12,898
Rights Protection Implementation	Supports additional tribal RPI activities related to climate resilience	35,297	35,420	0	218	4,500	40,138
Tribal Management/Development Program	Supports additional TMDP activities related to climate resilience	9,230	9,244	0	19	5,000	14,263
Endangered Species	Supports additional tribal endangered species climate adaptation activities	2,673	2,675	0	9	1,000	3,684
Tribal Climate Resilience	Supports activities to develop of infrastructure and community resilience to climate impacts	9,947	9,948	0	7	20,400	30,355
Integrated Resource Info Program	Expands GIS capability to support climate resilience activities	1,996	2,996	0	0	1,000	3,996
Forestry Projects	Natural Resources climate adaptation and mitigation activities including management plans, forest development, range, seeding, NEPA	20,168	20,209	0	62	4,000	24,271
Water Mgmt., Planning & PreDevelopment	Supports initiative to strengthen Federal programs to settle Indian Water Rights claims	6,439	6,452	0	17	4,550	11,019
Fish, Wildlife & Parks Projects	Supports additional tribal fish hatcheries activities related to climate adaptation	8,357	8,357	0	21	2,000	10,378
Total, Trust-Natural Resources Management		184,295	184,852	-136	1,130	46,950	232,796
TRUST - REAL ESTATE SERVICES							
Probate (TPA)	Increase Trust Responsibilities Capacity (Probate, LTRO, Regional Oversight) due to tribal	11,989	12,043	-281	166	1,000	12,928
Land Title and Records Offices	interest in recent energy and trust land initiatives	13,732	13,891	-192	206	2,000	15,905
Trust-Real Estate Services Regional Oversight		10,062	10,179	-33	86	2,000	12,232
Land Records Improvement - Central	Supports operational requirements for TAAMS system, expanded Trust Responsibilities	4,499	4,500	0	0	1,850	6,350
Water Rights Negotiations/Litigation	Supports initiative to strengthen Federal programs to settle Indian Water Rights claims	8,159	8,166	0	14	8,350	16,530
Litigation Support/Attny Fees		1,500	1,500	0	0	1,000	2,500
Total, Trust-Real Estate Services		126,758	127,002	-654	1,138	16,200	143,686
PUBLIC SAFETY AND JUSTICE							
Law Enforcement Special Initiatives	Tiwahe Initiative-Expands pilot program to reduce recidivism, promote alternatives to incarceration.	7,211	8,255	-1,000	50	4,000	11,305
Tribal Courts (TPA)	Tiwahe Initiative-Aid to tribal family courts to allow alternatives to incarceration.	23,241	23,280	-415	308	5,000	28,173
Total, Public Safety and Justice		350,014	352,850	-433	3,006	9,000	364,423
COMMUNITY and ECONOMIC DEVELOPMENT							
Minerals & Mining Central Oversight	Establish multi-agency Indian Energy Service Center	860	860	0	9	4,500	5,369
Total, Community and Economic Development		35,300	35,996	-30	153	4,500	40,619

Indian Affairs Budget At A Glance

Dollars in Thousands (\$000)

