

To:	House Committee on Natural Resources Republican Members		
From:	Subcommittee on Oversight and Investigations staff,		
	Michelle Lane (Michelle.Lane@mail.house.gov) and Lucas Drill		
	(Lucas.Drill@mail.house.gov)		
Date:	February 10, 2025		
Subject:	Oversight Hearing on "Leaving Indian Children Behind: Reviewing the State of		
	BIE Schools"		

The Subcommittee on Oversight and Investigations will hold an oversight hearing titled *"Leaving Indian Children Behind: Reviewing the State of BIE Schools"* on Wednesday, February 12, 2025, at 2:00 p.m. in 1334 Longworth House Office Building.

Member offices are requested to notify Cross Thompson (<u>Cross.Thompson@mail.house.gov</u>) by 4:30 p.m. on Tuesday, February 11, 2025, if their member intends to participate in the hearing.

## I. <u>KEY MESSAGES</u>

- The Bureau of Indian Education has long suffered from an absence of oversight and accountability, leading to deteriorating facilities and failing educational experiences for Indian students at Bureau of Indian Education (BIE or the Bureau) and tribally controlled elementary and secondary schools.
- Independent reviews conducted by the Government Accountability Office (GAO) and the Department of the Interior's (DOI) Office of Inspector General (OIG) found serious deficiencies with the way the BIE tracks and monitors both routine and deferred maintenance, leading to inaccurate and unreliable estimations and ultimately to substandard facilities.
- The Indian students at BIE and tribally controlled elementary and secondary schools deserve a safe and healthy school environment to learn and grow. Unfortunately, BIE and BIA have failed in that mission, leading to lower-quality educational opportunities and resources for Tribal students.
- The Biden administration allowed BIE schools to languish and refused to cooperate with the House Committee on Natural Resources' BIE-related investigations. The Committee looks forward to working with the Trump administration to tackle deferred maintenance, revitalize BIE schools, and provide safe learning environments for Indian students.

## II. <u>WITNESSES</u>

## Panel 1:

- **Ms. Kathleen Sedney**, Assistant Inspector General for Audits, Inspections, and Evaluations, Office of Inspector General, U.S. Department of the Interior, Washington, D.C.
- Ms. Melissa Emery-Arras, Director, Education, Workforce, and Income Security Team, Government Accountability Office, Washington, D.C.

## Panel 2:

- Mr. Kasey Valesquez, Chairman, White Mountain Apache Tribe, Whiteriver, AZ
- Ms. Cecilia Fire Thunder, President, Oglala Lakota Nation Education Coalition, Martin, SD
- Ms. Shawna Becenti, Head of School, Navajo Preparatory School, Farmington, NM
- **Mr. Jason Dropik, Executive Director,** National Indian Education Association, Washington, D.C. (*Minority witness*)

## III. INTRODUCTION

BIE's mission statement clearly states that the Bureau's goal is "to provide quality education opportunities from early childhood through life in accordance with a tribe's needs for cultural and economic well-being."<sup>1</sup> Following numerous reports from whistleblowers, tribal stakeholders, and Congressional offices, the Committee launched an investigation to hold the Bureau accountable for the poor conditions found throughout BIE's elementary and secondary schools. BIE has failed to provide valuable and high-quality educational opportunities and resources for Indian students nationwide. This hearing will examine the significant deferred maintenance backlog for BIE's elementary and secondary schools and the corresponding negative impact on Indian students' educational experiences.

# IV. <u>BACKGROUND</u>

Although the federal government has provided funding for specific instances of educating Indians and Indian children since the United States' founding, a centralized federal Indian school system was not created until after the Civil War.<sup>2</sup> Initially operated by the Bureau of Indian Affairs (BIA), boarding and day schools were created for Indian children off and near Indian reservations.<sup>3</sup>

Today, DOI's Office of the Assistant Secretary of Indian Affairs (IA), BIE, and BIA manage "183 elementary and secondary schools, dormitories, and off-reservation boarding schools providing educational services to approximately 45,000 elementary and secondary students in 23

<sup>&</sup>lt;sup>1</sup> Dept. of the Interior, Bureau of Indian Education, "Our Mission," <u>https://www.bie.edu/topic-page/our-mission</u>.

<sup>&</sup>lt;sup>2</sup> Cassandria Dortch, "Indian Elementary-Secondary Education: Programs, Background, and Issues," Congressional Research Service, <u>https://www.crs.gov/reports/pdf/RL34205/RL34205.pdf</u>.

