



News Release

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Contact: Carolyn Calvin
Senior Public Information Officer
(928) 871-7705

Navajo Nation Opposes Elimination of Federal Scholarship Funds, Further Requests Forward Funding

Navajo Nation officials today vigorously expressed opposition to the Trump Administration's proposal to eliminate funding for critical education programs including higher education scholarships and Johnson O'Malley.

"As leaders of the Navajo Nation President Begaye and myself are disappointed in the Trump Administration," said Vice President Jonathan Nez.

"We believe the scholarships provided to our students, not only help our students financially but also encourage our students to push themselves academically," Vice President Nez said. "They can focus on school and earn their degree so that they can return home and use their fresh ideas to help our people."

On Feb. 12, President Donald Trump submitted his \$4.4 trillion fiscal 2019 budget request to Congress. The budget request includes approximately \$2.4 billion in appropriations for Indian Affairs, which amounts to a 22 percent decrease or \$665 million less than FY 2018 enacted levels.

"The elimination of the higher education grant program will put a college education out of reach to thousands of Navajo students," said Rose Graham, Director of the Office of Navajo Nation Scholarships & Financial Assistance. "The administration's budget proposal is alarming. Tribes were not properly consulted with or informed about the proposed budget cuts."

"Without the financial support provided by the Higher Education Grant program, students may have to take on more student debt, pick up another job or put off college plans," Ms. Graham said. "Students with the most need may have to drop out of school. The unemployment rate is high on the Navajo Nation. Without work, it is difficult for a person to rise out of poverty and even pay for basic needs or higher education."

A total of 12,807 students submitted applications to the scholarship office in 2017. Of those, a total of 2,027 Navajo students received awards from federal funds. Another 4,728 students received awards from other sources including Navajo Nation and trust fund revenues. Significantly, more than 1,600 award recipients attained a college degree in 2017.

A demographic analysis of the Navajo Nation using 2010 Census and American Community Estimates reveals that of the population 25 years or older, approximately 7.7 percent have an Associate's degree, 4.2 percent have a Bachelor's degree and 2.9 percent have a graduate or professional degree.

"Also, elimination of the Higher Education Grant program will have a major impact on the Navajo Nation government as federal funds are used to pay for operating and personnel costs of the scholarship office. Twenty-eight full-time jobs and the funds needed to operate the ONNSFA's five agency will be lost," she said.

In Fiscal Year 2017, the Navajo Nation received approximately \$13 million in Higher Education Grant funds through a P.L. 93-638 contract from the Bureau of Indian Affairs. Of that amount, about \$11 million was used for scholarship awards and another \$2 million was used for operating and personnel costs.

Ms. Graham pointed out that Higher Education Funds would be zeroed out for all tribes served by the BIA, not just the Navajo Nation. Funding to organizations that provide scholarships to graduate students such as the American Indian Graduate Center is also proposed to be eliminated.

The BIA's FY 2018 appropriation for scholarships and adult education was approximately \$35 million. The administration's budget justification for eliminating several programs including the Higher Education Grant, Early Childhood Development and JOM is merely: "The FY 2019 budget does not request funding for this program."

"Native American college students will be put at a further disadvantage," Ms. Graham said. "Even with the gains we have made in recent years, there still is a long way to go to overcome the lack of opportunity students have continually faced."

Other programs slated for elimination by the administration includes funding for Tribal Education Departments, Early Childhood Development, Johnson O'Malley (JOM), Juvenile Detention Education. Small and Needy tribes, the Housing Improvement Program, Tribal Climate Resilience and Alaskan Native Programs.

"Higher education is vital to the Navajo Nation's future. Workers who hold a college degree are more likely have to have good jobs and higher earnings. It is a means for communities and individuals to overcome poverty," said Ms. Graham.

Ms. Graham expressed hope that lawmakers continue to prioritize education including the Higher Education Grant program and consider forward funding scholarships. "The Navajo Nation is already on record requesting that Congress consider forward funding scholarships so that awards could be made on a timely basis. It would take a one-time appropriation of about \$26 million to move the scholarship program to forward-funded status."

Navajo Nation President Russell Begaye is scheduled to appear before the House Committee on Appropriations Subcommittee on Interior, Environment, and Related Agencies' public witness hearings on American Indian/Alaska Native programs that will be held on Wednesday, May 9, and Thursday, May 10, in Washington, D.C.

Interested parties may submit written testimony to be included in the official record. An electronic copy of testimony must be received no later than close of business Friday, May 18, 2018.

Email testimony as an attachment to INApprop.Detailee@mail.house.gov with a subject line "Written Testimony".