ACTIVITIES		2014 Enacted	2015 Enacted	Internal Transfers (+/-)	Fixed Costs (+/-)	Program Changes (+/-)	2016 Budget Request
Subactivities	Description						
EXECUTIVE DIRECTION and ADMINISTRATIVE SERVICES							
Assistant Secretary Support	Use Evidence and Evaluation to Support Indian Affairs Activities	11,135	11,135	0	110	12,000	23,245
Intra-Governmental Payments	Supports initiative to strengthen Federal programs to settle Indian Water Rights claims	23,419	23,462	0	554	170	24,186
Total, Executive Direction and Administrative Services		225,782	227,692	672	1,298	12,170	241,832
BUREAU OF INDIAN EDUCATION							
Elementary and Secondary (forward funded)							
Education Program Enhancements	Incentive program to transform schools	12,090	12,119	0	63	10,000	22,182
Tribal Grant Support Costs	Fully funds Tribal Grant Support Costs	48,253	62,395	0	0	12,940	75,335
Elementary/Secondary Programs							
Facilities Operations	Provide 61% of calculated need	55,668	55,865	0	233	10,000	66,098
Facilities Maintenance	Increases funding for annual maintenance	48,396	48,591	0	296	10,000	58,887
Johnson-O'Malley Assistance Grants (TPA)	Expands education grant to Johnson-O'Malley student population	14,338	14,739	-2	39	2,600	17,376
Post Secondary Programs							
Scholarships and Adult Education (TPA)	Number one tribal priority, provides additional base funding for tribal scholarships and adult education programs, including STEM degrees	31,350	31,190	15	85	4,560	35,850
Special Higher Education Scholarships	Expands pre-law institute scholarships to additional students	2,492	2,742	0	0	250	2,992
Education Management							
Education Program Management	Funding teacher certification and reorganization to improve administrative capacity	14,080	14,186	0	132	2,550	16,868
Education IT	Bring 21st century information technology to all BIE school over three years	6,274	6,278	0	5	34,230	40,513
Total, Bureau of Indian Education		788,754	810,531	13	6,790	87,130	904,464
TOTAL, OIP		2,378,763	2,429,236	0	18,155	213,200	2,660,591
CONSTRUCTION							
EDUCATION CONSTRUCTION							
Replacement School Construction	Complete two remaining schools on 2004 school replacement priority list	954	20,165	0	0	25,339	45,504
Replacement Facility Construction	Facility Replacement Program replaces individual buildings on school campuses when entire new school facilities are not needed, prioritizes projects based on critical health and safety needs	0		0	0	11,935	11,935
Employee Housing Repair	Expands the housing for teachers improvement and repair program	3,818	3,823	0	4	3,738	7,565
Facilities Improvement and Repair	Increases number of major and minor improvement and repair projects at schools	50,513	50,513	0	21	17,707	68,241
Total, Education Construction		55,285	74,501	0	25	58,719	133,245
PUBLIC SAFETY AND JUSTICE CONSTRUCTION							
Total, Public Safety and Justice Construction		11,306	11,306	0	0	0	11,306
RESOURCES MANAGEMENT CONSTRUCTION							
Total, Resource Management Construction		32,759	34,427	0	61	0	34,488
OTHER PROGRAM CONSTRUCTION							
Construction Program Management	Funds Ft. Peck Water System O&M at level indicated in independent rate study	8,747	6,615	0	42	1,250	7,907
Total, Other Program Construction		10,774	8,642	0	42	1,250	9,934
TOTAL, CONSTRUCTION		110,124	128,876	0	128	59,969	188,973

Indian Affairs Budget At A Glance

Dollars in Thousands (\$000)

ACTIVITIES		2014	2015	Internal	Fixed	Program	2016
Subactivities	Description	Enacted	Enacted	Transfers	Costs	Changes	Budget
				(+/-)	(+/-)	(+/-)	Request
INDIAN LAND & WATER CLAIM SETTLEMENTS & MISCELLANEOUS PAYMENTS TO INDIANS							
Navajo-Gallup Water Supply Project	Accelerates settlement payment schedule	7,782	9,000	0	0	8,800	17,800
Taos Pueblo	Provides final payment to complete settlement in 2016	8,812	15,392	0	0	13,820	29,212
Aamodt	Increases settlement payment so that payment will be same in 2016 and 2017 when final payment is due	0	6,246	0	0	9,381	15,627
TOTAL, SETTLEMENTS/MISC. PAYMENTS		35,655	35,655	0	0	32,001	67,656
INDIAN GUARANTEED LOAN PROGRAM							
TOTAL, INDIAN GUARANTEED LOAN PROGRAM		6,731	7,731	0	17	0	7,748
TOTAL, DIRECT APPROPRIATED FUNDS		2,531,273	2,601,498	0	18,300	305,170	2,924,968