<sup>&</sup>lt;sup>3</sup> Id.

States."<sup>4</sup> IA includes the Assistant Secretary, Indian Affairs, as well as the Offices of Facilities, Property and Safety Management.<sup>5</sup> The directors of both BIE and BIA report to IA.<sup>6</sup> BIE directly operates some of these elementary and secondary schools. Tribes and Tribal organizations operate others, supported through grants under the Tribally Controlled Schools Act of 1988<sup>7</sup> or contracts under the Indian Self-Determination and Education Assistance Act of 1975 (ISDEAA).<sup>8</sup> Federal appropriations and programs like the Johnson O'Malley Program and ISDEAA self-determination agreements, reimburse public schools for educating Indian students.<sup>9</sup>

Poor conditions at BIE elementary and secondary schools are a longstanding problem. In 1928, Secretary of the Interior Hubert Work requested a survey on the "conditions of Indian education facilities, 'The Problem of Indian Administration,'<sup>10</sup> that found 'deplorable' conditions at Indian education facilities."<sup>11</sup> Although the physical infrastructure of the schools has improved in the last century, mismanagement of deferred maintenance and repairs continues to contribute to poor conditions at BIE elementary and secondary schools, particularly compared to their public and independent counterparts.

OIG and GAO have released numerous reports detailing the longstanding problems with the deferred maintenance and repairs backlog for BIE elementary and secondary schools. For example, in March 2024, OIG released "Indian Affairs Is Unable To Effectively Manage Deferred Maintenance of School Facilities," an evaluation report on BIA and BIE's mismanagement of deferred maintenance at BIE elementary and secondary schools.<sup>12</sup> The report found that as of September 2022, BIE education facilities had accumulated over \$1 billion in deferred maintenance due to "funding delays, processing work orders based on a monetary threshold, limited project management capacity, and unreliable work order data."<sup>13</sup>

OIG examined ten BIE elementary and secondary schools and found "many instances in which assets had deteriorated due to delays in completing necessary repairs," including "examples of deterioration, including foundation issues, corroding pipes, and inoperable boilers during our visits to schools in Arizona and New Mexico.<sup>14</sup>

<sup>&</sup>lt;sup>4</sup> Report No.: 2022-CR-036, Indian Affairs Is Unable To Effectively Manage Deferred Maintenance of School Facilities, DEPT. OF THE INTERIOR OFFICE OF INSPECTOR GENERAL (Mar. 2024). https://www.doioig.gov/sites/default/files/2021migration/FinalEvaluationReport\_BIEDeferredMaintenance\_Public.pdf.

<sup>&</sup>lt;sup>5</sup> Id.

<sup>&</sup>lt;sup>6</sup> Id.

<sup>7 25</sup> U.S.C. § 2501 et seq. <sup>8</sup> 25 U.S.C. § 5301 et seq.

<sup>&</sup>lt;sup>9</sup> Dortch, *supra* note 2.

<sup>&</sup>lt;sup>10</sup> Lewis Meriam, The Problem of Indian Administration, INSTITUTE FOR GOVERNMENT RESEARCH (Feb. 21, 1928). This document reported on a survey made at the request of the Honorable Hubert Work, Secretary of the Interior. https://narf.org/nill/resources/meriam.html.

<sup>&</sup>lt;sup>11</sup> Report No.: 2022-CR-036, *supra* note 4.

<sup>&</sup>lt;sup>12</sup> Id.

<sup>&</sup>lt;sup>13</sup> Id.

<sup>&</sup>lt;sup>14</sup> Id.

#### **Deteriorating Conditions at BIE-funded Schools**



From left to right: A crumbling foundation at Many Farms Community School (work orders submitted July 10, 2008); a corroded water line pipe at To'Hajiilee Community School (work orders submitted September 20, 2021); and an inoperable boiler that failed inspection at Many Farms High School (work order submitted January 9, 2008).<sup>15</sup>

#### **Great American Outdoors Act Funding for BIE**

In August 2020, Congress passed the Great American Outdoors Act (GAOA).<sup>16</sup> GAOA established a new mandatory fund, the "National Parks and Public Land Legacy Restoration Fund" (LRF), to address the land management agencies' deferred maintenance needs.<sup>17</sup> Unlike routine maintenance, deferred maintenance and repairs are "maintenance and repairs that were not performed when they should have been or were scheduled to be and which are put off or delayed for a future period."<sup>18</sup>