All written testimony must comply with the following requirements:

- Do not exceed four pages –testimony that exceeds four pages will be truncated.
- Type on standard 8.5 by 11-inch letter size paper.
- Single-space type in 12 point font with one-inch margins.
- Clearly indicate your name, title, and institutional affiliation (if any) at the top of the first page.
- Clearly state in the first paragraph the agency, program, and amount of funding involved in the request.
- Do not include color and detailed photos, since the official record will contain photographically reproduced copies of written testimony. Use of charts and tables and the use of appropriate bold type and bullets are acceptable, as long as they are within the four-page maximum length.
- All document files will be accepted, but PDF documents are preferred.



BUDGET The United States
Department of the Interior
JUSTIFICATIONS

and Performance Information
Fiscal Year 2019

INDIAN AFFAIRS

NOTICE: These budget justifications are prepared for the Interior, Environment and Related Agencies Appropriations Subcommittees. Approval for release of the justifications prior to their printing in the public record of the Subcommittee hearings may be obtained through the Office of Budget of the Department of the Interior.

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Bureau of Indian Education							
<i>(Dollars in thousands)</i>							
Subactivity Program Element	2017 Enacted	2018 Planning Baseline	FY 2019				Changes from 2018
			Internal Transfers	Fixed Costs	Program Changes	Budget Request	
Elementary and Secondary (Forward Funded)	575,155	571,250		1,439	-60,901	511,788	-59,462
ISEP Formula Funds	400,223	397,506		1,259	-20,710	378,055	-19,451
ISEP Program Adjustments	5,412	5,375		22	-2,780	2,617	-2,758
Education Program Enhancements	12,201	12,118		30	-5,807	6,341	-5,777
Tribal Education Departments (TEDs)	2,500	2,483			-2,483		-2,483
Student Transportation	55,995	55,615		128	-4,941	50,802	-4,813
Early Child & Family Development	18,659	18,532			-18,532		-18,532
Tribal Grant Support Costs	80,165	79,621			-5,648	73,973	-5,648
<i>FTE</i>	1,696	1,696			-51	1,645	
Elementary/Secondary Programs	140,540	139,586		409	-25,867	114,128	-25,458
Facilities Operations	66,219	65,769		187	-5,551	60,405	-5,364
Facilities Maintenance	59,043	58,642		222	-5,141	53,723	-4,919
Juvenile Detention Center Education	500	497			-497		-497
Johnson-O'Malley Assistance Grants (TPA)	14,778	14,678			-14,678		-14,678
<i>FTE</i>	369	369				369	
Post-Secondary Programs (Forward Funded)	77,207	76,683			-4,555	72,128	-4,555
Haskell & SIPI (forward funded)							
Tribal Colleges and Universities	69,793	69,319			-3,655	65,664	-3,655
Tribal Technical Colleges	7,414	7,364			-900	6,464	-900
<i>FTE</i>							
Post-Secondary Programs	63,561	63,130		181	-42,787	20,524	-42,606
Haskell & SIPI	22,117	21,967		181	-2,772	19,376	-2,591
Tribal Colleges & Universities							
Supplements (TPA)	1,219	1,211			-63	1,148	-63
Tribal Technical Colleges							
Scholarships & Adult Education (TPA)	34,783	34,547			-34,547		-34,547
Special Higher Education Scholarships	2,992	2,972			-2,972		-2,972
Science Post Graduate Scholarship Fund	2,450	2,433			-2,433		-2,433
<i>FTE</i>	169	169			-2	167	
Education Management	35,050	34,812		101	-11,631	23,282	-11,530
Education Program Management	24,763	24,595		96	-9,116	15,575	-9,020
Education IT	10,287	10,217		5	-2,515	7,707	-2,510
<i>FTE</i>	125	125			-37	88	
Total Requirements	891,513	885,461		2,130	-145,741	741,850	-143,611
<i>FTE</i>	2,359	2,359			-90	2,269	

The BIE serves as a capacity builder and service provider to support Tribes in delivering culturally appropriate education with high academic standards to allow students across Indian Country to achieve success. The core mission of the BIE is to support the BIE school system and administer grants to higher education tribal institutions. The Bureau of Indian Education manages a school system with 169 elementary and secondary schools and 14 dormitories providing educational services to 47,000 individual students, with an Average Daily Membership of 41,000 students in 23 States. The BIE also operates two post-secondary schools and administers grants for 29 tribally controlled colleges and universities and two tribal technical colleges.