**Indian Affairs
Budget Summary Table**

Source		2014 Enacted	2015 Enacted	2016 President's Budget Request	Change From 2015
Current Appropriations					
Operation of Indian Programs	\$(000's)	2,378,763	2,429,236	2,660,591	231,355
	<i>FTE</i>	6,527	6,803	6,893	90
Construction	\$(000's)	110,124	128,876	188,973	60,097
	<i>FTE</i>	387	387	387	0
Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians	\$(000's)	35,655	35,655	67,656	32,001
	<i>FTE</i>	0	5	5	0
Indian Guaranteed Loan Program	\$(000's)	6,731	7,731	7,748	17
	<i>FTE</i>	0	0	0	0
Subtotal, Current Appropriations	\$(000's)	2,531,273	2,601,498	2,924,968	323,470
	<i>FTE</i>	6,914	7,195	7,285	90
Permanent Appropriations					
Miscellaneous Permanent Appropriations	\$(000's)	104,254	98,822	100,865	2,043
	<i>FTE</i>	267	267	267	0
Operation and Maintenance of Quarters	\$(000's)	5,410	5,997	6,219	222
	<i>FTE</i>	43	43	43	0
White Earth Settlement Fund	\$(000's)	1,435	3,000	3,000	0
Gifts and Donations	\$(000's)	0	100	100	0
Revolving Fund for Loans Liquidating Account	\$(000's)	-525	-525	-525	0
Indian Loan Guaranty and Insurance Fund Liquidating Account	\$(000's)	-117	-100	0	100
Indian Loan Guarantee Program	\$(000's)	0	4,000	0	-4,000
Subtotal, Permanent Appropriations	\$(000's)	110,457	111,294	109,659	-1,635
	<i>FTE</i>	310	310	310	0
Total Budget Authority	\$(000's)	2,641,730	2,712,792	3,034,627	321,835
Direct Appropriation FTE	<i>FTE</i>	5,506	5,733	5,823	90
Permanent Appropriation FTE	<i>FTE</i>	310	310	310	0
Reimbursable FTE	<i>FTE</i>	699	699	699	0
Allocations FTE	<i>FTE</i>	709	763	763	0
Total Adjusted FTE	<i>FTE</i>	7,224	7,505	7,595	90



NCAI Analysis of the President's FY2016 Budget Request

Administration Releases FY 2016 Budget

This broadcast provides a preliminary analysis of the President's fiscal year (FY) 2016 budget request, highlighting impacts on funding for Indian programs. In the coming weeks, the President's budget will be reviewed by Congress, and appropriations committees will begin holding hearings on the proposals. Overall, tribes have a significant opportunity to increase appropriations for Indian programs this year, and we urge tribal leaders to support tribal budget requests with direct communication to the Appropriations Committee and Subcommittee leadership and members in both the House and Senate. While the Interior Appropriations Subcommittees remain important, we encourage tribes to send testimony on the Department of Justice budget, which is handled by the Commerce-Justice-Science and Related Agencies subcommittees in both chambers, the Health and Human Services (HHS) budget handled by the Labor-HHS-Education appropriations subcommittee, Housing and Urban Development budget in the Transportation-Housing subcommittees, and energy programs in the Energy-Water subcommittees, for instance. The Native American Programs [hearing](#) deadline to request to testify before the House Interior Appropriations Subcommittee is February 13, 2015. Look up deadlines to submit testimony on the House side at <http://appropriations.house.gov/>. The Senate will announce deadlines soon as well at <http://www.appropriations.senate.gov/>.

Overall Budget Request: The President released his FY 2016 budget on February 2, 2015. The Administration proposes to do away with the sequester established under the 2011 deficit law (PL 112-25) by reducing the deficit \$1.8 trillion over the next 10 years, a request similar to ones made in previous budgets. The President's budget would increase discretionary spending in FY 2016 by seven percent, or \$75 billion, split evenly between defense and non-defense programs; yet, adjusted for inflation, non-defense appropriations would be 11 percent below their FY 2010 level overall. The sequester will remain in effect for FY 2016 if Congress does not adhere to the defense and nondefense spending caps or pass a law to adjust the across-the-board cuts. The Administration's sequester replacement would cut mandatory and discretionary programs by \$600 billion over 10 years, with about 70 percent of the savings coming from health overhaul proposals. Nearly \$640 billion in new tax revenue would pay for the sequester replacement plan, including reducing benefits for high-income households and implementing the Buffett Rule, which would require that millionaires pay no less than 30 percent of income in taxes after accounting for charitable contributions.

Highlights of Proposed Funding for Tribal Programs: In preparation for the President's budget, some agencies consulted with tribes about programs in the budget, and many recommendations from Indian Country are included in the FY 2016 proposal. Below are a few highlights from NCAI's initial analysis of the President's budget. Additional department summaries are addressed below, as well as links to many of the agency budget documents for even more in-depth analysis. In January of this year, NCAI released its [FY 2016 tribal budget recommendations](#), which can be compared to the Administration's budget proposals.

