

# GAO Highlights

Highlights of [GAO-24-105451](#), a report to congressional addressees

## Why GAO Did This Study

Many of BIE's 183 schools are located in remote tribal lands that faced extraordinary challenges during the COVID-19 pandemic and continue to experience ongoing effects. Congress appropriated about \$1.5 billion to help BIE and its schools respond to the pandemic. GAO reviewed the use of COVID-19 relief funds by schools and BIE as part of GAO's responsibilities under the CARES Act.

This report examines how BIE and schools spent their COVID funds and BIE's guidance to schools on fund use, and the extent to which BIE oversees schools' fund use. GAO surveyed a generalizable sample of 85 BIE schools, with 70 schools responding, to collect information on their use of COVID funds and the extent to which BIE provided them guidance on spending. GAO also analyzed agency data on BIE schools' purchase card activity; reviewed relevant federal statutes, regulations, and agency policies and procedures for overseeing school COVID spending; and interviewed BIE and school officials.

## What GAO Recommends

GAO is making four recommendations to BIE to establish controls to ensure staff consistently follow agency procedures when schools do not submit timely single audit reports, document and report on COVID fund monitoring of high-risk schools, build capacity for fiscal monitoring of high-risk schools, and consistently use the required tool and procedures for monitoring school purchase card transactions. The agency agreed with the recommendations.

View [GAO-24-105451](#). For more information, contact Melissa Emrey-Arras at (617) 788-0534 or [emreyarrasm@gao.gov](mailto:emreyarrasm@gao.gov).

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# BUREAU OF INDIAN EDUCATION

## Improved Oversight of Schools' COVID-19 Spending is Needed

### What GAO Found

The Bureau of Indian Education (BIE) and its schools used federal COVID-19 relief funds mainly to support distance learning and prevent the spread of COVID-19 in schools. For example, BIE spent nearly \$60 million of its COVID funds on IT and broadband supports for schools, including student laptops and Wi-Fi equipment for distance learning. Similarly, nearly all of the 70 BIE schools that responded to GAO's survey reported prioritizing their COVID funds for laptops and tablets and for personal protective equipment, cleaning supplies, and COVID tests. Schools generally reported that BIE offered regular guidance and support for spending COVID funds.

BIE uses several processes to monitor schools' COVID spending, including reviewing schools' single audit reports, overseeing schools at high risk of financial mismanagement, and monitoring schools' purchase card use for fraud and misuse. However, GAO found that due to insufficient controls, BIE staff did not consistently follow these processes, which limited accountability for use of COVID funds. For example, a little over a quarter of required fiscal year 2021 single audit reports for schools and Tribes that received BIE grant funds were late or not submitted as of November 2023. But BIE did not follow agency standard procedures for applying or increasing financial conditions for 19 of the 28 grantees that failed to submit a timely single audit report that year. Without timely single audit reports, BIE lacks vital information for overseeing schools' financial management. Further, BIE did not conduct sufficient oversight of high-risk schools' COVID spending and lacked the staff capacity to complete all required monitoring. Such oversight is critical for helping schools correct errors and avoid them in the future. Finally, GAO found that for BIE-operated schools, nearly half of COVID fund spending with purchase cards between March 2020 and August 2022 involved elevated risk transactions according to agency data (see figure). Examples of elevated risk transactions include the purchase of gift cards or multiple purchases at the same merchant within a certain number of days that total more than the single purchase limit. However, BIE did not provide evidence that it had investigated these transactions for fraud or misuse.

**Bureau of Indian Education Schools' COVID Fund Spending with Purchase Cards, March 2020 to August 2022**



Source: GAO analysis of Interior data. | [GAO-24-105451](#)

In addition, GAO found that BIE staff did not consistently use the required tool or procedures for tracking and investigating suspicious transactions. Without addressing these gaps in its oversight of schools' COVID spending, BIE cannot ensure that schools will use remaining COVID funds appropriately to provide students the support they need.