Justification of 2019 Program Changes:

ISEP Formula Funds (Forward Funded) (-\$20,710,000):

The ISEP formula funds serve as the primary funding source for basic and supplemental educational programs at BIE-funded elementary and secondary schools. The FY 2019 proposed level of funding for School Year (SY) 2019-2020 will provide an estimated \$5,272 per Weighted Student Unit (WSU).

ISEP Program Adjustments (Forward Funded) (-\$2,780,000):

ISEP Program Adjustments enable BIE-funded schools to respond to specific findings of need or deficiencies. The FY 2019 proposed level allows BIE to prioritize contracts supported by adjustments, such as continuing to provide BIE the ability to fund safety operations and support safe and secure schools.

Education Program Enhancements (Forward Funded) (\$-5,807,000):

In FY 2019, BIE will continue to provide basic services and technical assistance to schools to improve student outcomes, such as identifying and supporting school improvement measures, data-driven methodologies, innovative programs, and resource materials that complement and enhance existing programs.

Tribal Education Departments (Forward Funded) (-\$2,483,000):

The FY 2019 budget does not request funding for this program to enable BIE to focus its efforts on direct school operations and classroom instruction.

Student Transportation (Forward Funded) (-\$4,941,000):

The BIE school system is located across 64 reservations in 23 states in largely rural and geographically remote areas. The annual transportation distance for BIE schools totals nearly 14.9 million miles, not counting bus, train and airline costs to transport residential students. The proposed FY 2019 budget funds transportation at a rate of \$3.11 per mile for SY 2019-2020.

Early Child Development (Forward Funded) (-\$18,532,000; FTE -51):

The FY 2019 budget does not request funding for this program.

Tribal Grant Support Costs (Forward Funded) (-\$5,648,000):

The FY 2019 budget request supports 100% of Tribal Grant Support Costs calculated need.

Facilities Operations (-\$5,551,000):

The Education Facilities Operations program conducts repair services, custodial services, grounds maintenance, fire protection response and inspection, refuse collection and disposal, utility services, and abates safety and health deficiencies.

Facilities Maintenance (-\$5,141,000):

The Education Facilities Maintenance funds address annual facilities maintenance and unscheduled maintenance problems costing less than \$2,500.

Juvenile Detention Center Education (-\$497,000):

The FY 2019 budget does not request funding for this program.

Johnson O'Malley Assistance Grants (TPA) (-\$14,678,000):

The FY 2019 budget does not request funding for this program.

Tribal Colleges and Universities (Forward Funded) (-\$3,655,000):

The Tribal Colleges and Universities (TCU) receiving grants in FY 2019 will provide services to an estimated 23,000 students.

Tribal Technical Colleges (Forward Funded) (-\$900,000):

The Tribal Technical Colleges (forward funded) program funds core functions (e.g., classroom instruction and school operations) at United Tribes Technical College (UTTC) and for Navajo Technical University (NTU).

Haskell and SIPI (-\$2,772,000):

In FY 2019, Haskell and SIPI will support an estimated 949 and 529 students respectively. Haskell will continue the successful efforts begun in the 2016-2017 academic year to increase student retention and graduation rates. SIPI will continue the "Expect Success" framework which utilizes data to track student cohorts and develop customized interventions to improve academic success and student retention.

Tribal Colleges and Universities Supplements (TPA) (-\$63,000):

Tribes may choose to direct Tribal Priority Allocations (TPA) funds to supplement the operation of their TCUs. Currently, six tribes are providing tribal colleges with these funds. Funds are used for policy development, curriculum additions, and general program operations designed to meet the specific needs of a TCUs' community members.

Scholarships and Adult Education (TPA) (-\$34,547,000; FTE -2):

The FY 2019 budget does not request funding for this program.

Special Higher Education Scholarships (-\$2,972):

The FY 2019 budget does not request funding for this program.

Science Post Graduate Scholarship Fund (-\$2,433):

The FY 2019 budget does not request funding for this program.

Education Program Management (-\$9,116; FTE -37):

Administrative Savings (-\$206,000)

To support prioritizing core responsibilities, the FY 2019 budget request includes \$206,000 in administrative savings attained by consolidating and sharing administrative services such as, procurement, Information Technology, and Human Resources; and by shifting acquisition spending to less costly contracts.

Program Efficiencies (-\$8,910)

In FY 2019, BIE will continue to restructure and expand responsibility for administrative services and construction.

Education IT (-\$2,515):**Administrative Savings (-\$157,000)**

To support prioritizing core responsibilities, the FY 2019 budget request includes \$157,000 in administrative savings attained by consolidating and sharing administrative services such as, procurement, Information Technology, and Human Resources; and by shifting acquisition spending to less costly contracts.