Significant proposals in the President's FY 2016 Budget include:

- **Mandatory Contract Support Costs:** The FY2016 budget includes a legislative proposal to reclassify contract support costs as permanent funding beginning in FY 2017. NCAI and tribes have called for this in [resolutions](#) across Indian Country and in NCAI's tribal budget requests. The FY 2016 request also will fully fund contract support costs, based on the most recent BIA and IHS analysis.
- **Generation Indigenous** is an initiative in the budget to address Native youth Issues. The Generation Indigenous, or "Gen-I", initiative takes a comprehensive approach to help improve the lives of and opportunities for Native youth. The initiative crosses multiple agencies, including the Departments of the Interior, Education (ED), Housing and Urban Development (HUD), Health and Human Services (HHS), Agriculture (USDA), Labor (DOL) and Justice (DOJ). Increases include: (1) \$34.2 million at DOI to extend broadband internet and computer access to all BIE-funded schools

and dormitories; (2) \$10 million at HUD and \$8 million at DOI to address teacher housing needs; (3) \$50 million at HHS to provide youth-focused behavioral, mental health, and substance abuse services; and (4) \$53 million for Native Youth Community Projects at ED to support comprehensive strategies to improve college and career-readiness of Native youth.

- **Significant Increases:** the budget proposes an overall an increase of **12 percent for BIA** over the FY 2015 enacted level, the largest increase in more than a decade (excluding Recovery Act funding). The **Indian Health Service** would receive a **nine percent increase**.
- Acknowledging the important role BIA plays as a broad provider of Federal services, the President’s budget proposes \$4.0 million to establish the **One-Stop Tribal Support Center** to support Tribes in accessing hundreds of services across the Federal government.
- The FY 2016 budget includes \$4.5 million to establish an **Indian Energy Service Center** to facilitate vital energy development in Indian Country.
- In the BIA, a **data initiative** of \$12.0 million is proposed to establish an Office of Indian Affairs Policy, Program Evaluation, and Data which will help the Interior Department collect, analyze, and use evidence to support effective policy making and program implementation. The funds also will assist the Department in working with Tribes to improve Interior and BIA data quality and availability and will support efforts with the Census Bureau to identify and address data gaps in Indian Country.
- The BIA budget builds on the **Tiwahe (Family) Initiative:** a comprehensive and integrated approach to address the inter-related problems of poverty, violence, and substance abuse faced by Indian communities. The FY16 budget would provide \$15 million to expand the Tiwahe Initiative, \$6 million more for Social Services, \$4 million more for law enforcement for alternatives to incarceration, and \$5 million more for aid to tribal family courts.
- **Public Safety:** The budget includes \$417.4 million for the Department of Justice (DOJ) public safety initiatives in Indian Country, which is a \$102 million increase compared to the FY 2015 DOJ enacted total for Indian Country.
- **Tax provisions:** Treasury includes a proposal to exclude from income **student loan forgiveness and certain scholarship amounts** for participation in the IHS health professions program; a modification of the **adoption tax credit** to allow Indian Tribal Governments to make a status determination of a “child with special needs”; modifications of **Tax Exempt Bonds for Indian Tribal Governments** that include the repeal of the “essential government function” for tax exempt bond financing on par with state and local governments, and new flexibility in project location for those financed by Tribal Economic Development Bonds.
- **Carcieri:** Language to provide a no-cost economic development and jobs creation solution for restoring land to tribal governments impacted by the *Carcieri* Supreme Court decision is again included in the Department of Interior general provisions of the President’s budget.

The White House has also released a fact sheet on tribal programs in the FY 2016 budget, “[Standing With Indian Country](#).” NCAI will work to ensure that the federal programs that fulfill the trust responsibility to tribes receive bipartisan support in the appropriations process.

Contents

Department of Interior	3
Department of Health and Human Services	5
Department of Justice	8
Department of Homeland Security	10
Department of Education	11
Department of Agriculture	13
Environmental Protection Agency	17
Department of Energy	17
Department of Housing and Urban Development	18
Department of Labor	19
Department of Transportation	19
Department of Commerce	20
Department of the Treasury	21
National Institutes of Health (NIH)	21
National Science Foundation (NSF)	23
Veterans Affairs	23

DEPARTMENT OF INTERIOR

Bureau of Indian Affairs

The FY 2016 budget for the Operation of Indian Programs (OIP) account is \$2.7 billion, an increase of \$231.4 million above the FY2015 level, an increase of about 9 percent. The FY 2016 budget request for Construction is \$189.0 million, an increase of \$60.1 million (or about 46.6 percent) above the FY2015 level. The increase of 12 percent in BIA overall is higher than the overall percentage increase for the entire Interior budget, nearly 8 percent over the FY2015 enacted level.

