

**Testimony of Angela Barney Nez, Executive Director of the
Diné Bi Olta School Board Association, Inc.
Regarding FY 13 and FY14 Federal Budget(s)
April 25, 2013**

The Diné Bi Olta School Board Association (**DBOSBA**) is the only school board association established by the Navajo Nation to represent local community school boards; whom shall make recommendations concerning all BIA-funded schools and local community school boards of the schools operated by the Bureau of Indian Education and funded by the Bureau of Indian Affairs for administrative costs. There are currently 66 federally funded schools on the Navajo Nation, 34 of which are operated by a grant or contract under P.L. 93-638 and / or P.L. 100-297 as amended.

TRIBAL GRANT SUPPORT COSTS (TGSC) FORMER ADMINISTRATIVE COST GRANT: P.L. 100-297 authorized Administrative Cost Grants (ACG) now identified as Tribal Grant Support Costs (TGSC) to provide for tribal Grant and Contract Schools to cover school administrative costs. Since enactment, the number of Grant Schools has increased to 66% while the funding level has decreased each year. Under these circumstances Grant Schools cannot be expected to succeed.

Since FY2010, the funding available for TGSC met only 60 percent of need. As a result, schools are forced to divert funds from educational programs to meet statutorily mandated administrative requirements. For current contract and grant schools, \$70.3 million should be appropriated in FY2013-2014 to fully fund TGSC need, with an additional \$2 million to fund the administrative needs of those schools that convert to contract or grant status in FY2013-2014, to avoid diverting funds from existing tribally operated schools.

Over the past four years alone, the reduction in funding to the schools amounted to \$19,847,550. The decrease in ACG funds has forced schools to spend funds from facilities, academic, and Title programs - none of which were intended to cover mandated health insurance, workmen's compensatory insurance, pensions, personnel services, utility costs, and property management.

The Diné Bi Olta School Board Association (DBOSBA) respectfully requests:

- An Increase the TSCG funds to \$72 million to cover funding needs for current grant and contracted schools.

SCHOOL TRANSPORTATION: Students attending BIE-funded and operated schools travel over great distances and very poor road conditions. On the Navajo Nation, approximately 90% of the roads are unimproved and unpaved. The BIE calculates annual school transportation costs based on the miles each bus transports students to and from school. This calculation does not include miles for extracurricular activities. Overall, the transportation funding per mile is \$2.61 covers only 75% of the transportation cost at each school. Student transportation shortages is made up from education program funds. Schools have no choice in the matter; if they cannot get children to school, they cannot educate them.

The Diné Bi Olta School Board Association (DBOSBA) respectfully requests:

- Fund student transportation on parity with the national average of \$3.50, at \$73 million (compared with FY2010 enacted level of \$52.8 million), which is an increase of \$20.2 million over the FY 2010 level.
- Include separate, adequate funding for student transportation needs as it relates to extracurricular activities, bus maintenance, and school vehicles. Generally, fuel costs much more on the Navajo Nation and travel and transportation costs are consequently much higher.

INDIAN SCHOOL EQUALIZATION FORMULA (ISEF): The Indian School Equalization Formula (ISEF) is the core budget account for educational and residential programs of the BIE elementary and secondary schools and dormitories. These funds are for instructional programs at BIE-funded schools and residential programs at dormitories, and include salaries of teachers, teacher aides, principals, and other school-level program administration, kitchen, and dormitory staff. The ISEF amount due to each school is determined by a statutorily-mandated formula established by regulation.¹

During the eight year period of FY 2003 to FY 2010, the ISEF account increased by almost \$45.5 million; but in only two of those years – FY 2009 and FY 2010 - the increase was actually an increase in program funding. For the other years, the requested increases were limited to amounts needed for fixed costs and related changes, as opposed to actual program increases.

At most schools, the chronic shortfall in other key school accounts has a negative impact on ISEF funding, because ISEF funds are most often diverted to make up the shortfalls in school transportation, facilities, administrative costs, etc. which means fewer dollars are available for the education and residential programs.

The Diné Bi Olta School Board Association (DBOSBA) respectfully requests:

- Fund ISEF at \$421 million – or above the FY 2010 enacted level of \$391.7 million.

SCHOOL CONSTRUCTION, FACILITIES, & REPAIR: Because of Federal budget cuts, the Navajo Nation has experienced a significant decline in new school construction, school replacement, severe shortfalls on current construction projects, and inadequate funding for renovation and emergency repairs. 35% of all Bureau of Indian Education-funded schools (or 66 schools) are located on the Navajo Nation; most of these schools have not been considered for New School Replacement.

In 2011, The President's request was only \$52.85 million for BIE school construction and repair, which was a \$60.1 million decrease from the FY10 enacted level. That amount was not enough to address the staggering construction and repair backlog on the Navajo Nation alone. Since FY 2005, the funding levels have dramatically decreased for this critical program. The Navajo Nation seeks \$263.4 million because this was the funding level in FY 2005, which was instrumental in reducing the severe construction and repair backlog. BIA's budget has

¹ 25 C.F.R. 39.12(g)(1) and (2), 39.13 and 39.14.

historically been inadequate. These schools are plagued with asbestos, structural problems, lead paint contamination, leaking roofs, and other health and safety issues resulting in unsafe conditions for students and staff and declining enrollment. The lack of progress over the past seven year in negotiated rulemaking has again seriously impeded tribal participation on school construction matters.

