

STATEMENT BY  
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DEPARTMENT OF THE INTERIOR  
BEFORE THE UNITED STATES SENATE COMMITTEE ON INDIAN AFFAIRS  
CONCERNING BIA SCHOOL FACILITIES AND CONSTRUCTION  
JUNE 10, 1998

Mr. Chairman, members of the Committee, thank you for the opportunity to appear here today to discuss the school facility improvement program in the Bureau of Indian Affairs, as one important part of our larger Department-wide effort to improve the infrastructure in the Department of the Interior as a whole.

I am pleased to appear this morning in support of the Assistant Secretary for Indian Affairs, Kevin Gover, and the positive work that he and the Bureau of Indian Affairs are doing to improve school facilities to ensure that 53,000 Indian elementary and secondary school students learn in safe and healthy environments.

In January of this year, Assistant Secretary Gover and I traveled to North and South Dakota to listen to tribal leaders' concerns and also met with Senators Dorgan, Conrad and Johnson. While there, it was very evident that the maintenance needs are huge. Some structures were in such bad condition that replacement may be the only reasonable and cost effective way to provide decent school facilities.

Because of Departmental knowledge and concern over the condition of schools that Indian children attend, the fiscal year 1999 budget proposal requests a total \$86.6 million for the replacement and repair of existing schools, an increase of \$32.2 million or 60 percent over 1998. Within that total, \$46.2 million is requested for improving and repairing BIA schools, an increase of \$14 million over 1998. The \$18.2 million increase for Replacement School Construction will allow for the construction of the next three schools on the priority list: Seba Dalkai Boarding School, Navajo Reservation, Arizona; Sac and Fox School, Sac and Fox Reservation, Iowa; and Pyramid Lake High School, Pyramid Lake Reservation, Nevada.

I support Assistant Secretary Gover's initiative to complete construction of the 16 schools on the Priority List by 2001. To work toward accomplishing this goal, we encourage Congress to provide the \$32.2 million increase for school construction requested in the President's 1999 budget.

I also welcome this opportunity to tell you about how these requested increases in funding levels for BIA efforts fit within our Department-wide Safe Visits to Public Lands initiative.

When I began serving as Assistant Secretary - Policy, Management and Budget in November 1997, I immediately realized that the condition of the whole DOI infrastructure needed serious management and maintenance attention.

To focus this attention, we set out three major goals to ensure that: 1) the management of and accountability for our maintenance and construction funding from appropriations is credible; 2) the identification of the highest priority needs in the Department is developed through the use of standard definitions for repair, rehabilitation, and construction; and 3) formulation and implementation of a five-year plan occurs, beginning with the first submissions to Congress in the fiscal year 2000 Budget.

And I want to work with you, as we are working with other Congressional Committees, to achieve these three key objectives in the Bureau of Indian Affairs.

On December 12, 1997, guidance was sent to the Bureaus asking them to develop prioritized lists of critical health and safety and critical cultural and natural resources protection needs for 1999. I want to be sure that these needs are remedied first.

Project lists for both construction and maintenance were reviewed against these two major criteria and were submitted to the Appropriations Committee in the Senate and the Interior Committee on Appropriations in the House. Initial response to these prioritized lists of critical health and safety and critical resource protection has been positive.

As we began analyzing the projects, it became clear that the definitions among the bureaus for maintenance and construction terms were not consistent.

As a result, I asked the Deputy Chief Financial Officer to work with the Department's Interior Planning, Design, Construction and Maintenance Council, chaired by the Director of the Office of Managing Risk and Public Safety, to develop common definitions for maintenance, deferred maintenance, repair and rehabilitation, and capital improvements.

I am pleased to announce that these definitions have been developed and are being used in the formulation of the FY 2000 budget.

At the same time, the Federal Accounting Standards Advisory Board (FASAB) has issued standards for all Federal agencies to report deferred maintenance in annual financial reports beginning at this fiscal year end. We made sure that our five-year process used the same definition for deferred maintenance as does FASAB.

The five-year plan of maintenance and construction needs will be submitted in the FY 2000 budget and will be updated annually thereafter. The purpose of the plan is to identify and reduce critical maintenance needs so that the spiral of increased repair costs due to lack of preventive maintenance can be reversed. The five-year plan that we submit with the FY 2000 budget will include a five year program for facility improvement and repair projects selected by the automated ranking system described in Assistant Secretary Gover's testimony. For replacement school construction projects, Assistant Secretary Gover and the Bureau of Indian Affairs are working on

the development of the process for selecting a new list of projects.

One way to achieve this goal is to first understand the full extent of the problem. The Bureau of Indian Affairs has an extensive automated system for the inventory of maintenance and construction needs that has been in place since the late 1970's. Much of the credit for its existence must go to the leadership of the Senate Committee on Indian Affairs and the Appropriations Committees who, through the years, have required a systematized approach to the ever-growing maintenance problem.

Because of the Facilities, Construction, Operation and Maintenance (FACCOM) systems integration of inventory, backlog, project status reporting and safety tracking, it may be a model for other Departmental bureaus. In addition, BIA is a member of a Department-wide maintenance management systems analysis group that will be advising all bureaus on methods of providing reliable up-to-date information to bureau managers and to the Congress.

Of course, simply knowing about needs in an organized method doesn't, in and of itself, begin reducing the needs. That is where you, the Congress, come in.

To summarize, the emphasis of the five-year plan is to prioritize life, health, and safety projects that are essential in providing safe visits for the public and safe workplaces for our employees. Special emphasis will be placed on Indian school facilities and the 53,000 Indian students that learn in these schools. In addition, this system will identify critical needs for high priority cultural

and natural resources.

Mr. Chairman, we are trying to bring facilities up to a condition such that only annual maintenance--and not major repair and rehabilitation is the norm. The proverbial hole in the roof the size of a nickel will lead to a hole in the wall the size of a couch--if you're lucky--and to a collapsed ceiling and worse, if you're not. In other words, there is far less work and cost in the long run if a small maintenance problem is identified and remedied immediately. You deserve credit for convening this hearing on this important issue. We are grateful for your leadership and support.

Thank you for the opportunity to appear before you to discuss BIA education construction and our new Departmental approach. I hope we can receive your full support. I am available to answer your questions.