

Written Testimony of Dine Grant Schools Association President Jerry Chavez

Submitted to the

United States House and Senate Committees on Appropriations  
Subcommittees on Interior, Environment, and Related Agencies

Regarding the FY 2018 Indian Affairs Budget

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The Dine Grant Schools Association (DGSA) is comprised of the school boards of six Bureau of Indian Education (BIE)-funded schools which are operated pursuant to the Tribally Controlled Schools Act (PL 100-297) and located on the Navajo Nation in Arizona and New Mexico. These schools are: Dzilh-Na-O-Dith-Hle Community Grant School; Kinteel Residential Campus, Inc.; To'hajilee Day School; Na' Neelzhiin Ji'Olta (Torreon Day School); Hunters Point Boarding School; and Chilchinbeto Community School.

As tribal school boards, we have both the greater freedom and the tremendous responsibility to ensure that our students receive the kind of world-class, culturally relevant education that will help them reach their fullest potential. We take this responsibility seriously and we would like to thank this Subcommittee for playing an important role in our students' success. Further, as the BIE seeks to transition from running schools to supporting the tribal school boards who take on this critical responsibility, the perspective of school boards who are already doing this successfully is more important than ever. This testimony highlights the needs and the best practices of Dine Grant Schools Association member school boards. **Our highest funding priorities are: Tribal Grant Support Costs; Facilities Operations and Maintenance; and ISEP formula funds** in the BIE budget as well as **Education Construction and Repair** in the Bureau of Indian Affairs budget.

**Success through language, culture, community involvement, and high standards.** Successful students know who they are, that they are valued, and that great things are expected of them. Our schools incorporate Navajo language and culture into our curricula. We set rigorous standards that our students must strive to meet and that give them a sense of accomplishment at their achievements.

**Why federal funding matters.** It is difficult to concentrate on lessons if you are too cold or the roof is leaking or the water pipes don't work. It is difficult to take Partnership for Assessment of Readiness for College and Careers (PARCC) online practice tests or take distance learning Advanced Placement classes on dial up speed internet connections. It is difficult to ride the bus, sometimes on unimproved roads, to a crumbling school whose replacement has been identified as a priority, yet no improvements are made because the extensive waiting list for construction puts it on hold for years. These challenges to learning are prevalent throughout Indian Country. What has been different these past several years is Congress's sea change in understanding the extent of these challenges and bipartisan resolve to address them. For this, we are deeply grateful. As we work to provide a world-class education and bright future for our students, we consider Members of Congress to be our partners in this endeavor. Below is a description of the programs that make the greatest difference in our ability to educate our students.

## **Tribal Grant Support Costs**

Since the 1988 Elementary and Secondary Education Act reauthorization, tribally-operated elementary and secondary schools have received funding for the administrative expenses incurred for the operation of BIE-funded schools through an Administrative Cost Grant, now called *Tribal Grant Support Costs* (TGSC). *Tribal Grant Support Costs are the Contract Support Costs for tribally controlled schools.* These funds are used for essential services such as contract/grant administration; program planning and development; human resources; insurance; fiscal, procurement, and property management; required annual audits; recordkeeping; and legal, security and other overhead services.

**Impact.** In FY 2016, Tribal Grant Support Costs were fully funded for the first time and in FY 2017, Congress increased this amount at the BIE's recommendation to \$80 million. In previous fiscal years when TGSC appropriations had been insufficient to meet the level of need without other sources of funding, we had been forced to re-direct more and more funds from our education program budgets to cover essential administrative costs. Our schools were forced to make difficult decisions—such as delaying purchase of new textbooks and other materials, paying non-competitive teacher salaries, reducing the number school days—to fit within these reduced budgets. Even with these cost-saving measures, some schools were still struggling with further reductions in management and business-office personnel at the risk of prudent internal controls and meeting the federally-mandated requirements for fiscal processes and operation of education grants/programs.

**Request.** Consistent, full funding of Tribal Grant Support Costs is a primary prerequisite for tribes to continue to operate schools and for more tribes to decide to take on this responsibility. As proponents of this model, we hope to be joined by even more schools in the coming years. We are grateful for Congress's commitment to full funding and willingness to work with tribal school boards and the BIE to arrive at an amount that fulfills this obligation, particularly as more schools convert from BIE-operated to tribally-controlled schools.

## **Facilities Operations and Maintenance**

*Facilities Operations* funding is for the ongoing operational necessities such as electricity, heating fuels, custodial services, communications, refuse collection and water and sewer service. This budget category saw a \$7 million increase in FY 2016 followed by a \$3 million increase in FY 2017.

*Facilities Maintenance* funds are intended to provide for the preventative, routine, and unscheduled maintenance for all school buildings, equipment, utility systems, and ground structures. This budget category saw a \$7 million increase in FY 2016 followed by a \$3 million increase in FY 2017.