The Diné Bi Olta School Board Association (**DBOSBA**) **respectfully requests:**

- An increase of \$150.4 million from the FY 2010 enacted level of \$112.994 million for a total of \$263.4 million in FY 2013-2014 to the BIA for Indian school construction and repair.
- Congress to approve the Negotiated Rule Making Committee's final recommendations as set forth for school replacement policies and procedures for school renovation and school replacement construction policies and procedures.
- Design and implement a qualitative program to train administrators and board members on the various aspects of planning for new school construction, complete with contingency plans for administrative and school board turnover.

FACILITIES OPERATION & MAINTENANCE: All tribally-operated schools are government facilities however, they do not receive proper funding for their operation and maintenance, and are not replaced on a schedule consistent with appropriate health, safety, habitability and educational standards. The backlog of construction and repair needs is so enormous, that the BIA has even stopped estimating it in the annual budget request. School facilities backlog items are currently estimated at \$14.5 billion.

The *Facilities Operation* account is intended to cover expenses for personnel, electricity, heating fuels, communications, ground maintenance, vehicle rentals (except school buses), refuse collection, custodial services, pest control, water and sewer services, fire/intrusion monitoring, and facilities operation program management. According to BIE, the school system occupies over 21 million square feet of educational space which does not count outside spaces.

Over the eight year span of FY 2003 through FY 2010, annual funding for Facilities Operation has increased by less than \$2 million, a scant 3.2%. The BIE budget does not reveal the percentage of need supplied, while schools report receiving only slightly more than 50% of the amount mandated by the facilities formula. The lack of funding severely hamper schools' ability to pay utility and custodial expenses, it also results in unhealthy, uncomfortable, and unsafe building conditions and deterioration of the federal government's investment in these facilities.

Funding for education *Facilities Maintenance* is used for preventive, routine cyclic, and unscheduled maintenance for all school building, equipment, utility systems, and ground structures. This includes maintenance services for HVAC systems, boilers and other pressure vessels; furnaces; fire alarms and sprinklers; radio repeaters; security systems; utility systems; water needs (wells, water treatment plants, and storage tanks); and outdoor spaces such as sidewalks, driveways, parking lots and landscaping. The severely small level of funding negatively impacts schools' ability to pay utility & custodial expenses and perform much needed routine and preventive maintenance, which also results in unhealthy, uncomfortable, and unsafe

building conditions and rapid deterioration of the federal government's investment in these facilities.

The Diné Bi Olta School Board Association (DBOSBA) respectfully requests:

- Facilities Operations funding at least \$109.8 million, a \$56.9 million increase over FY 2010
- Replacement, Repairs and New Construction Funding Requests from the following Schools:

Navajo schools requesting **new school facilities** since **FY 2010** are: Cove Day School, AZ, Lukachukai Community School, AZ, Tohaali Community School, NM, Tonalea Day School, AZ, Tse'ii'ahi Community School, NM, Rocky Ridge Community School. Schools requesting **new dormitories** since **FY 2011** are Richfield Dormitory, UT, Black Mesa Community School, AZ, Shiprock Associated Schools, Inc. NM, and Chichiltah-Jones Ranch Community school, NM; Kinteel Residential Campus, AZ. School **Facilities Replacement and Repairs** requests **continuing since FY 2012** are:

1. **Kinteel Residential Campus, Inc., AZ** – Request for New Construction
2. **TseI Ahi, NM** – New School Construction-
3. **Many Farms H.S., AZ**- Facilities O&M; staff quarters and historic bldgs.; \$29,994.00
4. **Bread Springs Comm. School, NM** – the school was forced to share a Business Technician moving the principal away from academic tasks. School Replacement award is incomplete;
5. **Tohaali (Toadlena) Community School, NM**–Staff Quarters replacement; roof replacement, abatement. New School Replacement; Bus Maintenance high costs.
6. **Richfield Residential, UT** -New School Replacement;
7. **Rock Point Community School, AZ**– K-12 School replacement Transportation shortfall due to high costs of bus maintenance.
8. **Naaneelzheen Jii Olta (K-8), NM**; Roads Maintenance for Bus Routes; New School construction requests continue from prior years.
9. **Cove Day School, AZ** –New replacement request is currently the CFR listing. Demolition has diminished funds for new construction.
10. **Luepp Schools (K-12), AZ** - request for demolition of old buildings
11. **Tonalea Day School, AZ** – New School Replacement; School Application for a P.L. 100-297 is pending due to lack of Tribal Grant Support Costs.
12. **Cottonwood Day School, AZ**–funds for bus routes; School facilities and Staff Quarters.
13. **Crystal Boarding School, NM**–School replacement; Dorm has deficiencies but is in use.
14. **Wingate Elementary School, NM**–50 units Staff Housing costs at \$8,125,000.00.
15. **Pueblo Pintado Community School, NM** –Transportation funds are limited due to high costs of fuel, GSA rental rates; transportation deficit causing a reduction in bus drivers.
16. **Greasewood Springs Community School, AZ** –Staff Housing Replacement due to age, compliance(s) & safety costs are \$2,556,800; Bus Route Roads Improvement Funding Request.
17. **Sanostee Day School (K-3), NM**- Road improvement for Bus Routes.
18. **Beclabito Day School, NM** – Replacement facilities-major renovation and lack of operational facilities costs, causes program funds to be used for transportation.
19. **T'iis Nazbas Community School, AZ** – Bus transportation cost are increased due to break downs. The school kitchen is in need of new equipment, continually under repair work orders.

NOTHING FOLLOWS