

**STATEMENT OF JASON FREIHAGE  
DEPUTY ASSISTANT SECRETARY FOR MANAGEMENT  
OFFICE OF THE ASSISTANT SECRETARY FOR INDIAN AFFAIRS  
DEPARTMENT OF THE INTERIOR  
BEFORE THE SUBCOMMITTEE ON INTERIOR, ENVIRONMENT,  
AND RELATED AGENCIES  
HOUSE COMMITTEE ON APPROPRIATIONS  
ON EDUCATION FACILITIES AND CONSTRUCTION**

**July 24, 2019**

Good afternoon Chair McCollum, Ranking Member Joyce, and Members of the Subcommittee. My name is Jason Freihage and I am the Deputy Assistant Secretary for Management (DAS-M) in the Office of the Assistant Secretary for Indian Affairs at the Department of the Interior (Department). Thank you for the opportunity to testify on behalf of the Department for this oversight hearing regarding “Education Facilities and Construction.”

DAS-M provides leadership, policy, compliance and shared services for financial and budget requirements, acquisitions and grants management, information technology, facilities and property, and human resources. Given the focus of today’s hearing, our work in facilities is front and center, however, effective integration of facilities management with our other business services is critical to improving education infrastructure.

DAS-M works closely with BIE to ensure they have the business services needed to support education programs and residential facilities for Indian students from federally recognized tribes at 183 elementary and secondary schools and dormitories. BIE serves approximately eight percent of Native youth, with the majority of Native youth attending public schools. During the 2018-2019 school year, BIE-funded schools served approximately 47,000 individual K-12 American Indian students and residential boarders.

The BIE faces unique challenges in providing a high-quality education to Indian students attending the schools it funds. As the focus of the hearing shows, one of these challenges is improving the state of education facilities. As of the end of Quarter 2 of FY 2019 the total identified deferred maintenance for education facilities was \$639 million. The overall condition of education facilities (based on the Facilities Condition Index (FCI)) was .1026, which is considered poor condition. An FCI rating for Poor condition begins at .1000. As of the end of Quarter 2 of FY 2019 total identified deferred maintenance for education quarters was \$86 million. The overall condition of education quarters based on FCI was .1405.

We are actively addressing improvement of facilities on multiple fronts.

**STANDING UP BIE CAPABILITIES TO MANAGE FACILITIES**

First, we took an important step forward in streamlining management and increasing transparency by proposing, for the first time, separate 2020 budget requests for the Bureau of Indian Affairs (BIA) and BIE. Our rationale for doing so is to address the cumbersome processes

by which simple, yet critical, operations are implemented within the BIE school system. Shortly after our Assistant Secretary for Indian Affairs (AS-IA), Tara Sweeney, was confirmed she pulled together a team to look at our business processes and determined that our native students education and school conditions can be improved by empowering BIE to manage its own operations and maintenance functions. In many instances, simple procurement or service processes required administrative action from every major component of Indian Affairs (IA) – the BIE, BIA, and the AS-IA Office. This budget separation and associated actions to stand up school safety, facility repair and acquisition capabilities within BIE will empower both the BIE and the BIA to more directly, and independently, focus on their respective core missions.

To advance the stand up of BIE capabilities, the 2020 budget request includes \$32.3 million for Education Program Management, an increase of \$7.3 million, which will enable BIE to build much-needed capacity in acquisition, school safety and repairs, performance tracking, and technical support to the field. My DAS-M team and I meet regularly with BIA and BIE leadership to ensure necessary actions are being taken to guarantee an effective development of these capabilities within BIE.

#### **IMPROVING IMPLEMENTATION OF SCHOOL CONSTRUCTION PROJECTS TO MODERNIZE SCHOOL INFRASTRUCTURE**

Second, we have continued to make progress advancing critical school replacement and facility improvement projects. A key factor in our ability to build schools faster and cheaper was a shift to a Design-Build approach. This approach has reduced costs of school construction by roughly 40 percent and time to replace a school has dropped by 50 percent post-planning phase. Additionally, Indian Affairs has established a National Multiple Award Construction Contract (NMACC) that pre-qualified nine Indian-owned design-build qualified contractors to compete for larger projects across Indian Country. This will help shorten contract solicitation time while preserving competition in the selection process.

