Chairman Simpson, Ranking Member Moran, and members of the Subcommittee, thank you for convening this hearing. I am Dr. Heather Shotton, President of the National Indian Education Association (NIEA), and a citizen of the Wichita & Affiliated Tribes. On behalf of NIEA, I am grateful for this opportunity to provide testimony and answer any questions you may have.

Founded in 1970, NIEA’s mission is to advance comprehensive educational opportunities for American Indians, Alaska Natives, and Native Hawaiians. We accomplish this by viewing education as an integrated system consisting of federal, tribal, public, and private partners who coordinate at the federal, state, local, and tribal levels. Our collective membership of educators, tribal leaders, researchers, school administrators, teachers, parents, and students stands over 2000 strong. These education partners work together to ensure Native students have the same opportunity for effective learning and success as their non-Native peers. In support of this vision, NIEA also advocates for the inclusion of traditional Native languages, cultures, and values that enable Native learners to become contributing members of their communities and strengthen Native participation in education.

**State of Native Education**

Native education continues to be in nothing less than an ongoing state of emergency. Native children experience large disparities in academic achievement and educational attainment: reading and math scores are substantially lower than those of other groups and Native students face some of the lowest high school graduation rates in the country. Fewer Native students enroll in college, and even fewer graduate. The situation is increasingly dire in Bureau of Indian Education (BIE) schools. During the 2010-2011 school year, the BIE’s graduation rate stood at just 59 percent and barely one-third of students performed at proficient/advanced levels in language arts and mathematics.

NIEA understands the current fiscal climate. Without sustained or increased funding for Native education programs from Congress, however, increasing achievement rates among Native students and achieving parity for Native education will prove difficult. The following funding levels are crucial to ensure that education programs serving our students are successful.

**Department of the Interior: Recommendations**

**School Construction and Repair: $263.4 million**

This funding category includes school construction, facilities improvement and repair. Schools operated within the BIE system are woefully outdated and in some cases, dangerous.
Currently, more than 60 BIE schools are rated in "poor" condition according to the 2009 BIA index of schools in poor condition. This puts Native students at an unfair disadvantage with their peers. Students cannot be expected to succeed in environments that are often dilapidated and unsafe. Further, decreased funding and moratoriums for new construction cause construction project backlogs. The federal government must uphold its trust responsibility to Native education and fully fund school construction and repair projects.

**BIA School Replacement Funding: $17+ million**

On average, BIE education buildings are 60 years old, while the average age of public schools serving the general population is 40 years old. A recent Department of the Interior (DOI), Office of Inspector General Report found that the dilapidated condition of BIE schools has “the potential to seriously injure or kill students and faculty.” As in the 2013 budget, the President’s FY 2014 budget request for the Bureau of Indian Affairs (BIA) requested no funding for school replacement funding. The elimination of this program is unacceptable. NIEA will work with and ensure that Congress provides funding to this vital program. NIEA requests this Subcommittee reinstate the $17 million from FY 2012 and increase the program’s funds so our Native students have the same opportunity as their non-Native peers to attend safe, structurally sound schools.

**Johnson O’Malley: $36 million**

The Johnson O’Malley program has provided grants to supplement basic student needs since 1934. It is currently being used across the country in innovative ways to assist with the unique cultural and scholastic needs of Native students. Full funding is critical because current funding provides less than $50.00 per student. These funds are often the only source through which Native students – including those in public schools – can engage in basic activities expected of all American students. Some examples include, but are not limited to, field trips, school supplies, and even the acquisition of musical instruments for use in classrooms.

**Tribal Education Departments: $5 million**

This funding assists Tribal Education Departments (TEDs) that are administered by tribes, in implementing innovative education programs that directly improve Native education. This funding allows TEDs to develop academic standards, assess student progress, and create math and science programs that require high academic standards for students in tribal, public, and BIE schools. Tribes utilizing self-governance over education have been very successful because they better understand the circumstances of their populations. Adequately funding TEDs would create the most return on federal dollars spent.

**Student Transportation: $73 million**

BIE schools incur significant costs in transporting Native students to and from school. These costs are considerably higher than most school systems due to the often-rural location of the facilities. Poor road conditions that link the BIE-funded schools increase vehicle maintenance costs. These high costs often lead to funding shortfalls, which then must either go unpaid or funded by diverting funds from other education programs. Therefore, increased funding is critical.

**Facilities Operations: $109 million**
These funds are used for costs such as electricity, heating fuels, communications, GSA vehicle rentals, custodial services, and other vital operating expenses. For years, schools have only received roughly 50% of funding needed for these expenses. This is unacceptable as costs continue to rise for vital services.

**Facilities Maintenance: $76 million**
These funds are utilized for the preventative and routine upkeep, as well as unscheduled maintenance of school buildings, grounds, and utility systems. Underfunding of maintenance continues to be an issue as buildings are in poor conditions and cannot maintain proper standards. Therefore, funding increases to the requested amount are necessary.

