

**(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 and<sup>1</sup> 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).

(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)<sup>1</sup> (relating to limitations of costs), (1)(a)(7)<sup>2</sup> (relating to records and monitoring), (1)(a)(8)<sup>3</sup> (relating to property), and (a)(1)(9)<sup>4</sup> (relating to availability of funds)).<sup>5</sup>

(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 of<sup>6</sup> 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-Determina-

<sup>1</sup> So in original. Probably should be “1(b)(5)”.

<sup>2</sup> So in original. Probably should be “1(b)(7)”.

<sup>3</sup> So in original. Probably should be “1(b)(8)”.

<sup>4</sup> So in original. Probably should be “1(b)(9)”.

<sup>5</sup> So in original. There probably should be a second closing parenthesis.

<sup>6</sup> So in original. Probably should be followed by “the”.

<sup>1</sup> So in original. Probably should be “insured by an”.

tion 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 than<sup>7</sup> 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,

<sup>7</sup> So in original. Probably should be “than”.

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, as amended. 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, 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.)