

GAO Highlights

Highlights of [GAO-17-447](#), a report to the Subcommittee on Interior, Environment, and Related Agencies, Committee on Appropriations, House of Representatives

Why GAO Did This Study

Indian Affairs is responsible for operating and maintaining 1,785 buildings at 185 K-12 BIE schools, including dormitory buildings for students, on or near reservations. These buildings had an estimated value of \$4.5 billion in 2016. Many of these schools are in poor condition and have safety hazards. GAO was asked to review Indian Affairs' processes to fund and oversee the repair and replacement of schools.

GAO examined the extent to which Indian Affairs (1) has a comprehensive plan to maintain, repair, or replace schools and ensure the efficient use of funds, and (2) ensures accountability throughout the school construction process. GAO assessed agency data on the cost and timeliness of 49 school replacement projects completed from fiscal year 2003 through 2016, and reviewed contract and grant files for 10 school construction projects selected from schools that had recent or ongoing projects. GAO also assessed Indian Affairs' practices against its policies, design standards, and federal laws and regulations and interviewed agency and school officials.

What GAO Recommends

GAO is making six recommendations, including that Indian Affairs develop a capital asset plan for school facility construction and repair, develop and implement guidance on how to use accountability measures, and improve oversight of projects. Interior agreed with five of the recommendations and disagreed with one. GAO continues to believe its recommendation is valid, as discussed further in this report.

View [GAO-17-447](#). For more information, contact Melissa Emrey-Arras at (617) 788-0534 or emreyarrasm@gao.gov.

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INDIAN AFFAIRS

Actions Needed to Better Manage Indian School Construction Projects

What GAO Found

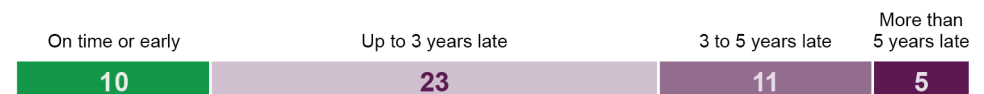
The Department of the Interior's (Interior) Office of the Assistant Secretary-Indian Affairs (Indian Affairs) does not have a comprehensive capital asset plan to guide the allocation of funding for school construction projects across its 185 Bureau of Indian Education (BIE) schools. Indian Affairs is in the process of replacing 3 schools and plans to replace 10 additional schools from a list of 54 schools that applied in 2015. However, Indian Affairs has not developed a comprehensive, long-term capital asset plan for the repair or replacement of the remaining schools in its portfolio, as required by Interior policy. Until Indian Affairs develops a capital asset plan, it risks using federal funds inefficiently and not prioritizing funds to schools with the most pressing needs.

Indian Affairs has not consistently used accountability measures or conducted sufficient oversight to ensure that BIE school construction projects are completed on time, within budget, and meet schools' needs. For instance, Indian Affairs does not always use accountability measures, such as warranties, to have builders replace defective parts or repair poor workmanship. Project managers, who are responsible for helping to ensure accountability, do not always understand how to use accountability measures because Indian Affairs has not provided guidance on when and how to use them to ensure successful completion of construction projects. In addition, Indian Affairs has not adequately overseen school projects managed by tribal organizations. Officials interviewed by GAO at three schools said Indian Affairs was not timely in reviewing new school designs, which resulted in project delays. For 49 construction projects completed from 2003 through 2016, the inconsistent use of accountability measures and inadequate oversight led to projects that took longer than expected, were sometimes over budget, or had to be scaled back to remain within their allotted budgets. For example, of the 49 projects:

- 16 were 3 or more years behind schedule (see fig. 1).
- 1 was almost 10 years behind schedule.
- 10 were 20 percent or more over budget.

Further, the new projects did not always meet schools' needs, according to school officials. In one instance, Indian Affairs planned a dormitory to house 400 students while the school it planned could only accommodate 368 students. Until Indian Affairs develops and implements guidance for ensuring accountability throughout the school construction process and improves its oversight of these projects, it will have little assurance they are completed satisfactorily and meet the needs of students and staff.

Figure 1: Timeliness of Indian Affairs' School Replacement Projects Completed, Fiscal Years 2003-2016



Source: GAO analysis of Indian Affairs' annual submissions to the President's budget. | GAO-17-447