

§ 2506. Payment of grants; investment of funds**(a) Payments****(1) In general**

Except as otherwise provided in this subsection, the Secretary shall make payments to grantees under this chapter in two payments, of which—

(A) the first payment shall be made not later than July 1 of each year in an amount equal to 80 percent of the amount which the grantee was entitled to receive during the preceding academic year; and

(B) the second payment, consisting of the remainder to which the grantee is entitled for the academic year, shall be made not later than December 1 of each year.

(2) Excess funding

In a case in which the amount provided to a grant recipient under paragraph (1)(A) is in excess of the amount that the recipient is entitled to receive for the academic year involved, the recipient shall return to the Secretary such excess amount not later than 30 days after the final determination that the school was overpaid pursuant to this section. The amount returned to the Secretary under this paragraph shall be distributed equally to all schools in the system.

(3) Newly funded schools

For any school for which no payment under this chapter was made from Bureau funds in the preceding academic year, full payment of the amount computed for the first academic year of eligibility under this chapter shall be made not later than December 1 of the academic year.

(4) Late funding

With regard to funds for grantees that become available for obligation on October 1 of the fiscal year for which such funds are appropriated, the Secretary shall make payments to grantees not later than December 1 of the fiscal year.

(5) Applicability of certain title 31 provisions

The provisions of chapter 39 of title 31 shall apply to the payments required to be made by paragraphs (1), (3), and (4).

(6) Restrictions

Paragraphs (1), (3), and (4) shall be subject to any restriction on amounts of payments under this chapter that are imposed by a continuing resolution or other Act appropriating the funds involved.

(b) Investment of funds**(1) Treatment of interest and investment income**

Notwithstanding any other provision of law, any interest or investment income that accrues to any funds provided under this chapter after such funds are paid to the Indian tribe or tribal organization and before such funds are expended for the purpose for which such funds were provided under this chapter shall be the property of the Indian tribe or tribal organization and shall not be taken into account by

any officer or employee of the Federal Government in determining whether to provide assistance, or the amount of assistance, under any provision of Federal law. Such interest income shall be spent on behalf of the school.

(2) Permissible investments

Funds provided under this chapter may be invested by the Indian tribe or tribal organization before such funds are expended for the purposes of this chapter so long as such funds are—

(A) invested by the Indian tribe or tribal organization only in obligations of the United States, or in obligations or securities that are guaranteed or insured by the United States, or mutual (or other) funds registered with the Securities and Exchange Commission and which only invest in obligations of the United States, or securities that are guaranteed or insured by the United States; or

(B) deposited only into accounts that are insured by and¹ agency or instrumentality of the United States, or are fully collateralized to ensure protection of the funds, even in the event of a bank failure.

(c) Recoveries

For the purposes of underrecovery and overrecovery determinations by any Federal agency for any other funds, from whatever source derived, funds received under this chapter shall not be taken into consideration.

(Pub. L. 100-297, title V, § 5207, as added Pub. L. 107-110, title X, § 1043, Jan. 8, 2002, 115 Stat. 2074.)

Editorial Notes**PRIOR PROVISIONS**

A prior section 2506, Pub. L. 100-297, title V, § 5207, Apr. 28, 1988, 102 Stat. 391; Pub. L. 100-427, § 12, Sept. 9, 1988, 102 Stat. 1608, related to duration of eligibility determination, prior to repeal by Pub. L. 107-110, title X, § 1043, Jan. 8, 2002, 115 Stat. 2063. See section 2505 of this title.Q04

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE**

Section effective Jan. 8, 2002, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 107-110, set out as a note under section 6301 of Title 20, Education.

§ 2507. Application with respect to Indian Self-Determination and Education Assistance Act**(a) Certain provisions to apply to grants**

The following provisions of the Indian Self-Determination and Education Assistance Act [25 U.S.C. 5301 et seq.] (and any subsequent revisions thereto or renumbering thereof), shall apply to grants provided under this chapter:

(1) Section 5(f) [25 U.S.C. 5305(f)] (relating to single agency audit).

(2) Section 6 [25 U.S.C. 5306] (relating to criminal activities; penalties).

(3) Section 7 [25 U.S.C. 5307] (relating to wage and labor standards).

(4) Section 104 [25 U.S.C. 5323] (relating to retention of Federal employee coverage).

¹ So in original. Probably should be "insured by an".

(5) Section 105(f) [25 U.S.C. 5324(f)] (relating to Federal property).

(6) Section 105(k) [25 U.S.C. 5324(k)] (relating to access to Federal sources of supply).

(7) Section 105(l) [25 U.S.C. 5324(l)] (relating to lease of facility used for administration and delivery of services).

