

**STATEMENT OF CARRIE L. BILLY, PRESIDENT & CEO OF  
THE AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM  
SUBMITTED TO THE U.S. HOUSE OF REPRESENTATIVES - COMMITTEE ON APPROPRIATIONS  
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES  
DEPARTMENT OF THE INTERIOR - BUREAU OF INDIAN EDUCATION**

**April 3, 2014**

**I. REQUEST SUMMARY**

On behalf of the nation's Tribal Colleges and Universities (TCUs), which collectively are the American Indian Higher Education Consortium (AIHEC), thank you for this opportunity to present our Fiscal Year 2015 (FY 2015) appropriations recommendations for the 30 colleges funded under various titles of the Tribally Controlled Colleges and Universities Assistance Act (Tribal College Act); the Bureau of Indian Education postsecondary institutions; and the Institute of American Indian Arts. The Bureau of Indian Education administers these programs, save for the Institute of American Indian Arts, which is congressionally chartered and funded directly through the Department of the Interior.

In FY 2015, TCUs seek \$78.8 million for institutional operations, an endowment building program, and technical assistance under the *Tribally Controlled Colleges and Universities Assistance Act of 1978* or Tribal College Act; of which, \$78.1 million for Titles I & II grants (28 TCUs); \$109,000 for Title III (endowment grants), and \$600,000 for increasingly needed technical assistance. TCUs are founded and chartered by our respective American Indian tribes, which hold a special legal relationship with the federal government, actualized by more than 400 treaties, several Supreme Court decisions, prior Congressional action, and the ceding of more than one billion acres of land to the federal government. Despite the trust responsibility and treaty obligations, the TCUs' primary source of basic operating funds has never been adequately funded. Further, our member institutions – already operating on shoestring budgets – now are suffering the awful impact of sequestration. Should sequestration resume in FY 2016, along with across the board cuts that have become part of the regular order, the tribal colleges will suffer even greater annual reductions to this already underfunded program. Regrettably, the more than 30-year federal investment in this program, which has proven to be a cost-effective, efficient, and transformative, may be lost as some of tribal colleges could be forced to close their doors. They simply cannot continue to operate on the austere budgets they receive. After 34 years, our FY 2015 request seeks to achieve 85 percent of the authorized funding level for institutional operating grants, which is based on a per Indian student allocation; and to retain \$600,000 to provide critically needed ever changing technical assistance.

AIHEC's membership also includes tribally controlled postsecondary career and technical institutions, a portion of whose institutional operations funding is authorized under Title V of the Tribal College Act. AIHEC requests \$9,372,000 for this program. For the Institute of American Indian Arts, AIHEC supports the President's budget request of \$11,469,000, of which \$2,000,000 is to begin to forward fund the college. Haskell Indian Nations University and Southwestern Indian Polytechnic Institute are the two Bureau of Indian Education's two postsecondary institutions. AIHEC supports the highest possible funding level for these valuable institutions.

Lastly, AIHEC seeks a one-time appropriation of \$22 million needed to forward fund the operations grants of the remaining TCUs that are not so funded. Five TCUs are the ONLY schools whose operations funding come from the Department of the Interior that are NOT forwarded funded. All other BIE/Interior schools are forward funded and are able to plan multi-year budgets and to start (and end) the school year with

dependable funding. Forward funding does NOT increase the federal budget over the long-run. It simply allows vital education programs to receive basic operating funds before each school year begins, which is critically important when the federal government is funded under continuing resolutions.

## II. TCU SHOESTRING BUDGETS: “DOING SO MUCH WITH SO LITTLE”

Tribal Colleges and Universities are an essential component of American Indian/Alaska Native (AI/AN) education. Currently, 37 TCUs operate more than 75 campuses and sites in 16 states, within whose geographic boundaries 80 percent of all American Indian reservations and federal Indian trust land lie. They serve students from well over 250 federally recognized tribes, 80 percent of whom receive federal financial aid. In total, the TCUs annually serve about 88,000 AIs/ANs through a wide variety of academic and community-based programs. TCUs are public institutions accredited by independent, regional accreditation agencies and like all U.S. institutions of higher education must periodically undergo stringent performance reviews to retain their accreditation status. Each TCU is committed to improving the lives of its students through higher education and to moving American Indians toward self-sufficiency. To do this, TCUs must fulfill additional roles within their respective reservation communities functioning as community centers, libraries, tribal archives, career and business centers, economic development centers, public meeting places, and child and elder care centers.

The federal government, despite its direct trust responsibility and treaty obligations, has never fully funded the TCUs' institutional operating budgets, authorized under the Tribally Controlled Colleges and Universities Assistance Act of 1978. In fact, TCU operating funding is far below the level received by other institutions of higher education. The Administration requests and Congress appropriates approximately \$200 million annually towards the institutional operations of Howard University (exclusive of its medical school), *the only other Minority Serving Institution (MSI) that receives institutional operations funding from the federal government*. Howard University's current federal operating support exceeds \$22,000/student, because this is the level of need as determined by the U.S. government. In contrast, most TCUs receive \$5,850/Indian Student (ISC) under the Tribal College Act, only about 73 percent of the authorized level. TCUs have proven that they need and have earned an investment equal to -- at the very least -- the Congressionally authorized level of \$8,000/Indian student. Please understand that we are by no means suggesting that our sister MSI, Howard University does not need or deserve the funding it receives, only that the TCUs also need and deserve adequate institutional operations funding; however, TCU operating budgets remain grossly underfunded.