**Indian School Equalization Program (ISEP): $431 million**
These funds provide the core budget account for BIE elementary and secondary schools by covering teacher salaries, aides, principals, and other personnel. ISEP funds are often reallocated to cover the program cuts in other areas of education. In the President’s FY 2014 budget request, the BIE would face a $16.5 million reduction to ISEP funds. While NIEA understands the need to constrict budgets, funding other programs or initiatives during these economic times should not decrease ISEP funds. These funds are critical to our students and must be protected. NIEA requests ISEP Funds have adequate funding to ensure program needs are fulfilled.

**Tribal Colleges and Universities (TCUs) (Title I of Tribally Controlled Colleges and Universities Assistance Act): Fully fund Title I at $77.3 million**
TCUs require this $77.3 million funding level for operational costs. TCUs currently account for 37 schools, with enrollment numbers that often strain funding levels. Because of inadequate funding, federal dollars spent for each student has actually declined by nearly $1,000 in recent years. Inadequate funding for tribal colleges and universities detract from the education Native students can achieve.

**Tribal Grant Support Costs: $73 million**
Tribal Grant Support Costs funds the administrative costs of existing tribally operated schools. They also help tribes expand self-governance and tribal control over education programs by allocating monies for administrative costs – accounting, payroll, and other legal requirements. The current funding levels only pays 65% of the current need and must be maintained or increased during budget negotiations. Cuts must be avoided. Otherwise, schools must then divert critical funding to cover any shortfalls.

**Contract Support Costs: $242 million**
NIEA opposes the Administration's FY 2014 proposal to impose significant changes in the BIA by moving line item funding for contract support costs to a separate account from the Operation of Indian Programs. In total, $231 million is provided for contract support costs (CSC), an increase of $9.8 million over FY 2012. However, that total is still below the target $242 million requirement for BIA contract support for FY 2014.

Altering the nature of tribal self-governance by implementing individual statutory tribal caps on the payment of CSC dollars is unacceptable. CSC funding is essential to the operation of
contracted federal programs administered under federally issued indirect cost rate agreements. No change of such a fundamental character should be implemented until there has been thorough consultation with Native partners and studies undertaken jointly by the Indian Health Service, the BIA, and tribal leaders. Consultation must also permit ample opportunity for full tribal participation. NIEA and our Native partners believe that overall statutory caps on CSCs should be eliminated. However, Congress should maintain the status quo for statutory language enacted in FY 2013 until any tribally-developed changes in CSC funding mechanisms, if any, can be included in the FY 2016 Budget. During the interim, NIEA calls upon the Congressional committees to conduct oversight hearings on CSCs.

**BIA Reorganization**

In a March 25, 2013 letter to this Subcommittee, DOI Secretary Ken Salazar explained that based on the 2012 Bronner Assessment, the BIA will soon implement a reorganization of its administrative functions. The realignment will focus on providing more efficient, regional and locally-driven support by decentralizing certain administrative functions from BIA Headquarters in Washington, D.C.

NIEA understands the bureaucratic entanglements in the BIA and how government inefficiencies often inhibit the quick resolution of problems at the local level. NIEA requests sufficient resources for oversight to guarantee consistent and transparent communication between tribal partners and federal officials. There must be measures in place locally and in Washington to ensure this realignment fulfills its expectations and provides increased services for BIE schools and Native students. There should also be opportunities to include parent, teacher, employee, and tribal comments throughout and upon completion of the transition.

NIEA understands the current budget constraints affecting the federal government. However, this realignment must increase services to our students. Tribes should have a chance to provide comments on any realignment-based office closures as well as staffing transitions. There should be procedures in place to ensure tribal access to information to ensure as seamless a transition as possible for our Native students attending BIE schools. NIEA stakeholders have witnessed Bureau-led realignments in the past and any restructuring must guarantee administrative costs and bureaucracy are decreased.

As recently as 2010, Theodore L. Hamilton, a BIE superintendent, detailed the 165% growth of bureaucracy in the BIE management budget between 2005 and 2010. NIEA hopes this realignment does in fact increase efficiency and local-level communication, while providing better support for our students and safeguarding from increasing administrative costs.

**Conclusion**

Mr. Chairman, Ranking Member Moran, and Subcommittee members, NIEA appreciates the Subcommittee’s past and present dedication to improving Native communities and protecting Native education. With your support and through our continued collaboration, NIEA is hopeful that Congress and our federal partners will protect and strengthen programs and funding that ensures parity for our Native students. With an educated citizenry, Native communities will have the opportunity to thrive and succeed in an increasingly competitive global marketplace.
\text{\textsuperscript{ii}}\text{US Census Bureau, American Community Survey 2005-2009 estimates.}\\ 
\text{\textsuperscript{iii}}\text{Bureau of Indian Education, “Bureau-Wide Annual Report Card, 2010-2011.”}\]