

Strategic Investments of One-Time Funds for Tribal Governments

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The disproportionate impact of the COVID-19 virus on Native American peoples has amplified educational and health care inequities that have persisted for Native peoples throughout the United States for generations resulting from federal policies that disrupted and attempted to erase Indigenous educational systems, family structures, and languages (Examining the COVID-19 Response in Native Communities, 2021). As tribal citizens and government leaders continue to take action to protect their communities, the federal aid in response to the COVID-19 pandemic offers a way to help address immediate needs as well as those that tribal leaders have been working to address for generations.

The allocation of \$20 billion in one-time federal relief funds to tribal governments through the American Rescue Plan Act (ARPA) has the potential to stimulate the rebuilding of tribal systems. In addition, the Infrastructure Investment and Jobs Act (Bipartisan Infrastructure Law), signed into law in November 2021, earmarks \$13 billion for Indian Country, including a \$2 billion allocation for tribal communities that can be used to support education through investments in broadband (The White House, 2021). The magnitude of this investment of funds in tribal communities is unprecedented and presents opportunities for strengthening infrastructure for the 574 federally recognized tribes in the United States (Henson et al., 2021). This brief provides insights from tribal leaders who offer strategies for directing one-time federal funds to improve educational outcomes.

Impact of COVID-19 on Native American People

The COVID-19 pandemic has unduly threatened tribal cultures, histories, languages, memories, and teachings by claiming the lives of many Elders (United Nations, n.d.). An analysis in 2020 of 23 states revealed 3.5 times the number of confirmed cases of COVID-19 for Native Americans than for non-Hispanic White people (Hatcher et al., 2020).¹ According to data reported in March 2022, Native Americans are 3.1 times more likely to be hospitalized and 2.1 times more likely to die than are White people (Centers for Disease Control and Prevention, 2022). To address the high incidence of COVID-related deaths and hospitalizations in Native communities, tribal citizens and government leaders are

¹ The study's authors acknowledge an incomplete picture, indicating the need to strengthen culturally responsive health care infrastructure to facilitate the collection and reporting of more complete data.

actively working to rebuild their societies and protect the lives of their people. They have intensified their efforts to support the health and well-being of their communities in the wake of the pandemic—from closing reservation borders and issuing stay-at-home orders to mobilizing emergency food provisions, issuing electronic devices to students to minimize disruptions in their learning, and organizing vaccination clinics and campaigns at the first opportunity. This leadership has resulted in Native American vaccination rates consistently exceeding the

national average (Foxworth et al., 2021). One example is the Navajo Nation’s vaccination rate of 70 percent, compared to the national average of 58 percent in September 2021 (McNeil, 2021).

To understand how tribal government leaders are investing ARPA funds to meet the urgent needs of their tribal nations, this brief explores the reach of federal aid dollars for Native American education and how tribal leaders plan to sustain the positive impacts of their investments.

The Reach of Federal Dollars for Native American Education

The U.S. Department of Education provides a total of \$421,569,734 in ARPA funds for Native American education through two funding programs (see Table 1).

Table 1. U.S. Department of Education ARPA Funds for Native American Education

Funding program	Amount	Recipients
American Indian, Native Hawaiian, and Alaska Native Education Sec. 11006	\$190,000,000	Tribal Colleges and Universities, Tribal Education Agencies, BIE-Funded Schools, and Alaska Native— and Native Hawaiian— Serving Institutions of Higher Education
Higher Education Emergency Relief Fund Sec. 2003	\$231,569,734	Tribal Colleges and Universities, Tribal Education Agencies, BIE-Funded Schools, and Alaska Native— and Native Hawaiian— Serving Institutions of Higher Education

The U.S. Department of Health and Human Services: Administration for Native Americans provides a total of \$20,000,000 in ARPA funds for Native American education through one funding program (see Table 2).

Table 2. U.S. Department of Health and Human Services: Administration for Native Americans ARPA Funds for Native American Education

Funding program	Amount	Recipients
COVID-19 Response Resources for the Preservation and Maintenance of Native American Languages Sec. 1104	\$20,000,000	Tribal Governments and Organizations

The U.S. Department of Health and Human Services: Administration for Children and Families provides a total of \$1,498,901,000 in ARPA funds for Native American education through five funding programs (see Table 3).

