

White Earth Nation

Testimony by

Dr. Erma J. Vizenor
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White Earth, MN

on the

Impact of Budget Cuts due to Sequestration

August 21, 2013

Mr. Chairman and Members of Committee:

Thank you for this opportunity to speak about the impact of budget cuts on the White Earth Reservation due to Sequestration.

The White Earth Indian Reservation, located in northwestern Minnesota, is the home of the White Earth Nation of Anishinnabeg or Ojibwe people. Our Tribe of 20,000 members is the largest in the State. We also are the economically poorest Tribe in the State.

In 2009, residents on White Earth Reservation with income below poverty level were 79.7% compared to 14.6% in the whole State. Since 2009, our overall economy has not improved, only gotten worse.

In 2012, the Tribal Council did an assessment of need. In order to meet minimum standards of living on our Reservation the unmet need for Housing, Health Care, Public Safety, Human Services, Education, Transportation, and overall Infrastructure was \$400,000,000.

The impact of Sequestration is devastating at White Earth. As the Tribal Council and I work through the FY14 tribal government budget, effective October 1, we are making 5% cuts across the board in all services and programs. In FY15, we will prepare for 9% cuts of our overall budget. This means less funds, more human need, and greater challenges.

Health Care

The U.S. Indian Health Service, the primary health provider at White Earth, is funded at 43% of need. The number one health problem on the White Earth Reservation is depression, followed by disproportionately high rates of sugar diabetes, high blood pressure, cancer, and substance abuse. We do not have the resources and facilities to meet the demands of our health problems.

Three weeks ago I gave the opening remarks at the Tribal Health Symposium on the Grand Portage Reservation. The Symposium was sponsored by the Minnesota Department of Health. Commissioner Ed Ehlinger present.

I said we, Tribes, have an epidemic of drug abuse on our Reservations that is harming and damaging the most vulnerable and innocent of all, the newborn babies who are born addicted to drugs.

At Essentia Health Hospital, Detroit Lakes, 13 Indian babies were born addicted to drugs the past April; 14 Indian babies were born addicted in May. At Bemidji Hospital that primarily serves White Earth, Leech Lake, and Red Lake Reservations, 80% of Indian babies are born addicted to drugs. During the drug withdrawals, twitching, jerking, labored breathing, these newborns require intensive care in Fargo and Minneapolis. Some newborns have damaged hands due to clinching their fists during withdrawals. I asked Commissioner Ehlinger and his Department to help. Think of the challenges and resources these babies will have when they go to school and the work force later in life.

Two years ago the White Earth Tribal Council issued a Declaration of a Public Health Emergency with Respect to Illegal Drug Abuse. We called upon State and Federal agencies to partner with us to combat the drugs that was and is destroying our families, communities, and Tribe. The Tribal Council and I heard from our communities. People told us to help them get their loved ones who are addicted into treatment. The Tribal Council adopted a Civil Commitment Code. Today there are 39 court ordered commitment cases, but no place or facility to send them.

No, we do not need or want sequestration, budget cuts. We need intervention, resources and facilities now.

Education

The drop out rate for American Indian students is the highest in the State for any minority group. Approximately 60% of American Indian students drop out of school before reaching high school graduation. On the White Earth Reservation, 50% of Indian adults age 18 years and older do not have a high school diploma.

This year, FY13, the White Earth Adult Basic Education (ABE) Program received \$36,778 from the State of Minnesota and \$2,594 from the Federal Government. The White Earth tribal government contributed \$142,080, for a total budget of \$181,452.

The White Earth ABE Program graduates more Indian students with their high school diploma than area high schools. In May 37 students received their General Equivalency Diploma at White Earth.

In FY14, a 5% cut of \$9,072 will decrease classroom time, materials, and transportation for the White Earth ABE Program. In FY15, a 9% cut of \$16,331 will further diminish the Program.

Sequestration will eliminate \$60 million of Impact Aid funds at the federal level, adversely affecting the Pine Point School, Circle of Life Academy, Naytahwaush Community Charter School, and surrounding school districts that serve Indian children from the White Earth Reservation.