The LRF is funded through 50 percent of the unobligated or "miscellaneous" revenues deposited into the U.S. Treasury from all forms of energy development (oil, gas, coal, and alternative or renewable energy), up to \$1.9 billion a year for five years (\$9.5 billion total).<sup>19</sup> BIE receives a five percent share of the amounts deposited in the LRF each year (\$95 million).<sup>20</sup> Despite the significant investment in deferred maintenance and repairs from the LRF and a steady increase in BIE's budget authority for infrastructure management from \$108 million in fiscal year (FY) 2019 to \$123 billion in FY 2022, BIE observed an increase in the total deferred maintenance and repairs from \$980 million in FY 2019 to \$1.08 billion in FY 2022.<sup>21</sup>

<sup>&</sup>lt;sup>15</sup> Report No.: 2022-CR-036, *supra* note 4.

<sup>&</sup>lt;sup>16</sup> Pub. L. No. 116-152, https://www.congress.gov/116/plaws/publ152/PLAW-116publ152.pdf.

<sup>&</sup>lt;sup>17</sup> Carol Hardy Vincent et al., *The Great American Outdoors Act (P.L. 116-152)*, CONGRESSIONAL RESEARCH SERVICE (Dec. 15, 2022), <u>https://www.crs.gov/Reports/IF11636?source=searchId</u>.

<sup>&</sup>lt;sup>18</sup> *Deferred Maintenance and Repairs*, Federal Accounting Standards Advisory Board (Apr. 25, 2012), http://files.fasab.gov/pdffiles/original\_sffas\_42.pdf.

<sup>&</sup>lt;sup>19</sup> There are no such things as unobligated energy receipts. Energy revenues deposited into the Treasury before the passage of GAOA were used to pay other obligations of the U.S. government. Therefore, the Congressional Budget Office (CBO) "scored" the bill as increasing the deficit by \$9.54 billion: <u>https://www.cbo.gov/system/files/2020-07/HR1957directspending.pdf</u>. The 5 years referenced are FY 2021-FY 2025.

<sup>&</sup>lt;sup>20</sup> GAO-24-106495, Deferred Maintenance: Agencies Generally Followed Leading Practices in Selections but Faced Challenges (Jan. 2024). <u>https://www.gao.gov/assets/d24106495.pdf</u>.

As of FY 2022, the states with the most deferred maintenance and repairs under BIE are Arizona (\$502 million), New Mexico (\$165 million), South Dakota (\$162 million), North Dakota (\$63.6 million), and Kansas (\$39.4 million).<sup>22</sup> The deferred maintenance and repairs include \$393.2 million for schools, \$300 million for grounds, \$256.6 million for operations, and \$131.8 million for housing assets.<sup>23</sup>

### BIE Administration of Schools at High Risk for Fraud, Waste, and Abuse

Since 1990, GAO has maintained a "High-Risk List" of federal programs to bring attention to federal agencies and program areas that are "especially vulnerable to fraud, waste, abuse, and mismanagement, or [are] in need of transformation."<sup>24</sup> The purpose of the High-Risk List is to support congressional oversight efforts and improve government efficiency.<sup>25</sup> Since its inception, the High-Risk List has featured 67 different agencies and programs; these agencies are listed until GAO determines appropriate corrective actions have been taken.<sup>26</sup>

BIE's "administration of schools for American Indian students," specifically the 183 elementary and secondary schools managed by BIE, has been on the High-Risk List since 2017.<sup>27</sup> GAO has identified "significant management weaknesses in BIE's support and oversight of schools," including "poor conditions at school facilities that endangered students and weak oversight of schools' use of federal funds."<sup>28</sup> Additionally, GAO found that BIE has limited capacity to "ensure accountability for construction projects."<sup>29</sup>

Since 2013, GAO has made 32 recommendations related to high-risk areas in BIE's administration of elementary and secondary schools, such as school safety, fiscal oversight, and school construction.<sup>30</sup> According to GAO, twelve unresolved recommendations are currently keeping BIE on the High-Risk List, including:<sup>31</sup>

- "Update [BIE's] strategic workforce plan to build its capacity to conduct all annual fiscal reviews of schools that are designated as high risk."<sup>32</sup>
- "Establish controls to ensure that BIE staff responsible for monitoring purchase card activity at BIE-operated schools consistently use Interior's required monitoring tool and procedures."<sup>33</sup>
- "Develop and implement written policies and procedures for collecting timely information on BIE-operated schools' technology needs."<sup>34</sup>

<sup>25</sup> Id.