There are numerous studies which attest to the fact that there is a close correlation between poor or inadequate facility conditions and poor student and staff performance. According to the FY 2017 budget justification, 55 of the 183 BIE-funded schools and dormitories (one-third) are still rated in "poor" condition in the Bureau's Education Facility

Condition Index (FCI). Further, the FY 2017 budget justification elaborates that there is \$388.9 million in deferred maintenance backlogs! It is clear that there is a long way to go with regard to upkeep of our schools. Part of the maintenance problem will be solved by replacing aging, deteriorated schools, but federal resources for maintenance are needed to preserve that investment and to ensure our schools' facilities remain fully functional learning environments throughout the length of their design life.

**Impact.** Our schools are making every effort to make do with very modest facilities funding. Since we cannot delay paying our utilities or avoid taking actions that would impact student safety, we often have to resort to using our other education or academic program monies—just like what happened when Tribal Grant Support Costs were not fully funded. We caution that insufficient funding to for Facilities Operations and Maintenance means delaying routine, as well as unscheduled, maintenance of buildings, equipment, utility systems and grounds—thereby jeopardizing student and staff safety. Attempts to moderate electrical and/or heating costs, or reduce custodial and refuse services and similar cost-cutting measures would only make our already compromised learning conditions more uncomfortable and unhealthy for students and staff. If we cannot provide a decent learning environment, how can we expect our students to focus on achieving academic success?

**Request.** The recent increases for these two budget categories are important improvements; however, the FY 2017 budget justification states that the \$66.2 million requested (and provided in the FY 2017 Omnibus appropriations) for Facilities Operations and the \$59 million requested (and provided in the FY 2017 Omnibus appropriations) for Facilities Maintenance would fund 78 percent of calculated Facilities Operations and Maintenance need across BIE-funded schools. We respectfully ask that the Subcommittee consider providing full funding.

### **Indian School Equalization Program (ISEP) Formula Funds**

The Indian School Equalization Program (ISEP) Formula is the core budget account for Educational and Residential programs of the BIE elementary and secondary schools and dormitories. These funds are used for instructional programs at BIE-funded schools and include salaries of teachers, educational technicians, and principals. The amount provided to each school is determined by a statutorily-mandated formula established by regulation.

During the eight-year period of FY 2003 to FY 2010, the ISEP Formula account increased by almost \$45.5 million; but in only two of those years – FY 2009 and FY 2010 – was the increase 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. Funding for ISEP began to fall in FY 2011, and the FY 2015 level was actually \$5 million less than in FY 2010. In FY 2016, Congress provided an increase for fixed costs followed by a \$ 6.5 million *program* increase in FY 2017.

**Impact.** For most BIE-funded schools, the chronic shortfall in the other key school accounts has a negative impact on ISEP Formula funding, because ISEP Formula funds are often diverted to make up the shortfalls in other accounts, such as Tribal Grant Support Costs and

Facilities Operations and Maintenance, when a tribe or tribal school board has no other source of funding to satisfy those shortfalls. This means fewer funds are available for instructional activities. We are tremendously grateful that Congress has increased funding for these critical accounts so ISEP Formula funds can be used for their intended purpose.

**Request.** The \$6.5 million program increase for a total of \$400.2 million that Congress provided in FY 2017 will be very helpful; however, it still does not acknowledge the shortfalls that have been building for years. We respectfully request a total of \$431 million for this critical budget category.

### **Education Construction and Repair**

This funding category within the BIA Construction budget includes Replacement School Construction; Facilities Component Replacement; Facilities Improvement and Repair; and Employee Housing Repair. According to the Department of the Interior, the current backlog of construction projects is estimated to be as high as \$1.3 billion. The BIE has stated that its "next-step" is to "develop a long-term school construction funding plan that will address the needs of all BIE funded schools determined to be in poor condition." We were encouraged by the substantial increase that this Subcommittee provided for Education Construction in FY 2016 and then maintained in FY 2017. We were encouraged to see the language in the FY 2017 Omnibus joint explanatory statement directing the BIE to "submit an allocation plan to the Committees for campus-wide replacement and facilities replacement within 30 days" of the Omnibus's enactment. Finally, we were overjoyed to see that the National Review Committee identified one of our member schools, Dzilth-Na-O-Dith-Hle Community Grant School, for school replacement planning, design and construction funding.

**Impact.** Facilities within the BIE system are woefully outdated and, in some cases, dangerous for students and staff. The lack of an appropriate learning environment in many BIE system schools puts Native students at an unfair disadvantage.

**Request.** We ask that Congress and the BIE consult with tribes and tribal school boards when developing this long-term school replacement and repair plan. Further, we ask that once developed, Congress implement this plan by providing consistent funding for Education Construction and Repair each fiscal year. Adequate and predictable funding will mean that aging schools can finally be replaced in an orderly, scheduled fashion and our students can focus on their most important job: learning.

### **Conclusion**

Thank you for the opportunity to provide testimony on these critical matters. As we work to provide a world-class education and bright future for our students, we greatly appreciate that the Members of this Subcommittee and your colleagues in the Congress have joined as our partners in this endeavor.

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