Pine Point Public School, K-8, is both federally and state funded. The school does not have the ability to bond, levy, or borrow. In FY13, with General Education Aid from the State, the Pine Point Public School based its budget on 45% of funds from Federal Impact Aid, a \$95,000 decrease from the previous year.

Education is a high priority in my administration. Education was my "ticket out of poverty." Who would ever imagine, a 16 year old high school drop out who the public school system gave up ^{years before} on, going back to school, graduating from college with honors, and ultimately earning a doctorate from Harvard University, all because I was given a chance, a chance to graduate from high school, a chance for admission to college, and a chance for financial aid. It was a chance for a lifetime of choices, not circumstances. Today, less than 5% of American Indians can college without assistance. So I ask your help as we struggle with budget cuts in education.

Housing

Homelessness is a persistent growing problem on the White Earth Reservation. Today approximately 400 families at White Earth need adequate housing. The families are doubled and tripled up, living with relatives or pitching tents in the yard. One household on the Reservation has 26 people, elders, adults and children. The White Earth Housing Program will be cut by at least \$2 million due to sequestration.

An elder told me, "If our people had a decent home and a good job, a lot of social problems would go away." There is a good amount of truth to the elder's words.

Public Safety

Recently Governor Dayton came to the White Earth Reservation to sign his Executive Order on government to government relations and consultation with the Tribal Nations of Minnesota. I described to the Governor the financial challenges to maintain our White Earth Public Safety Department. The Tribe provides a majority of law enforcement on the White Earth Reservation, a square area of 36 miles on each side. White Earth Reservation is a P.L. 280 state jurisdiction Tribe. The Tribe receives minimal aid from the State for law enforcement. I asked Governor Dayton to help us get financial assistance from the State as the Counties receive for law enforcement. I now ask for law enforcement funds from the State Legislature.

Me-qwitch (Thank you.)



White Earth Data
August 21, 2013
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White Earth Tribal Council

White Earth Child Care

Funding Sources: White Earth Child Care Program is federally funded; it receives Child Care Development Funds (CCDF), also known as the Child Care Development Block Grant. White Earth Child Care is also subsidized by the White Earth Nation. The Tribe's general fund helps sustain the Mahnomen Child Care Learning Center, a high-quality child care located on the reservation.

FY 13 Budget Impact due to sequestration: The final budget for FY 13 is unknown at this time. The FY 12 budget was decreased by \$14,000 due to new tribal CCDF grantees and no new or additional funds available. We expect to realize a huge hit for FY 14.

Locally, our FY 14 funds thru the White Earth Nation have been initially decreased by \$3,400, which must be absorbed by the CCDF budget.

Impact on funding reduction: Reduction in CCDF budget results in less funding for direct child care services, i.e. child care assistance. Travel, local mileage, supplies and equipment purchases will also be cut back. Quality improvement grants (grants to child care providers and school-age child care programs) will also be reduced. We have also discussed possibly cutting staff hours if it comes to that.

Process to determine where to cut: We look at the budget to see where we can trim without cutting staff. We take line-item by line-item. If and when it comes to cutting staff, we will review staff job descriptions and essential duties that are needed.

Impact of further sequestration: Child care services and child care assistance will be directly affected by sequestration in FY14. In FY13 there are new proposed mandates for CCDF/CCDBG funding for both Tribes and States. While these unfunded mandates are promising to help create higher quality child care with more intense backgrounds, site visits, inspections, parent hotline, health & safety requirements and increased training is a good thing, they are still unfunded mandates that will have a negative effect on the funding of child care services for Tribes. Tribes currently receive only 2% of CCDGB appropriations. This percent was established in 1996 and remains today in 2013. Child Care is a vital service in Tribal communities to insure parents have the ability to maintain education and employment. The additional expenditures for new regulations will need to be covered by the Tribe, the Child Care Provider or back on the parent.

