

KIVA Institute, LLC
Training Agenda
“Indirect Cost Principles (Contract Support Costs)”

Day One: Module 1 – Overview of Funding Provisions in Pub. L. 93-638

9:00 a.m. Indian Self-Determination Act: What is the Law?

Module 1 provides an overview of the special funding provisions under Pub. L. 93-638, Indian Self-Determination & Education Assistance Act; and how the Act provides for payment of tribal overhead costs including necessary start-up costs, pre-award costs and direct contract support costs. This module covers costs principles that apply under the OMB Super Circular and special funding provisions under the Indian Self-Determination Act; and distinguishes how the funding provisions under the Indian Self-Determination Act differ from discretionary grant programs. .

- Congressional Intent of the Act
- Funding Provisions of the Act
- What are Contract/Compact Funding Sources for Pub. L. 93-638 Agreements?
- Secretarial Funding Levels - Direct Costs – Sec. 106(a)(1)
- Contract Support Costs – Sec. 106(a)(2)
- Direct Contract Support Costs – Sec. 106(a)(3)(A)
- Start-Up Costs – Sec. 106(a)(5)
- Pre-Award Costs – Sec. 106(a)(6)
- Secretarial Funding Protections – Sec. 106(b)
- Contract Support Cost Shortfall Report – Sec. 106(c)
- Special Cost Principles under Pub. L. 93-638 – Sec. 106(k)
- General Cost Principles for Determining Allowability
- Cost Allocation Methodology
- Select Items of Cost – OMB Super Circular Subpart E
- Contract Support Cost Litigation (Salazar vs. Ramah Navajo Chapter)

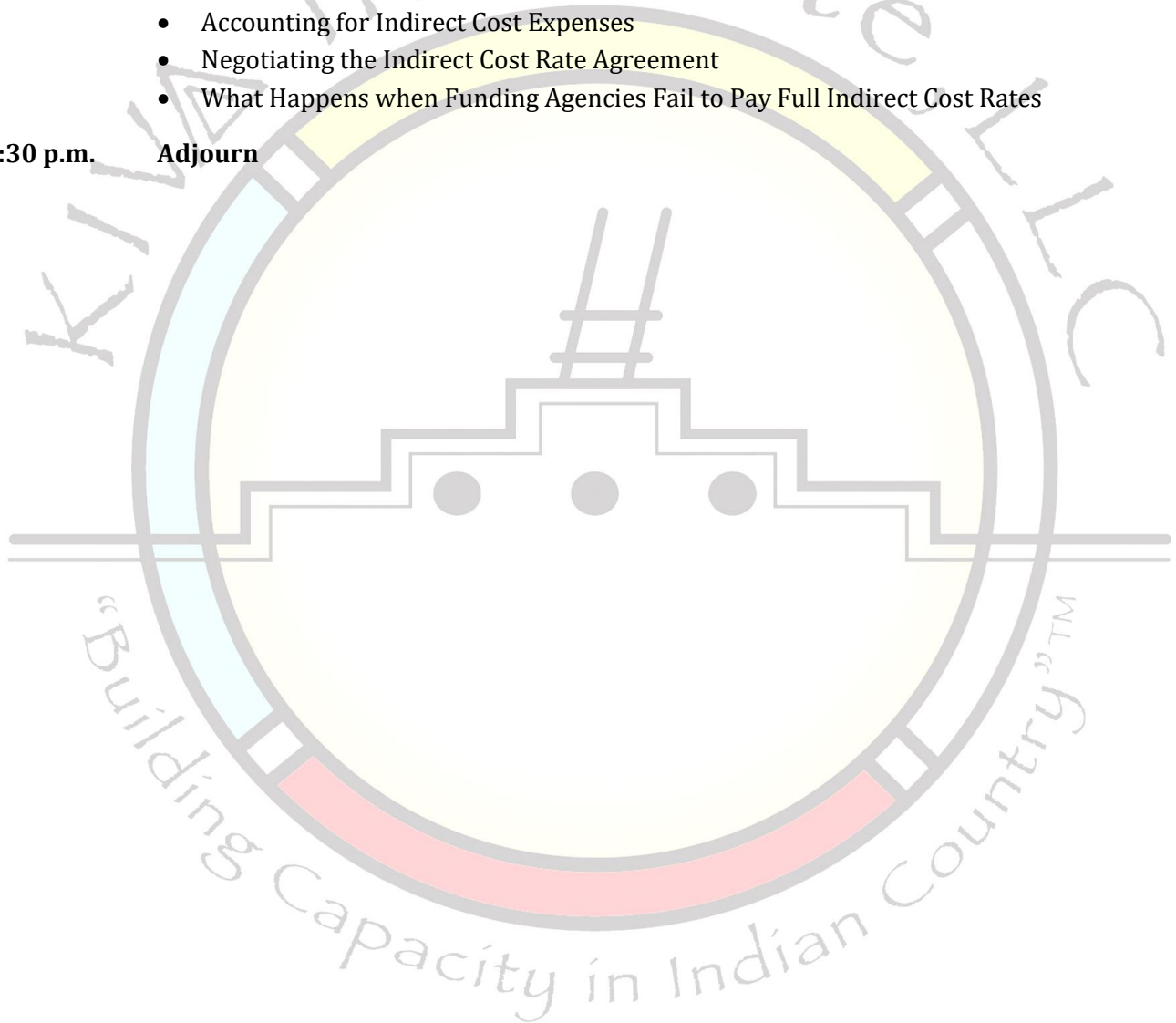
1:30 p.m. Module 2 – Introduction to Indirect Costs