Significant Changes and Increases

Contract support: In addition to fully funding estimated required FY 2016 Contract Support Costs (CSC), the FY 2016 budget includes a legislative proposal to reclassify CSC as permanent funding beginning in FY 2017 to stabilize long-term funding and address programmatic concerns with. If enacted, permanent funding for Contract Support Costs, will help stabilize this vital funding.

Tiwahe (Family) Initiative: The FY16 budget would provide \$15 million to expand the Tiwahe Initiative, \$6 million more for Social Services (under BIA Human Services), \$4 million more for law enforcement for alternatives to incarceration and \$5 million more for aid to tribal family courts.

Education would see an increase of \$138.4 million for BIE activities and construction. Increases include:

- \$45.5 million for **Elementary and Secondary Education**
- \$12.9 million to fully fund **Tribal Grant Support Costs**
- \$10 million for the **Education Program Enhancement** program for incentive funding
- \$20 million for **BIE maintenance and operations**
- \$34.2 million for **education information technology** to enhance broadband and digital access
- \$4.6 million for **scholarship and adult education** and an increase of \$250,000 for Special Higher Education Scholarships
- \$2.6 million for **Johnson O'Malley**

The FY2016 budget proposes appropriations language enabling the Secretary to activate the **National Foundation for American Indian Education** to foster public-private partnerships for BIE-funded schools. The proposed bill language will initiate a foundation focused on fundraising to create opportunities for Indian students in and out of the classroom.

Education Construction would receive a \$58.7 million increase (79 percent higher than the FY2015 level), for a total of \$133.2 million. The increase includes \$25.3 million for replacement school construction to complete construction on the final two schools on the 2004 replacement school priority list.

BIA Natural Resources would receive a 26 percent increase, \$48 million over FY 2015, for sustainable resource management and preparing and responding to the impacts of climate change, such as drought, wildfires, changes to plants and animals important to subsistence and culture, rights protection, coastal erosion and rising sea levels. Increases will also support Alaska Native Villages in the Arctic to evaluate options for the long-term resilience of their communities.

Tribal Priority Allocations: The FY 2016 budget proposes a total of \$982.7 million in Tribal Priority Allocations, an increase of \$56.2 million (or 6 percent) over the FY 2015 level. The chart below shows the activity and sub-activity amounts compared to FY14 and FY15 levels.

	2014 Actual	2015 Enacted	2016 Request	Change	%
Tribal Government					
Aid To Tribal Government	25,839	24,614	24,833	219	0.9%
CTPG	74,623	76,348	77,088	740	1.0%
Self-Governance Compacts	152,881	158,767	162,321	3,554	2.2%
Contract Support	242,000	246,000	272,000	26,000	10.6%