<sup>&</sup>lt;sup>22</sup> Id.

<sup>&</sup>lt;sup>23</sup> Id.

<sup>&</sup>lt;sup>24</sup> GAO-22-106104, High-Risk: Bureau of Indian Education Has Addressed Some Management Weaknesses, but Additional Work Is Needed on Others (June 28, 2022). <u>https://www.gao.gov/assets/gao-22-106104.pdf</u>.

<sup>&</sup>lt;sup>26</sup> *Id*.

<sup>&</sup>lt;sup>27</sup> Id. <sup>28</sup> Id.

<sup>&</sup>lt;sup>29</sup> Id.

 $<sup>^{30}</sup>$  Id.

<sup>&</sup>lt;sup>31</sup> Id.

<sup>&</sup>lt;sup>32</sup> GAO-24-105451, Bureau of Indian Education: Improved Oversight of Schools' COVID-19 Spending is Needed (Mar. 27, 2024), <u>https://www.gao.gov/assets/gao-24-105451.pdf</u>.

<sup>&</sup>lt;sup>33</sup> *Id*.

<sup>&</sup>lt;sup>34</sup> GAO-21-492T, Indian Education: Schools Need More Assistance to Provide Distance Learning (Apr. 28, 2021), <u>https://www.gao.gov/assets/gao-21-492t.pdf</u>.

### BIE is Unable to Manage Deferred Maintenance and Repairs

Numerous GAO reports, including a report entitled "Indian Affairs: Preliminary Results Show Continued Challenges to the Oversight and Support of Education Facilities" issued in February 2015,<sup>35</sup> and another entitled "Indian Affairs: Better Management and Accountability Needed to Improve Indian Education" from September 2013,<sup>36</sup> previously identified how unreliable data and inadequate funding and procedures contribute to the deferred maintenance of BIE education facilities.<sup>37</sup>

In January 2024, GAO released a report confirming BIE's inability to address the deferred maintenance backlog, "Deferred Maintenance: Agencies Generally Followed Leading Practices in Selections but Faced Challenges."<sup>38</sup>

The report also describes incomplete and inaccurate data on deferred maintenance, including "underreporting of \$300 million, or 28 percent, of deferred maintenance at BIE."<sup>39</sup> DOI's latest available data on deferred maintenance and repairs from September 2023 reflects a steep reduction of over \$300 million in the backlog from the September 2022 total of over \$1 billion.<sup>40</sup> It is unclear whether the \$300 million reported reduction in the backlog is related to the "underreporting of \$300 million" previously identified by GAO. Given the nearly century-long effort to both investigate and improve tribal schools, the ability to accurately determine the scale and validity of data that measures both ongoing and deferred maintenance needs is of utmost importance.

OIG found that work orders are generally not completed in a timely manner, partly due to the improper categorization of work orders over \$2,500 as deferred maintenance, including operations and maintenance (O&M) projects.<sup>41</sup> O&M projects can be immediately addressed by school facility staff. At the same time, deferred maintenance and repairs require a more "time-intensive funding and approval process that must go through multiple layers of approval."<sup>42</sup> This categorization has significantly affected completion times for deferred maintenance and repairs.<sup>43</sup>

OIG also found that work orders for deferred maintenance and repairs in the facility management system were not up to date or accurate.<sup>44</sup> During school visits, OIG observed that half of the deferred maintenance work orders were listed as "open," though they had already been addressed.<sup>45</sup> This has led to inaccurate data in the facility management system that harms decision-making for project prioritization and funding. OIG emphasized that "without reliable,

<sup>42</sup> *Id.* <sup>43</sup> *Id.* 

<sup>44</sup> Id.

<sup>45</sup> Id.

<sup>&</sup>lt;sup>35</sup> GAO-15-389T, Indian Affairs: Preliminary Results Show Continued Challenges to the Oversight and Support of Education Facilities (Feb. 2015). <u>https://www.gao.gov/assets/gao-15-389t.pdf</u>.

<sup>&</sup>lt;sup>36</sup> GAO-13-774, Indian Affairs: Better Management and Accountability Needed to Improve Indian Education (Sept. 2013). https://www.gao.gov/assets/gao-13-774.pdf.

<sup>&</sup>lt;sup>37</sup> *Id.* 

<sup>&</sup>lt;sup>38</sup> GAO-24-106495, *supra* note 19.

<sup>&</sup>lt;sup>39</sup> *Id.* 

<sup>&</sup>lt;sup>40</sup> Deferred Maintenance and Repair, DEPT. OF THE INTERIOR, <u>https://www.doi.gov/deferred-maintenance-and-repair</u>.