(8) Section 106(f) [25 U.S.C. 5325(f)] (relating to limitation on remedies relating to cost allowances).

(9) Section 106(j) [25 U.S.C. 5325(j)] (relating to use of funds for matching or cost participation requirements).

(10) Section 106(k) [25 U.S.C. 5325(k)] (relating to allowable uses of funds).

(11) Section 108(c) [25 U.S.C. 5329(c)] (Model Agreements provisions (1)(a)(5)¹ (relating to limitations of costs), (1)(a)(7)² (relating to records and monitoring), (1)(a)(8)³ (relating to property), and (a)(1)(9)⁴ (relating to availability of funds)).⁵

(12) Section 109 [25 U.S.C. 5330] (relating to reassumption).

(13) Section 111 [25 U.S.C. 5332] (relating to sovereign immunity and trusteeship rights unaffected).

(b) Election for grant in lieu of contract

(1) In general

Contractors for activities to which this chapter applies who have entered into a contract under the Indian Self-Determination and Education Assistance Act [25 U.S.C. 5301 et seq.] that is in effect on January 8, 2002, may, by giving notice to the Secretary, elect to have the provisions of this chapter apply to such activity in lieu of such contract.

(2) Effective date of election

Any election made under paragraph (1) shall take effect on the first day of July immediately following the date of such election.

(3) Exception

In any case in which the first day of July immediately following the date of an election under paragraph (1) is less than 60 days after such election, such election shall not take effect until the first day of July of⁶ year following the year in which the election is made.

(c) No duplication

No funds may be provided under any contract entered into under the Indian Self-Determination and Education Assistance Act [25 U.S.C. 5301 et seq.] to pay any expenses incurred in providing any program or services if a grant has been made under this chapter to pay such expenses.

(d) Transfers and carryovers

(1) Buildings, equipment, supplies, materials

A tribe or tribal organization assuming the operation of—

(A) a Bureau school with assistance under this chapter shall be entitled to the transfer

or use of buildings, equipment, supplies, and materials to the same extent as if it were contracting under the Indian Self-Determination and Education Assistance Act [25 U.S.C. 5301 et seq.]; or

(B) a contract school with assistance under this chapter shall be entitled to the transfer or use of buildings, equipment, supplies, and materials that were used in the operation of the contract school to the same extent as if it were contracting under the Indian Self-Determination and Education Assistance Act.

(2) Funds

Any tribe or tribal organization which assumes operation of a Bureau school with assistance under this chapter and any tribe or tribal organization which elects to operate a school with assistance under this chapter rather than⁷ to continue as a contract school shall be entitled to any funds which would carryover from the previous fiscal year as if such school were operated as a contract school.

(3) Funding for school improvement

Any tribe or tribal organization that assumes operation of a Bureau school or a contract school with assistance under this chapter shall be eligible for funding for the improvement, alteration, replacement, and repair of facilities to the same extent as a Bureau school.

(e) Exceptions, problems, and disputes

Any exception or problem cited in an audit conducted pursuant to section 2505(b)(1) of this title, any dispute regarding a grant authorized to be made pursuant to this chapter or any amendment to such grant, and any dispute involving an administrative cost grant under section 2008 of this title shall be administered under the provisions governing such exceptions, problems, or disputes in the case of contracts under the Indian Self-Determination and Education Assistance Act [25 U.S.C. 5301 et seq.]. The Equal Access to Justice Act shall apply to administrative appeals filed after September 8, 1988, by grantees regarding a grant under this chapter, including an administrative cost grant. (Pub. L. 100-297, title V, § 5208, as added Pub. L. 107-110, title X, § 1043, Jan. 8, 2002, 115 Stat. 2076.)

Editorial Notes

REFERENCES IN TEXT

The Indian Self-Determination and Education Assistance Act, referred to in text, is Pub. L. 93-638, Jan. 4, 1975, 88 Stat. 2203, which is classified principally to chapter 46 (§ 5301 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 5301 of this title and Tables.

The Equal Access to Justice Act, referred to in subsec. (e), is title II of Pub. L. 96-481, Oct. 21, 1980, 94 Stat. 2325. For complete classification of this Act to the Code, see Short Title note set out under section 504 of Title 5, Government Organization and Employees, and Tables.

PRIOR PROVISIONS

A prior section 2507, Pub. L. 100-297, title V, § 5208, Apr. 28, 1988, 102 Stat. 393; Pub. L. 100-427, § 13, Sept. 9,

¹ So in original. Probably should be "1(b)(5)".

² So in original. Probably should be "1(b)(7)".

³ So in original. Probably should be "1(b)(8)".

⁴ So in original. Probably should be "1(b)(9)".

⁵ So in original. There probably should be a second closing parenthesis.

