



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

AUG 25 2006

Dear Tribal Leader:

The purpose of this letter is to transmit the National Policy Memorandum on Contract Support Cost (CSC) (NPM-SELD-1) effective and applicable to awards made for fiscal year (FY) 2007 and subsequent fiscal years, signed May 8, 2006. This policy provides guidance on Public Law 93-638 contracts and compacts, new and continuing, to tribal, Bureau of Indian Affairs and Office of Self-Governance personnel. Due to Congressional report language, Direct Contract Support Costs (DCSC) will not be paid in FY 2006. However, the Bureau of Indian Affairs (BIA) plan is to initiate the implementation of the policy in FY 2006 after consultation with the CSC Policy workgroup. Subject to Congressional appropriations in FY 2007, it is the intent of the BIA to distribute DCSC in FY 2007 and until further notice, based on 15% of the salaries contained in tribal contracts. For this purpose, the Bureau will use the same salary data currently used to distribute pay cost increases.

If you have any questions, please contact Mr. Edward Mouss at (202) 513-7616 or (202) 281-0951, or at the following address: Bureau of Indian Affairs, Office of Tribal Services, 1849 C Street N.W., MS: 4513-MIB, Washington, D.C. 20240.

Sincerely,

Associate Deputy Secretary

Enclosure