Table 3. U.S. Department of Health and Human Services: Administration for Children and Families ARPA Funds for Native American Education

Funding program	Amount	Recipients
Child Abuse Prevention and Treatment Act Sec. 2205	\$2,500,000	Tribal Governments and Organizations
Child Care and Development Block Grant Sec. 2201	\$412,000,000	Tribal Governments and Organizations
Child Care Stabilization Sec. 2202	\$659,000,000 (estimate)	Tribal Governments and Organizations
Head Start Sec. 2203	\$25,401,000	Tribal Governments and Organizations
Child Care Assistance/Child Care Entitlement to States Sec. 9801	\$400,000,000	Tribal Governments and Organizations

The U.S. Department of the Interior: Bureau of Indian Education provides a total of \$850,000,000 in ARPA funds for Native American education through one funding program (see Table 4).

Table 4. U.S. Department of the Interior: Bureau of Indian Education ARPA Funds for Native American Education

Funding program	Amount	Recipients
Bureau of Indian Education Sec. 11005	\$850,000,000	Tribal Colleges and Universities, Tribal Education Agencies, BIE-Funded Schools, and Alaska Native— and Native Hawaiian—Serving Institutions of Higher Education

The Funds May Be One-Time, but Tribal Leaders Are Investing for the Long Term

Dr. Niki Sandoval (Santa Ynez Band of Chumash Indians) of WestEd’s Strategic Resource Planning and Implementation team asked Dr. Deron Marquez (San Manuel Band of Mission Indians) and Bill Lomax (Gixtan) to describe how they approach strategic investments of federal one-time funds for the long term. Marquez, Trustee of Claremont Graduate University, is the cofounder and director of the university’s Tribal Administration Certificate program in tribal sovereignty, tribal law, and management. He served as Chairman of the San Manuel Band of Mission Indians from 1999 through April 2006. Lomax, Vice President, Goldman Sachs, works with tribal governments to establish and sustain permanent wealth. He is the former Chair of the Smithsonian’s National Museum of the American Indian Board of Trustees, former President of the Native American Finance Officers Association, and an adjunct lecturer at Stanford University.

The passing of the ARPA has directed an unprecedented amount of one-time funds to tribal governments. From your perspectives as advisors and leaders, what are the challenges and opportunities that come with investing one-time funds?

Marquez: Have a clear understanding of what you want to be. The hard part is the desire to do something quickly for your people. Each tribal community has to decide what is best for themselves and plan ahead 5 years from now. Is it health care, infrastructure, education? Talk to other tribal leaders. Set investment policies. History shows that when we are in control, the odds of success increase tremendously.

Lomax: The challenge is that one-time funds have to be spent. This does not lead to permanent wealth directly and is more like consumption than investments. Most tribes don’t want to go into longer term investments with volatility because a drop in the investment value would put the tribe on the hook to make up the difference. Investment-grade fixed income and Treasury bonds are relatively safe places to put money to preserve principal but are susceptible to spending power erosion due to inflation, and the potential to earn significant interest is low. A common strategy is to engage in liability matching, which is to say, you make investments that will mature in conjunction with your anticipated need to spend the money. One of the main challenges is determining the most valuable projects for utilizing the funds within the requirements of the funds.

ARPA allocations of Title IX Sec. 9901 funds for tribal governments fit into four spending categories, with infrastructure being a common theme among them. In your work with different Native nations, what would you identify as the most significant infrastructure priorities?

Lomax: It depends on the Tribe, but common needs for rural communities are phone and broadband access. The federal commitment of \$65 billion for rural broadband access provides a great opportunity for Tribes. Access to clean water is another issue in some rural communities, and many tribes also are in dire need of new facilities, such as schools.

Marquez: Communications from phone lines to internet. This is the next big hurdle, the new running water phenomenon. There is the inability to communicate for critical needs. Telemedicine is so common, but it is catastrophic that tribal communities are left out of getting assistance.

You are both educators. How do you view the connection between educational investments and other tribal infrastructure initiatives?

