

COST SHARING REDUCTION FOR TRIBAL PARTNERS

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TOOLS TO REDUCE NON-FEDERAL COST SHARE



- 1) **Section 1156 Tribal Waiver:** A amount, determined every fiscal year, that reduces the Tribal cost share for feasibility after the 50%/50% cost share split is determined.
- 2) **In-Kind Contributions:** Often you can perform in-kind contributions in place of a cash cost share. Crediting can be for the study, design, or construction of a project.



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1156 TRIBAL WAIVER



Study in American Samoa, Guam, the Northern Mariana Islands, the Virgin Islands, or Puerto Rico, or involving an Indian Tribe or tribal organization (as defined in Section 4 of the Indian Self-Determination and Education Assistance Act, 25 U.S.C. 5304).

In accordance with Section 1156 of WRDA of 1986, as amended (33 U.S.C. 2310), up to \$200,000 at FY 1987 price levels (with such amount adjusted annually for inflation) in non-Federal cost-sharing is waived. For FY 2024, the maximum waiver amount adjusted for inflation is \$648,000; however, depending on the funds required from the non-Federal sponsor to meet its required cost share, the amount waived could be less than the maximum waiver amount. The updated maximum waiver amount for future FYs will be provided in an Economic Guidance Memorandum that will be released each fiscal year (typically in mid to late October). The maximum waiver amount is fixed based upon the FY in which the Feasibility Cost Share Agreement was executed and does not change thereafter



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IN-KIND CONTRIBUTIONS



The types of in-kind contributions eligible for credit include planning activities (including data collection and other services needed for a study); design related to construction; and construction (including management, mitigation and construction materials/services). To receive the credit, the costs incurred by the Tribe to obtain such materials or services must be less than if the Government were to obtain similar materials or services.

Any in-kind contributions performed or paid for by using funds provided by another federal agency may be eligible for credit under the Tribal Partnership Program if approved by the other federal agency and USACE.

The next slide is an example of an estimate (provided by the Government) and the Tribal share of the feasibility cost once the Tribal waiver is implemented.



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SECTION 1156 TRIBAL WAIVER EXAMPLE

- For FY 2024 the waiver amount applied to the cost share for a Tribal project is \$648,000
- The cost share for Feasibility Studies is 50% Federal and 50% non-Federal
 - Under the waiver, the total project cost is implemented using the 50/50 split.
 - The next step is to take the non-Federal share and reduce it by the waiver amount (\$648,000)

Technical Discipline	Government Estimate
Project Management	\$90,000
Geotechnical Engineering	\$45,000
Environmental Engineering	\$33,700
Geospatial Unit	\$16,700
Hydraulics & Hydrology	\$535,000
Economics	\$70,400
Real Estate	\$25,000
Environmental Resources	\$80,000
Cultural Resources	\$112,700
Cost Engineering	\$161,000
Civil Engineering	\$118,000
Structural Engineering	\$40,000
Plan Formulation	\$90,000
Peer Review	\$45,000
Labor Subtotal	\$1,462,500
Contingency 10%	\$146,250
Total Study Cost	\$1,608,750
Total Cost Share (Fed/non-Fed)	\$804,375
Section 1156 Cost Waiver	\$648,000
Non-Federal Share w/ waiver (cash needed)	\$156,375.00

50/50 split 

Tribal Cost Share 

 FY 24 Waiver Amount

**Important to note that work-in-kind can reduce the amount of cash needed for cost sharing purposes*