Need: Increased funding to help child care waiting list at the County and Tribe by asking State legislators to communicate the urgency in Washington DC to pass the CCDBG Reauthorization and to ensure that the Tribal set aside is increased to 5%.

Need: When Minnesota's Race to the Top/Early Challenge Learning Grant ends in 2015, asking State legislators and DHS/MDE to maintain the RTT/Early Learning Scholarship level of funding the White Earth Transformation Zone current funding. (\$350,000 per year). To ensure that children are getting high quality early learning and a strong foundation to school success.

Circle of Life Academy

Funding Sources: The Circle of Life Academy is a BIA/BIE Grant School, and thus is 88% federally funded (FY 14). COLA receives State Tribal Contract School Aid, which comprises the remaining 12% of the schools funding.

FY 13 Budget Impact due to sequestration: The federal budget for COLA for school year 13/14 was cut 5.21% across the board, with the exception of Special Education funding. COLA funding is broken down into the following: School Operations/ISEP, Facilities Operation & Maintenance, Transportation, Special Education – Part B, Title I, II, IV, and Title VII. Tribal Contract School Aid (State) is also anticipated to realize a reduction. The total cut for SY 13/14 is \$105,803.

Impact on funding reduction: The 5.21% reduction in federal funding is going to be felt the strongest in the classroom. Experiential activities, such as field trips, will be cut the heaviest. Student and classroom supplies will be cut. Other areas will not be cut this year; reserve funds will be used to maintain student/teacher ratios and other services to students.

In addition to the federal cuts to sequestration, Circle of Life Academy lost \$75,000 of annual funding under the state Success for the Future grant. The school had to eliminate the position funded by Success for the Future. If we had not realized sequestration cuts, we may have been able to sustain that position.

Process to determine where to cut: We look at the budget to see where we can trim without cutting staff. We take line-item by line-item. If and when it comes to cutting staff, we will review staff job descriptions and essential duties that are needed.

Impact of further sequestration: Further cuts in the schools operation funds due to sequestration will put the school in a difficult position. Further cuts would call for a reduction in staff, evaluating to determine which are most essential for the delivery of services to students. Circle of Life Academy's core foundation is based upon the culture and language of the Ojibwe people. How does one choose to retain a counselor over a language teacher over a classroom teacher, when all are equally important in preparing our young children for college and beyond? We must be able to continue to offer quality and culturally appropriate educational services to our students.

Need: The need at COLA is great. We need to maintain the student to teacher ratio; we need to offer additional electives; we need to offer more support services to our children and families.

The Success for the Future grant must be available to all schools with a high percentage of American Indian students. COLA did not receive funding this last cycle – the first time since the grant program began.

Substance abuse is high on the White Earth Reservation. It is estimated that 90% of our high school students drink alcohol or use some sort of drug. It is our vision to provide a safe and sober environment for all our students at COLA. A safe and sober environment would allow us to provide on-site services to help our students either obtain or maintain sobriety. We envision these services to include but not be limited to:

- An on-site full-time chemical dependency counselor who can meet with students and families
- Weekly Sobriety Support Groups
- In-School Sobriety Check-In, once or twice a week
- Daily Peer support Team meetings
- An Individual Sobriety Plan developed by the student and her/his advisor/counselor
- Individual support from advisor and/or other staff
- Peer outreach and networking
- Sober social activities
- Monthly parent meetings
- Relationship based teaching

The White Earth Nation needs additional funding to support our safe & sober school.

Funding also needed for future dormitories on the COLA Campus.

Pine Point School

Funding Sources: The Pine Point School is both federally and state funded. State funding is largely General Education Aid with the allocated amount based on Resident Average Daily Membership and Pupil Units. Federal dollars are derived from Title programs and Special Education dollars, with the majority of federally funding allocated from Impact Aid dollars.

FY 13 Budget Impact due to sequestration: Due to Sequestration, the Pine Point School based its budget on a 45% lot of Impact Aid dollars as compared to a 70% lot the previous year. For the Pine Point School, this meant a \$95,000 decrease.