	2014 Actual	2015 Enacted	2016 Request	Change	%
Indian Self-Determination Fund	5,000	5,000	5,000	0	0.0%
New Tribes	463	463	464	1	0.2%
Small and Needy Tribes	1,845	1,845	3,095	1,250	67.8%
Road Maintenance	24,303	26,461	26,693	232	0.9%
Tribal Govt Program Oversight	8,128	8,181	12,273	4,092	50.0%
Subtotal, Tribal Government	535,082	547,679	583,767	36,088	6.6%
Human Services					
Social Services	35,763	40,871	47,179	6,308	15.4%
Welfare Assistance	74,809	74,809	74,791	-18	0.0%
Indian Child Welfare Act	10,710	15,433	15,641	208	1.3%
Housing Program	8,000	8,009	8,021	12	0.1%
Human Services Tribal Design	411	407	246	-161	-39.6%
Human Services Program Oversight	3,085	3,105	3,126	21	0.7%
Subtotal, Human Services	132,778	142,634	149,004	6,370	4.5%
Trust - Natural Resources Management					
Natural Resources, General	5,165	5,089	8,168	3,079	60.5%
Irrigation Ops and Maintenance	11,342	11,359	12,898	1,539	13.5%
Rights Protection Implementation	35,297	35,420	40,138	4,718	13.3%
Tribal Mgmt/Development Program	9,230	9,244	14,263	5,019	54.3%
Endangered Species	2,673	2,675	3,684	1,009	37.7%
Tribal Climate Resilience	9,947	9,948	30,355	20,407	205.1%
Integrated Resource Info Program	1,996	2,996	3,996	1,000	33.4%
Agriculture and Range	30,558	30,494	30,751	257	0.8%
Forestry	47,735	47,735	51,914	4,179	8.8%
Water Resources	10,543	10,297	14,917	4,620	44.9%
Fish, Wildlife, and Parks	13,823	13,577	15,646	2,069	15.2%
Resource Mgmt Program Oversight	5,986	6,018	6,066	48	0.8%
Subtotal, Trust - NR Management	184,295	184,852	232,796	47,944	25.9%
Trust - Real Estate Services					
Trust Services, General	15,303	15,150	15,043	-107	-0.7%
Navajo-Hopi Settlement Program	1,135	1,147	1,160	13	1.1%
Probate	11,989	12,043	12,928	885	7.3%
Land Title and Records Offices	13,732	13,891	15,905	2,014	14.5%
Real Estate Services	36,460	36,435	36,837	402	1.1%
Land Records Improvement	6,423	6,436	8,289	1,853	28.8%
Environmental Quality	15,623	15,644	15,792	148	0.9%
Alaskan Native Programs	1,002	1,010	1,017	7	0.7%
Rights Protection	11,781	11,803	21,195	9,392	79.6%
Real Estate Services Oversight	13,310	13,443	15,520	2,077	15.5%
Subtotal, Trust - Real Estate Services	126,758	127,002	143,686	16,684	13.1%
Public Safety and Justice					
Law Enforcement	325,696	328,296	334,976	6,680	2.0%
Tribal Courts	23,241	23,280	28,173	4,893	21.0%
Fire Protection	1,077	1,274	1,274	0	0.0%
Subtotal, Public Safety and Justice	350,014	352,850	364,423	11,573	3.3%
Community and Economic Development					
Job Placement and Training	10,920	11,463	11,445	-18	-0.2%
Economic Development	1,713	1,706	1,794	88	5.2%
Minerals and Mining	20,464	20,612	25,153	4,541	22.0%
Community Development Oversight	2,203	2,215	2,227	12	0.5%
Subtotal, Comm and Econ Dev	35,300	35,996	40,619	4,623	12.8%
Executive Direction and Admin Services	225,782	227,692	241,832	14,140	6.2%
Bureau of Indian Education					
Elementary/Sec. Programs (fw funded)	518,318	536,897	565,517	28,620	5.3%
Elementary and Secondary Programs	118,402	119,195	142,361	23,166	19.4%
Post-Secondary Programs (fw funded)	69,793	69,793	69,793	0	0.0%
Post-Secondary Programs	61,887	64,182	69,412	5,230	8.1%
Education Management	20,354	20,464	57,381	36,917	180.4%
Subtotal, Bureau of Indian Education	788,754	810,531	904,464	93,933	11.6%
TOTAL APPROPRIATION	2,378,763	2,429,236	2,660,591	231,355	9.5%

BIA Construction

	2014 Actual	2015 Enacted	2016 Request	Change	%
Education Construction	55,285	74,501	133,245	58,744	78.8%
Public Safety and Justice Construction	11,306	11,306	11,306	0	0.0%
Resources Management Construction	32,759	34,427	34,488	61	0.2%
Other Program Construction	10,774	8,642	9,934	1,292	15.0%
TOTAL APPROPRIATION	110,124	128,876	188,973	60,097	46.6%

For more information, visit: <http://www.doi.gov/budget/appropriations/2016/index.cfm>

TAB 6: CSC WORKGROUP

IBC/OMB

1. Work through the Aging list of Tribes negotiating current IDC rates (60-70% of Tribes don't have current rates)

Recommendation: IBC to identify problems with timeframe to approve agreements

- (a) Streamline process and reduce IBC administrative burden
- (b) If proposal not approved within 90 days, proposal deemed approved
- (c) Multi-year rates
- (d) Assigning consistent examiners and the examiners process when negotiating

2. Identification of exclusions

Recommendation: Correctly identify pass thrus and exclusions in base definition
(Modify standard language to reflect what the Tribe has negotiated in the direct base)

3. IBC representative attend the CSC meetings

Recommendation: ASIA Washburn to request IBC representative be a member of workgroup

4. Clearinghouse for disseminating IDC rates/proposals

Recommendation: IBC to develop website with security controls

5. Consistency between IBC and DCA

Recommendation: IBC and DCA to meet to share best practices

DOI/IHS

1. ISDEAA

Recommendation: No changes to the Law.

