

# Southcentral Foundation

September 30, 2005

Dr. Charles Grim  
Director  
Indian Health Service  
The Reyes Building  
801 Thompson Avenue  
Suite 400  
Rockville, MD 20852-1627

RECEIVED  
EXECUTIVE SECRETARIAT  
INDIAN HEALTH SERVICE  
2005 OCT - 3 P 12:01

*Via facsimile*  
*Original via Express Mail/Return Receipt*

Re: Self Governance Compact # 58G-950031-02  
Contract Disputes Act claim for contract support costs due in FY1998

Dear Dr. Grim:

Southcentral Foundation hereby claims the right to immediate payment of \$4,815,902, plus interest, due and owing to it under the provisions of the above-referenced contract, as amended, in effect between the parties for Fiscal Year 1998. This claim is submitted pursuant to the provisions of the Contract Disputes Act, 41 U.S.C. §601 *et seq.* and §§110(a) and (d) of the Indian Self-Determination and Education Assistance Act, as amended ("ISDA"), for all damages arising out of the failure of the Indian Health Service ("IHS") to pay full contract support costs (including indirect costs and direct contract support costs).

Southcentral Foundation's contracts and contract amendments, funding agreements, as well as the Indian Self-Determination and Education Assistance Act, during the covered year obligated the United States to pay Southcentral Foundation no less than the full amount of contract support costs, including indirect costs and direct contract support costs, associated with its operation of IHS programs, functions, services and activities operated by Southcentral Foundation under the foregoing contract, as amended.

Southcentral Foundation asserts that IHS failed to meet its contractual and statutory obligations when it failed to pay the full amount of Southcentral Foundation's contract support cost requirement, calculated pursuant to IHS's policies, by applying an unlawful policy limiting the total amount that would be paid to Southcentral Foundation

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This claim seeks, without limitation, all damages arising out of IHS's failure to pay full contract support costs as required by the ISDA and Southcentral Foundation's contracts. This claim is supported by the originals of all contracts, contract modifications, funding agreements, amendments thereto, and indirect cost rate agreements, all of which are in the custody of the Government. This claim is additionally supported by Exhibit 1 attached hereto.

Please recall that, under the terms of the Prompt Payment Act, 31 U.S.C. §611 and the Contract Disputes Act, interest is accruing on the amount due.

Sincerely,

Southcentral Foundation

By \_\_\_\_\_

Lee Olson

Vice President, Finance

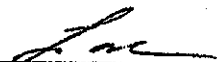
### CERTIFICATION OF CONTRACT DISPUTES ACT CLAIMS

I, Lee Olson, hereby certify as follows on behalf of Southcentral Foundation:

1. The above claim is made in good faith;
2. The supporting data are accurate and complete to the best of my knowledge and belief;
3. The amount requested accurately reflects the adjustment for which Southcentral Foundation believes the Government is liable; and
4. I am duly authorized to certify this claim on behalf of Southcentral Foundation.

DATED this 30 day of September, 2005

Southcentral Foundation

By   
Lee Olson  
Vice President, Finance

**CERTIFICATE OF DELIVERY**

perjury: I, Joshua Franks, swear of affirm under penalty of

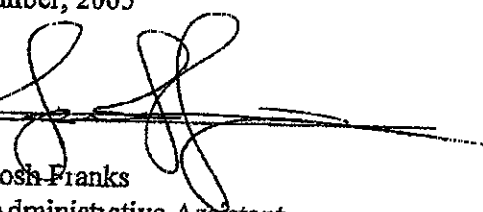
- receipt to:
1. I am an employee of Southcentral Foundation
  2. I sent the originals of this document via Express U.S. mail return

Dr Charles Grim  
Director  
Indian Health Service  
The Reyes Building  
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3 I faxed a true and correct copy of this document to the individual identified in paragraph two above, on the 30 day of September, 2005

DATED this 30 day of September, 2005

By

  
Josh Franks  
Administrative Assistant