Module 2 provides an overview of Indirect Cost Rates structure and how Indirect Cost Rates work at an organization. Special emphasis is placed on how Indirect Cost Rates work in a Pub. L. 93-638 environment; and how lack of full funding impacts tribal programs and tribal funds. Indian Self-Determination Act has unique statutory provisions that provide separate funding for tribal Indirect Costs, but full funding is not always provided. This module will provide an overview of the differences between Pub. L. 93-638 contracts and discretionary grant funding.

- What are Indirect Costs? What are Direct Costs?
- What are Overhead Costs? Why do we need to pay for Overhead Costs?
- What are Composite Costs?
- What is an Indirect Cost Rate?
- How do we Recover Indirect Costs?
- Sample Tribal Organizational Chart
- Sample Administrative Functions
- Central Services Costs (Cost Allocation)
- Indirect Cost Pool vs. Direct Cost Pool (Base)

- Indirect Cost Bases (Total Salaries & Wages and Total Direct Costs)
- Types of Indirect Cost Rates
- Multiple Indirect Cost Rates. Special Indirect Cost Rates
- Paying into the Indirect Cost Pool
- General Rules about Indirect Costs
- Accounting for Indirect Cost Expenses
- Indirect Cost Shortfalls
- Indirect Cost Rate Agreements
- General Rules on Preparing Indirect Cost Rate Proposals
- Indirect Cost Collection
- Accounting for Indirect Cost Expenses
- Negotiating the Indirect Cost Rate Agreement
- What Happens when Funding Agencies Fail to Pay Full Indirect Cost Rates

4:30 p.m. Adjourn



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Day Two:

9:00 a.m.

Module 3 – Contract Support Costs under Pub. L. 93-638

Module 3 points out how Indirect Cost rules and the application of indirect cost rates differ greatly from non-638 awards. It covers instruction on Direct Contract Support Costs and explains the rationale for applying DCSC to Pub. L. 93-638 awards. Finally, it explains what happens when tribes are not fully funded for their indirect costs.

- Secretarial Funding Levels
- Contract Support Cost Pools (DCSC, Start Up, Pre-Award)
- Direct Contract Support Cost Principles
- DCSC Guidelines & Rationale
- Indirect Cost Shortfalls
- Examples of IDC Shortfalls & Impacts

11:30 a.m.

Module 4 – BIA Contract Support Cost Policy

Module 4 provides a special coverage of the Bureau of Indian Affairs’ policy on Contract Support Costs. Covers the BIA methodology for funding Contract Support Costs agreements under Pub. L. 93-638 including Title I contracts and Title V & VI compacts.

- Overview of Secretarial Funding Provisions (Section 106)
- Analysis of BIA and IHS Contract Support Cost Policies
- Four Ways of Calculating Indirect Cost Rates
 - Total Direct Costs Less Pass-Through Costs (Current Rate)
 - Total Direct Costs Less Pass-Through Costs (Four Year Old Rates)
 - Lump Sum Agreements (Tribes Without IDC Rates)
 - 30 Percent Rate Less Pass-Through Costs (Tribes Not Meeting Audit Threshold)
- **Special Case Studies:** KIVA Guidance on Implementing BIA & IHS Contract Support Cost Policies; And Case Studies on Calculating Direct Contract Support Costs
- Submitting Contract Modifications
- Overpayments and Underpayments
- Declination Criteria and Process. Contract Disputes Act Process

1:30 p.m.

Module 5 – IHS Contract Support Cost Policy

Module 5 covers the new Indian Health Service’s Contract Support Cost Policy. IHS’ policy also contains the statutory funding provisions of Pub. L. 93-638 but contains a different, more detailed method of funding its Pub. L. 93-638 contracts.

- Analysis of IHS Contract Support Cost Policies
- Alternative Methods for Calculating Indirect Costs and Direct Contract Support Costs
- Calculating Tribal Shares at Service Units and Headquarters
- Roles & Responsibilities
- Declination Criteria and Process. Contract Disputes Act Process

4:30 p.m.

Adjourn