Program Efficiencies (-\$2,358)

In FY 2019, BIE will meet core IT needs including support for the Wide Area Network (WAN) infrastructure and data systems to manage school records and student performance.

Bureau of Indian Education Overview:

The United States has a trust and treaty responsibility to provide eligible Indian students with a quality education that reflects the unique cultural, geographic, and socio-economic circumstances of Indian Country. The BIE serves as the principal government agency in ensuring that the United States' educational obligations to Indian tribes and their eligible Indian students are fulfilled. As stated in Title 25 CFR, Part 32.3, BIE's mission is to provide quality education opportunities from early childhood through life in accordance with a tribe's needs for cultural and economic well-being, in keeping with the wide diversity of Indian tribes and Alaska Native villages as distinct cultural and governmental entities.

Historically, there have been three major legislative actions aimed at improving the delivery of education to eligible Indian students. First, the Indian Reorganization Act of 1934 introduced the teaching of Indian history and culture in BIA schools (until then it had been Federal policy to acculturate and assimilate Indian people through a boarding school system). Second, the Indian Self-Determination and Education Assistance Act of 1975 (Pub.L. 93-638) gave authority to federally recognized tribes to contract with the Bureau of Indian Affairs (BIA) for the operation of Bureau-funded schools and to determine education programs suitable for their children. Third, the Education Amendments Act of 1978 (Pub.L. 95-561) and further technical amendments (Pub.L. 98-511, 99-99, and 100-297) provided funds directly to tribally operated schools, empowered Indian school boards, permitted local hiring of teachers and staff, and established a direct line of authority between the BIE Director and the AS-IA. The No Child Left Behind Act of 2001 (Pub.L. 107-110) brought additional requirements to the schools by holding them accountable for improving their students' academic performance with the Department of Education supplemental program funds.

Education Subactivities

The *Elementary and Secondary (forward funded)* subactivity provides the primary funding for the core functions of the BIE school system: educational programs (including supplemental programs), transportation, security, and school administration. These funds are forward funded, meaning they are executed during a 15-month period between July 1 of the appropriation year and September 30 of the following appropriation year.

The *Elementary/Secondary* subactivity, including facilities operations and maintenance funds, is distributed at the beginning of the fiscal year, and are expendable for a 24-month period. Collectively, these two subactivities support a total of 183 elementary, secondary, residential and peripheral dormitories across 23 states, 131 schools are tribally controlled under Pub.L. 93-638 contracts or Pub.L. 100-297 Tribally Controlled Grant Schools Act, and 52 schools are operated by the BIE. The BIE elementary and secondary school system serves about 46,810 individual students with a calculated three year Average Daily Membership of 40,728 students.

The *Post-Secondary (forward funded)* subactivity provides funding to 29 Tribally Controlled Universities and two technical colleges. The funds are provided in July of the appropriation year and are available for use during the forthcoming school year via operating grants, endowment grants, and technical assistance.

The *Post-Secondary* subactivity funds the operation of BIE’s two post-secondary institutions: Haskell Indian Nations University and Southwestern Indian Polytechnic Institute (SIPI). Funds are also used for supplements to Tribal Colleges and Universities.

The *Education Management* subactivity consists of Education Program Management and Information Technology. This subactivity represents just over two percent of total funding (including all funding provided to BIE by the Department of Education) for BIE educational activities. Education Management supports staff at BIE’s Education Resource Centers (ERC) in their role providing direct and customized technical assistance. The BIE’s ERCs are forward-located in close geographical proximity to the schools and dormitories within their respective service areas.

BIE-Funded Operations by Category			
Type Unit	FY 2018 Total Count	FY 2018 Tribally Operated	FY 2018 BIE Operated
Early Childhood Centers	47	31	16
Elementary and Secondary Schools	183	131	52
Day Schools	118	93	25
Dormitories	14	13	1
Boarding Schools	44	22	22
Off Reservation Boarding Schools	7	3	4
Post-Secondary Schools	33	31	2
BIE-Owned Schools	2	0	2
Tribal Colleges and Universities Grants	29	29	0
Tribal Technical Colleges	2	2	0

Funding Sources

The FY 2019 request for BIE elementary and secondary school operations is \$625,890,000. In addition, the Department of Education will transfer approximately \$215,000,000 to educate and provide services to students attending BIE-funded elementary and secondary schools. BIE serves in the capacity of a State Education Agency (SEA) and administers and oversees the Department of Education’s programs for