TCU budgets are at a further disadvantage because the colleges receive funding for only about 80 percent of their students. Almost every other U.S. institution of higher education receives institutional operations funding based on its entire student body. However, it is important to note that although approximately **20 percent of the TCUs' collective enrollments are non-Indian students** living in the local community, TCUs **only receive federal funding based on Indian students**, defined as a member of a federally recognized tribe or a biological child of an enrolled tribal member. While many TCUs do seek funding from their respective state legislatures for their non-Indian state-residents students (sometimes referred to as “non-beneficiary” students) successes have been at best inconsistent. Yet, if a TCU's non-beneficiary students attended any other public institution in the state, the state would provide the college with ongoing funding toward its day-to-day operations. Given their locations, often hundreds of miles from another postsecondary institution, TCUs remain open to all students, Indian and non-Indian, believing that education in general, and postsecondary education in particular is the catalyst for a better economic future for their regions.

### III. FURTHER JUSTIFICATIONS & FACTS

- a) **TCUs provide access to valuable postsecondary education opportunities.** Tribal Colleges and Universities provide access to higher education for American Indians and others living in some of the nation's most rural and economically depressed areas. In fact, seven of the nation's 10 poorest counties are home to a TCU. The American Community Survey/ U.S. Census Bureau reported the annual per capita income of the U.S. population as \$27,100. However, the annual per capita income of AI/ANs is reported to be \$13,300, or less than half that of the general population. TCUs offer their students a high level of support and guidance to bolster their chances of achieving academic success. In addition to serving their student populations, these tribal institutions offer a variety of much needed community outreach programs.
- b) **TCUs are producing an American Indian workforce that includes highly trained American Indian teachers, tribal government leaders, nurses, engineers, computer programmers, and other much-needed professionals.** By teaching the job skills most in demand on their reservations, TCUs are laying a solid foundation for tribal economic growth, with benefits for surrounding communities and the nation as a whole. In contrast to the high rates of unemployment on many reservations, graduates of TCUs are employed in "high demand" occupational areas such as Head Start teachers, elementary and secondary school teachers, agriculture and land management specialists, and nurses/health care providers. Just as important, the vast majority of tribal college graduates remains in their tribal communities, applying their newly acquired skills and knowledge where they are most needed.
- c) **Growing number of TCUs** - Compounding existing funding disparities is the fact that although the numbers of TCUs and students enrolled in them have dramatically increased since they were first funded in 1981, appropriations have increased at a disproportionately low rate. Since 1981, the number of tribal colleges has more than quadrupled and continues to grow; the number of Indian students enrolled has risen over 355 percent. In the past 10 years, six additional TCUs have become accredited and eligible for funding under Title I of the Tribal College Act, and there are several more colleges currently in the pipeline. TCUs are in many ways victims of their own successes. The growing number of tribally chartered colleges and universities and increasing enrollments have forced TCUs to slice an already inadequate annual funding pie into even smaller pieces.
- d) **Local Tax and Revenue Bases** - TCUs cannot rely on a local tax base for revenue. Although tribes have the sovereign authority to tax, high reservation poverty rates, the trust status of reservation lands, and the lack of strong reservation economies hinder the creation of a reservation tax base. As noted earlier, on Indian reservations that are home to TCUs, the unemployment rate can well exceed 70 percent. By contrast, the national unemployment rate is currently 6.7 percent.
- e) **Gaming and the TCUs** - Although several of the reservations served by TCUs do have gaming operations, these are not the mega-casinos located in proximity to urban outlets and featured in the broad-based media. Only a handful of TCUs receive regular income from the chartering tribe's gaming revenue, and the amounts received can vary greatly from year to year. Most reservation casinos are small businesses that use their gaming revenue to improve the local standard of living and potentially diversify into other, more sustainable areas of economic development. In the interim, where relevant,

local TCUs offer courses in casino management and hospitality services to formally train tribal members to work in their local tribally run casinos.

Some form of gaming is legalized in 48 states, but the federal government has not used the revenues generated from state gaming as a justification to decrease federal funding to other public colleges or universities. Some have suggested that those tribes that operate the few enormously successful and widely publicized casinos should be financing higher education for all American Indians. And yet, no state is expected to share its gaming revenue with a non-gaming state.

#### **V. APPROPRIATIONS REQUEST FOR FY 2015**

As noted earlier, it has been over three decades since the Tribal College Act was first funded, and the TCUs have yet to receive the Congressionally authorized per Indian student funding level. Full funding for the TCUs' institutional operating grants (\$8,000 per Indian student) for FY 2015 would require an increase of approximately \$24 million over the FY 2014 appropriated level. However, we recognize the budget constraints the nation is currently facing and consequently, we are not requesting that level of increase in FY 2015. Rather, our goal is to achieve 85 percent of the authorized funding level, determined by the per Indian student allocation. This requires a modest increase of \$9 million over FY 2014. Details of the request are outlined in the Request Summary above.

#### **VI. CONCLUSION**

AIHEC Member institutions/Tribal Colleges and Universities provide quality higher education to many thousands of American Indians and other reservation residents who might otherwise not have access to such opportunities. The modest federal investment that has been made in TCUs has paid great dividends in terms of employment, education, and economic development. Continuation of this investment makes sound moral and fiscal sense.

We greatly appreciate your past and continued support of the nation's Tribal Colleges and Universities and your serious consideration of our FY 2015 appropriations requests.