2. CSC funding

Recommendation:

- a) Work with Congress and OMB to develop legislation to make CSC funding a mandatory indefinite appropriation.
- b) X-year CSC appropriation

3. 100% CSC funding

Recommendation: No program dollars should be used to fund CSC.

4. New program dollars

Recommendation: When the President requests an increase in a given program, the President's Budget should also identify the projected additional CSC requirement that is associated with that increase.

5. Sequestration

Recommendation: Tribes and Federal Government to be restored the amount that was sequestered (Both program and CSC).

6. CSC distribution "Overpayment"

Recommendation: BIA/IHS should adopt a fair, predictable and consistent approach for dealing with CSC "overpayments".

- a) Adequate notice to the Tribes of "overpayments" with appeal rights.
- b) Option to repay in the current year or with an off-set in the following year.
- c) "Overpayment" defined as a distribution of CSC based on the most current IDC rate and most current negotiated DCSC or lump sum negotiated amounts at September 30. The calculation of the "overpayment" is based on the most current available rate at September 30. That date is used for every Area/Region to include OSG, no exceptions.

7. CSC policy consistency as much as possible, for example: IDC rate 3 yrs or 4 yrs

Recommendation:

- a) BIA and IHS staff to jointly review policy and provide recommendations to CSC workgroups. (Please note- DCSC should be excluded from this consistency analysis as the BIA CSC workgroup will continue to work on this). The CSC Policy of both Agencies to follow their respective missions.
- b) Retain the three pool structure. It works for years where 100% CSC funding is not available.
- c) Provisions need to be established for non-current IDC rate adjustments (CDA claims, fixed-carry forward IDC rate adjustments)

8. CSC Training

Recommendation:

- a) DOI-Develop training model with CSC workgroup members and Awarding Officials on CSC policy, implementation on data required for the CSC report.
- b) Currently BIA offers ISDEAA classroom training, webinars, and on-line training
- c) IHS-Develop CSC training
- d) Attach trainings to National Meetings (Example: TBIC, NCAI, SG Conference, Providers Conference, Partners in Action, etc.)

BIA

1. Timely distribution of funds (Program and CSC)

Recommendations:

- a) Deadline should be established for all programs
- b) Review of distribution/obligation process to reduce backlog
- c) Tribes provide required documentation as soon as possible
- d) Disseminate information on any funding increases or decreases as soon as possible

2. Increase percentage of DCSC to salaries due to increase in fringe costs

Recommendation: Increase percentage to 18% of program salaries

3. CSC Report

Recommendation:

- a) Statement of what the individual is certifying
- b) Establish a data cutoff date (September 30)

4. Small and Needy Tribes without IDC rates

Recommendation: Provide CSC in the amount of \$65,000 or their total contracted 106 (a)(1) amount, whichever is less

5. Increased workload for Lump Sum negotiations (due to Super Circular/raised audit threshold)

Recommendation: Training of BIA and Tribal staff to include creation of templates, samples and training mentors

6. Possibility of pilot rates (negotiated fixed reimbursement rate)

Recommendation: Have BIA research IHS pilot project to determine if it might be a feasible option

OSG

1. Submission Form

Recommendation: To develop submission form that captures all data elements necessary to complete the CSC calculation and seek OMB approval for future years.

2. Timely distribution of funds

Recommendations:

- a. Deadline should be established for all programs
- b. Review of distribution/obligation process to reduce backlog
- c. Tribes provide required documentation as soon as possible
- d. Disseminate information on any funding increases or decreases as soon as possible
- e. Hiring of a budget analyst

3. Increase percentage of DCSC to salaries due to increase in fringe costs

Recommendation: Increase percentage to 18% of program salaries

BIE

1. Administrative cost grant

Recommendation: Consideration of full funding of the Administrative costs grant

2. Choctaw Decision Schools

Recommendation:

- a) Consistency in applying the exclusions
- b) Consistency in applying criteria for eligibility
- c) All Choctaw Decision Schools be included on the CSC report

477

1. Submission Form

Recommendation: To develop submission form that captures all data elements necessary to complete the CSC calculation and seek OMB approval for future years.