

UNITED SOUTH AND EASTERN TRIBES, INC.

RESOLUTION NO. B-89-226

A RESOLUTION TO OPPOSE MOVING INDIRECT COSTS RESPONSIBILITIES

WHEREAS, the Department of the Interior has proposed moving responsibility for the negotiation and oversight of tribal indirect cost rates from the Interior Office of Inspector General to the Interior Office of Policy, Budget, and Administration; and

WHEREAS, the current system works well, all tribes are covered by the Single Audit Act, for which the OIG is administratively responsible, the OIG is familiar with tribal organizations, and the OIG staff is now performing efficiently and effectively on the negotiation of indirect costs, and

WHEREAS, there is an inherent conflict in the Office of Policy, Budget, and Administration, which develops budgets for the Department, negotiating indirect costs rates, in that the temptation will be present to lower those rates in order to lower the budgets, and

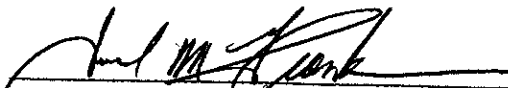
WHEREAS, Interior has only budgeted five positions to handle this task, which could result in a ratio of one staff member for 80 tribes and tribal organizations, compared with an OIG ratio of one to 20, now

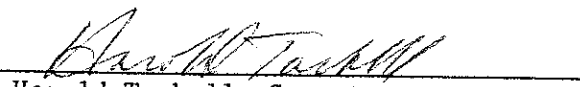
THEREFORE BE IT RESOLVED, that the Board of Directors of United South and Eastern Tribes does hereby vehemently oppose the proposed transfer of indirect cost responsibilities to the Interior Office of Policy, Budget, and Administration, and does hereby suggest that if the responsibility cannot be maintained by the OIG, that it be returned to the original cognizant agencies, such as the DHHS Office of Cost Allocation, and

BE IT FURTHER RESOLVED, that the Board of Directors does hereby urge member Congressional delegations to contact appropriate officials of the executive branch.

CERTIFICATION

This resolution was duly passed at a United South and Eastern Tribes Board of Directors meeting held at Bar Harbor, Maine, June 4 through 9, 1989, at which a quorum was present.


Joel Frank, President
United South and Eastern Tribes


Harold Tarbell, Secretary
United South and Eastern Tribes