<sup>&</sup>lt;sup>41</sup> Id. <sup>42</sup> Id.

accurate, and complete deferred maintenance work order data, [B]IA cannot determine the estimated costs of deferred maintenance at BIE-funded schools, which in turn leads to funding delays and further deterioration of schools.<sup>46</sup>

School Visited	Open Work Orders Reviewed	Open Work Orders Completed or Canceled	Open Work Orders Completed or Canceled (%)
Jemez Day School	4	2	50
Santa Fe Indian School	4	3	75
Many Farms Community School	5	2	40
Many Farms High School	3	0	0
Hunter's Point Boarding School	3	3	100
Crystal Boarding School	3	2	67
Wingate Elementary School	2	1	50
Wingate High School	2	1	50
Totals	26	14	54%

**Reviewed Open Deferred Maintenance Work Orders.**<sup>47</sup>

Additionally, OIG found many instances where deferred maintenance projects were delayed years after being submitted, including "1,056 work orders that had not been completed 22 years after they were requested" as of September 2022.<sup>48</sup> For example, "data showed safety work orders to install exit signs at Northern Cheyenne Tribal School and a fire alarm system at Quileute Tribal School were reported in 2000 and approved by DFMC but remained open as of September 2022. Also, a work order was requested in 2000 to replace asbestos floor tiles at Hunters Point Boarding School; inspections confirmed this need in 2015 and 2019.<sup>49</sup> The lengthy delays contribute to the further deterioration of federal assets, and, as a result, Indian students can lose access to certain facilities, dormitories, and critical resources at their schools.<sup>50</sup>

The OIG issued nine recommendations for BIA and BIE to improve their management of the deferred maintenance and repairs backlog.<sup>51</sup> At the time OIG issued this report, BIE had resolved six of the nine recommendations, though several critical recommendations remain unresolved:

- "In coordination with Indian Affairs, conduct a workforce study to ensure BIE has the capacity to oversee the transferred facility management responsibilities in its regions."<sup>52</sup>
- "In coordination with Indian Affairs, develop and implement a continual monitoring process to assess the statuses of and close deferred maintenance work orders in the facility management system that have been addressed."<sup>53</sup>

<sup>48</sup> *Id.* 

<sup>49</sup> Id. <sup>50</sup> Id.

<sup>50</sup> Id. <sup>51</sup> Id.

<sup>52</sup> *Id*.

<sup>53</sup> Id.

<sup>&</sup>lt;sup>46</sup> Id.

<sup>&</sup>lt;sup>47</sup> Id.

• "In coordination with Indian Affairs, ensure that every school has staff trained on managing work orders in the facility management system, including procedures for properly classifying, updating, and closing work orders."<sup>54</sup>

Though BIE has addressed some recommendations from GAO and OIG, many critical recommendations remain unresolved. Notably, school facility management transitioned from BIA to BIE in October of 2023, with primary responsibility at the local (school) level. However, both IA and BIA remain involved with larger projects and trainings, as well as some oversight and funding consolidation issues.<sup>55</sup> It is unclear to the Committee whether all local BIE staff have been properly trained regarding the facility management systems, funding thresholds, and deferred maintenance project approval processes.

# V. <u>CONCLUSION</u>

BIE's inability to manage its deferred maintenance and repairs backlog has led to deteriorating facilities at BIE's elementary and secondary schools. Many Tribes across the nation depend on BIE to act as a reliable partner in educating their members. Without proper oversight to ensure the agency appropriately tracks and estimates its backlog, BIE will be unable to meaningfully address its deferred maintenance backlog. As a result, these assets will continue to deteriorate, and Indian students at BIE and tribally controlled schools will continue to lack access to critical resources to provide a high-quality education.

The Committee is committed to working with the Trump administration to revitalize BIE and ensure that Indian students receive a quality education and can learn in a safe environment.

<sup>&</sup>lt;sup>54</sup> Id.

<sup>&</sup>lt;sup>55</sup> Report No.: 2022-CR-036, *Indian Affairs Is Unable To Effectively Manage Deferred Maintenance of School Facilities*, DEPT. OF THE INTERIOR OFFICE OF INSPECTOR GENERAL (Mar. 2024). <u>https://www.doioig.gov/sites/default/files/2021-</u> migration/FinalEvaluationReport\_BIEDeferredMaintenance\_Public.pdf.