In total, there are 60 replacement eligible schools – 46 eligible due to poor condition and 14 eligible due to school age and proportion of students in portable units. This is in addition to the active major construction projects: ten 2016 No Child Left Behind (NCLB) schools, three previously funded 2004 replacement list schools, and four schools being addressed through replacement facilities construction and renovation projects. Completion of all projects on the 2004 replacement school construction list is in sight. To date, we completed projects for 11 of the 14 schools on the 2004 list. We recently broke ground at the Beatrice Rafferty school in Maine (planned to be renamed Sipayik Elementary School). Design for the Cove Day school is complete and we expect to advertise a contract for construction this summer. Construction of Little Singer Day School is 87 percent complete and we expect to complete the project by September 2019.

Indian Affairs is also making progress on the 2016 list. With funds appropriated through Fiscal Year (FY) 2019, the first four school replacements are fully funded: Laguna Elementary, Quileute Tribal, Blackwater Community, and Dzilh-Na-O-Dith-Hle Community, and they are proceeding with their design-build projects. Lukachukai Community School is a larger project and \$84.3 million of the \$91 million estimated project costs has been funded. They are also

proceeding with their design-build project. A portion of the effort (employee housing) will be exercised as an option until future funding is available.

We are always looking for new approaches to improve construction implementation. Our Office of Facilities, Property, and Safety Management (OFPSM) has initiated a pilot program to comprehensively assess the 10 schools with the highest (worst) Facilities Condition Index. The assessments will result in a site project plan for each school. The site project plans will be reviewed by the IA Facilities Investment Review Board (FIRB) for approval to proceed. Each school campus will have one of four recommended options: 1) Replace the school; 2) Replace/consolidate a limited number of buildings; 3) Initiate a major renovation and/or focused facilities improvement & repair (FI&R); or 4) Execute some combination of 2 & 3. The site project plans for the first five schools are to be completed by the end of Calendar Year (CY) 2019.

A stable source of funding is critical to maintaining our facilities. The Administration's proposal for the Public Lands Infrastructure Fund would provide an additional stable source of permanent funding to support school construction if enacted.

#### **ADDRESSING SAFETY RELATED CHALLENGES**

Finally, we have aggressively addressed safety-related challenges at schools, which were documented in Government Accountability Office (GAO) findings<sup>1</sup>. BIE considers GAO recommendations a road-map for establishing and maintaining comprehensive internal policies and procedures that support service delivery, ensure accountability, and provide the organizational stability that helps to ensure and maintain an effective safety program.

To address safety-related challenges, DAS-M is collaborating with BIE and BIA. Through this IA collaborative working group, all required school annual safety (workplace) inspections were conducted with a 100 percent completion rate in 2016, 2017, and 2018. Beginning in FY 2019, BIE assumed the responsibility for conducting all BIE school annual safety inspections. BIE is on track to complete 100 percent of inspections in 2019 and are monitoring whether schools have established required safety committees. As of the end of Quarter 3 of FY 2019, 139 (77 percent) school annual safety inspections had been conducted. Identified deficiencies have been entered in the Indian Affairs - Facilities Management System, Safety and Condition Assessment Portal.

We are also working to ensure employee performance standards regarding safety inspections are consistently incorporated into the appraisal plans of personnel with safety program responsibilities. Personnel are on schedule to require safety inspectors to formally document when inspection reports are delivered to schools as well as establish a process to routinely monitor the timeliness of such reports. Further, DAS-M, BIA and BIE staff drafted and recently implemented the "Indian Affairs Safety Health and Accessibility Inspection/Evaluation Guidelines," which establishes IA's internal operating procedures for performing mandatory

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<sup>1</sup> Key Actions Needed to Ensure Safety and Health at Indian School Facilities (GAO-16-313, Mar 10, 2016) (<https://www.gao.gov/products/GAO-16-313>); and, Further Actions Needed to Improve Oversight and Accountability for School Safety Inspections (GAO-17-421, May 24, 2017) (<https://www.gao.gov/products/GAO-17-421>).

workplace inspections/evaluations at least once annually by qualified safety inspectors and more frequently where there is an increased level of hazard at a facility.

## **CONCLUSION**

Chair McCollum, Ranking Member Joyce, and Members of the Subcommittee, thank you for the opportunity to testify and provide the Subcommittee an update regarding BIE school facilities. Work remains, but Department, Indian Affairs, and BIE leadership continue to make progress and remain committed to ensuring our schools are safe and that we have modern facilities needed to improve services to our students. I would be honored to answer any questions that you may have.