⁶ So in original. Probably should be followed by "the".

⁷ So in original. Probably should be "than".

1988, 102 Stat. 1609; Pub. L. 103-382, title III, § 382(c), Oct. 20, 1994, 108 Stat. 4017, related to payment of grants and investment of funds, prior to repeal by Pub. L. 107-110, title X, § 1043, Jan. 8, 2002, 115 Stat. 2063. See section 2506 of this title.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective Jan. 8, 2002, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 107-110, set out as a note under section 6301 of Title 20, Education.

§ 2508. Role of the Director

Applications for grants under this chapter, and all application modifications, shall be reviewed and approved by personnel under the direction and control of the Director of the Office of Indian Education Programs. Required reports shall be submitted to education personnel under the direction and control of the Director of such Office.

(Pub. L. 100-297, title V, § 5209, as added Pub. L. 107-110, title X, § 1043, Jan. 8, 2002, 115 Stat. 2077.)

Editorial Notes

PRIOR PROVISIONS

A prior section 2508, Pub. L. 100-297, title V, § 5209, Apr. 28, 1988, 102 Stat. 394; Pub. L. 100-427, § 14, Sept. 9, 1988, 102 Stat. 1609; Pub. L. 101-301, § 5(b), May 24, 1990, 104 Stat. 207; Pub. L. 103-382, title III, § 382(d), (e), Oct. 20, 1994, 108 Stat. 4017, 4018, related to application with respect to Indian Self-Determination and Education Assistance Act, prior to repeal by Pub. L. 107-110, title X, § 1043, Jan. 8, 2002, 115 Stat. 2063. See section 2507 of this title.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective Jan. 8, 2002, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 107-110, set out as a note under section 6301 of Title 20, Education.

§ 2509. Regulations

The Secretary is authorized to issue regulations relating to the discharge of duties specifically assigned to the Secretary in this chapter. For all other matters relating to the details of planning, developing, implementing, and evaluating grants under this chapter, the Secretary shall not issue regulations.

(Pub. L. 100-297, title V, § 5210, as added Pub. L. 107-110, title X, § 1043, Jan. 8, 2002, 115 Stat. 2077.)

Editorial Notes

PRIOR PROVISIONS

A prior section 2509, Pub. L. 100-297, title V, § 5210, Apr. 28, 1988, 102 Stat. 394, related to role of Director, prior to repeal by Pub. L. 107-110, title X, § 1043, Jan. 8, 2002, 115 Stat. 2063. See section 2508 of this title.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective Jan. 8, 2002, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 107-110, set out as a note under section 6301 of Title 20, Education.

§ 2510. The tribally controlled grant school endowment program

(a) In general

(1) Establishment

Each school receiving a grant under this chapter may establish, at a federally insured financial institution, a trust fund for the purposes of this section.

(2) Deposits and use

The school may provide—

(A) for deposit into the trust fund, only funds from non-Federal sources, except that the interest on funds received from grants provided under this chapter may be used for that purpose;

(B) for deposit into the trust fund, any earnings on funds deposited in the fund; and

(C) for the sole use of the school any noncash, in-kind contributions of real or personal property, which may at any time be used, sold, or otherwise disposed of.

(b) Interest

Interest from the fund established under subsection (a) may periodically be withdrawn and used, at the discretion of the school, to defray any expenses associated with the operation of the school consistent with the purposes of this Act.¹

(Pub. L. 100-297, title V, § 5211, as added Pub. L. 107-110, title X, § 1043, Jan. 8, 2002, 115 Stat. 2078.)

Editorial Notes

REFERENCES IN TEXT

This Act, referred to in subsec. (b), is Pub. L. 100-297 and probably should be “this part”, meaning part B of title V of Pub. L. 100-297, known as the Tribally Controlled Schools Act of 1988, which is classified generally to this chapter. For complete classification of part B to the Code, see Short Title note set out under section 2501 of this title and Tables.

PRIOR PROVISIONS

A prior section 2510, Pub. L. 100-297, title V, § 5211, Apr. 28, 1988, 102 Stat. 394, related to regulations, prior to repeal by Pub. L. 107-110, title X, § 1043, Jan. 8, 2002, 115 Stat. 2063. See section 2509 of this title.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective Jan. 8, 2002, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 107-110, set out as a note under section 6301 of Title 20, Education.

§ 2511. Definitions

In this chapter:

(1) Bureau

The term “Bureau” means the Bureau of Indian Affairs of the Department of the Interior.

(2) Eligible Indian student

The term “eligible Indian student” has the meaning given such term in section 2007(f) of this title.

(3) Indian

The term “Indian” means a member of an Indian tribe, and includes individuals who are

¹ See References in Text note below.