Impact on funding reduction: The Pine Point School has felt the impact of funding reductions in all areas of school operations. Staff were cut (cook aid), positions were put to half-time, teachers were put on a pay freeze, classroom supplies reduced, technology, bus and building annual set-asides were not allocated, and new curriculum put on hold.

Process to determine where to cut: When proposing cuts, priority was placed on those services that would have the least direct impact on the education of students. The second priority was to look at any services, staff or programs that were non-essential to the operation of the school. The third priority was to consider areas that could sustain temporary cuts, such as staff/building supplies.

Impact of further sequestration: If there are further reductions to Impact Aid dollars, the Pine Point School will need to use their reserves to continue to operate. There are no more places to cut or reduce. Once reserves are expended (approximately 6 months), there are no other foreseeable options. The school does not have the ability to bond, levy or borrow. The Pine Point School will not have the ability to raise additional capital to stay in existence.

Need: Impact Aid dollars need to be increased immediately in order to maintain the quality education provided to students who reside on federal lands, who meet poverty guidelines, and who otherwise do not have the ability to raise the capital needed to operate. **Reservations schools need the equalization dollars from the federal and state levels to make up for the loss of tax revenue.**

Scholarships

Funding Sources: The White Earth Scholarship Program is federally funded thru the Bureau of Indian Affairs.

Budget Impact due to sequestration: The FY 14 White Earth Scholarship Program was reduced by approximately \$25,000, which would provide 7.5 students with higher education scholarship assistance for 2013-14.

Impact on funding reduction: The reduced budget amount was taken directly out of the AVT (vocational/technical) budget line-item. Thus, 7.5 fewer White Earth enrollees will receive assistance to attend a vocational or technical college this year.

Impact of further sequestration: Further federal funding cuts will directly impact the number of White Earth students receiving funding to pursue their post-secondary education. Without assistance, students **will not** attend college.

Need: The need for increased federal and state grants is crucial to students continuing their post-secondary education. The freeze of tuition rates within the State of Minnesota (MNSCU) will help; the White Earth Scholarship Program has not been able to keep up with the inflation of tuition over the past 15 years. **Tuition waivers** for American Indian students in MNSCU and University Institutions is needed. Funding education is a barrier, whether it is perceived or reality. Our students need to know that going to college is a definite option.

Head Start

Funding Sources: White Earth Head Start Programs are federally and state funded, with a majority (84%) federally funded.

FY 13 Budget Impact due to sequestration: White Earth Head Start Programs federal funds have been cut by 5.27% (\$82,234). Training & Technical Assistance funds were not reduced; Program operations at both the Head Start and Early Head Start levels were reduced. State funds will remain the same.

Impact on funding reduction: We have **closed** 1 classroom at our Pine Point site. In turn, we have lost the ability to serve 17 children and have eliminated 2 staff positions in Pine Point. Our Secretary/receptionist would need to be reduced to part-time from a full time position, but we have requested additional funding from the Tribal Council to mitigate that cut.

Process to determining where to cut: The process to cut the 5.27% involved a thorough review of our Head Start Programs, including staff, services, and enrollment statistics. It was very difficult to close a classroom, which is a huge impact on one community.

It is devastating to realize that there are going to be children and families on our reservation will not be the recipients of our Head Start services. Families with very young children need Head Start services. Most of the families enrolled are below the Federal poverty level for income.

Impact of further sequestration: The White Earth Head Start Program has served our community for the past 44 years. With expected further cuts to our OHS grant in Federal Fiscal Year 2014, we are provided guidance to consider cutting any non-essential staff or services. Each and every staff person in our Head Start is essential. All of the Management staff already wear 2-4 hats. We would need to place management on lay-off status over the summer months, which would not only cause hardship on those staff, but also on our program. All of our current services are essential. Some programs have had to eliminate transportation. I do not see how it would be feasible to reduce our transportation services given our rural status.

Need: Increased funding to help maintain services to children and families on the reservation. The program funding must increase state funding up to 30% of our over-all funding levels.