



## **2021 Virtual Winter Convention**

### **RESOLUTION #2021 – 18**

#### **“OPTION TO EXCLUDE ALL ONE-TIME, NON-RECURRING COVID-19 FUNDS FROM DIRECT COST BASE WHEN NEGOTIATING NEW INDIRECT COST RATE”**

### **PREAMBLE**

We, the members of the Affiliated Tribes of Northwest Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants rights secured under Indian Treaties, Executive Orders and benefits to which we are entitled under the laws and constitution of the United States and several states, to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the welfare of the Indian people, do hereby establish and submit the following resolution:

**WHEREAS**, the Affiliated Tribes of Northwest Indians (ATNI) are representatives of and advocates for national, regional, and specific tribal concerns; and

**WHEREAS**, ATNI is a regional organization comprised of American Indians/Alaska Natives and tribes in the states of Washington, Idaho, Oregon, Montana, Nevada, Northern California, and Alaska; and

**WHEREAS**, the health, safety, welfare, education, economic and employment opportunity, and preservation of cultural and natural resources are primary goals and objectives of ATNI; and

**WHEREAS**, American Indian/Alaska Native (AI/AN) people have been disproportionately impacted by COVID-19 with significantly higher rates of COVID-19 cases (3.5x), hospitalizations (5.3x), and deaths (1.8x) than non-Hispanic whites; and

**WHEREAS**, Tribes and Tribal Organizations that enter into contracts and compacts with the United States government operate programs funded under the Indian Self-Determination and Education Assistance Act are required to negotiate with the Secretary of Health and Human

Services or other federal agencies an indirect cost rate for administrative costs associated with carrying out their contractual requirements; and

**WHEREAS**, Tribes and Tribal Organizations have received a historical level of one-time, non-recurring funding in Fiscal Years 2020 and 2021 to respond to the COVID-19 pandemic in order to help mitigate the health and economic impacts during this public health emergency; and

**WHEREAS**, the impact of such a large influx of one-time, non-recurring funding can destabilize and drive down indirect cost rates that are negotiated with the federal government in future years, and result in a decreased amount of contract support costs (CSC) payments provided to Tribes and Tribal Organizations in future years; and

**WHEREAS**, Treasury guidance explains that Tribes and Tribal Organizations may not apply their indirect cost rates to Coronavirus Relief Fund amounts, while at the same time such funds will significantly expand a tribal program's direct cost base—this will cause tribal indirect cost rates to drop (and therefore CSC payments to decrease) unless both the direct and indirect pool amounts increase proportionately; and

**WHEREAS**, this will result in large swings in CSC payments made to Tribes and Tribal Organizations when their indirect cost rates are driven down by COVID-19 funds and when indirect cost rates swing back up in future years without the COVID-19 funding; and

**WHEREAS**, this will wreak havoc on ISDEAA contractors who rely on CSC payments to support the administrative costs in carrying out their contractual requirements with the United States government; now


**THEREFORE, BE IT RESOLVED**, that the Affiliated Tribes of Northwest Indians calls on the Indian Health Service, Bureau of Indian Affairs, and Office of Management and Budget to issue instructions permitting Tribes and Tribal Organizations to exclude all one-time, non-recurring COVID-19 funds from their direct cost base when negotiating new indirect cost rates; and


**BE IT FURTHER RESOLVED**, that ATNI calls on the Indian Health Service to convene the Contract Support Costs (CSC) Workgroup to update its Indian Health Manual, Part 6 – Services to Tribal Governments and Organizations, Chapter 3 – Contract Support Costs (CSC), also referred to as the “CSC policy” to develop a provision to address such one-time funding anomalies on a permanent basis.

**BE IT FINALLY RESOLVED**, that ATNI urges the Bureau of Indian Affairs to convene their Contract Support Costs Workgroup to incorporate consistent principles within the BIA CSC polices.

**CERTIFICATION**

The foregoing resolution was adopted at the 2021 Virtual Mid-Year Convention of the Affiliated Tribes of Northwest Indians, Portland, Oregon, on May 24 – May 27, 2021, with a quorum present.

  
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Leonard Forsman, President

  
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Norma Jean Louie, Secretary