Marquez: Having more tribal people inside the academy in leadership positions dictates how you are going to engage. The tribal community is driving the research. The day is gone when the academy is going to come in and fix. The community knows the problem the best. The community members are the healers and educators. The academy is the helper. Education is akin to sovereignty. It is present throughout our lives, and you can be educated in so many ways. If a segment of the population doesn't have a formal degree, they are no lesser in the community. There are parallel paths, including work patterns. Ways of education can serve a whole community. We are breaking down a colonial mindset that only people with diplomas are educated.

Lomax: We need to build capacity with tribal members through education. Building a modern economy requires an educated population. Investing in educational infrastructure for those on the reservation—up-to-date and safe facilities for students, transportation, broadband access—are all critical to economic development and a healthy society. Good educational opportunities for young people are a building block for tribal communities.

How do you advise stacking resources to make the most impact?

Marquez: Identify your short-term and long-term needs. There are various resources—time is money. Partnerships with other entities can stretch dollars. Think outside the box. Converse with other people and engage with other tribal government staff. They know.

Please describe the role of planning.

Lomax: We spend a lot of time with tribal leaders as they go through their planning process. Our job is to help them think about future priorities and anticipated revenue streams. We help tribal leaders look at the big picture and break it down into bite-sized and manageable pieces, but, in the end, only the tribal leaders can make the decisions that are right for their communities.

Conclusion and Recommendations

The following conclusions and recommendations are inspired by further conversations with tribal leaders and perspectives shared by panelists in national convenings related to the topic of federal one-time funds.

Engaging Community Members in Strategic Resource Allocation: Assessing Needs and Designing Solutions

A resource allocation review is a first step to determining which investments have made a visible impact in the areas of culture, economics, education, and wellness. It is an opportunity to find patterns of behavior that have led to desired outcomes. With strategic planning and community engagement, the current infusion of new federal resources can strengthen and deepen the impact of existing investments in ways that are sustainable. One-time funds also are an invitation to think about investments of time and money that no longer serve tribal communities' needs. Wendy Helgemo, Director of the AT&T Center for Indigenous Politics and Policy at the George Washington University, recently suggested that tribal government leaders set time aside to take inventory and reflect on existing services and programs to gain insight regarding the resources they have and resources they need. A good start is to ask questions such as, "Do we continue a program or service because 'we've always done it that way' or because it is making our outcomes measurably better over time?" Reallocations are difficult but essential for leaders and community members to consider when striving for sustainability that benefits future generations of tribal citizens. External facilitators may help navigate this challenging work so that leaders can fully participate in the deliberations.

Mobilizing All Resources: Cultural, Educational, Human, and Financial

In Native communities, education is part of a web that connects to culture, economics, health, and well-being. Solutions for addressing disproportionate outcomes for Native students must nurture and sustain multiple human elements in a coherent way. According to Amber Torres,

Chairman of the Walker River Paiute Tribe, "If you don't have adequate infrastructure, you cannot build out other priorities—education, housing, economic development, etc."

Reimagining infrastructures and building them out to be self-sustaining through times of hardship or unexpected events demands creativity and fresh eyes outside of the disciplines that leaders might immediately think of. Engaging tribal communities' economic development, finance, and legal professionals—along with educational leaders—in resource planning will advance sound business strategies for nurturing Native teachers, administrators, legislators, and professionals, including those in behavioral health, business, finance, law, medicine, public safety, construction, and more. Lomax describes a way to utilize research to plan for the future: "If a tribe completes a demographic study on population growth and sees that people are having children later in life, how much will it take to send them to college? When will they be going to college? How many Elders will there be in future years and what will the tribe need to help with elder care, especially given longer life spans? What investments can the tribe make to meet the expected expenses?"

The national focus on infrastructure and the opportunities presented by federal investments provide a pathway for assessing the economic impacts of developing, recruiting, and retaining members of tribal communities for long-term workforce and leadership needs. During a recent webinar hosted by the Harvard Project on American Indian Economic Development (2021), Lael Echo Hawk, attorney and member of the Pawnee Nation of Oklahoma, recommended that tribal communities prepare to receive ARPA and other federal funds by reviewing existing laws and ensuring that internal processes are updated to facilitate the use of these funds. Additionally, reviewing and integrating existing cultural and human resources into the process of goal-setting and rebuilding can strengthen and sustain

efforts. One key element of infrastructure that Marquez emphasizes is the need for broadband access for workforce development and education needs: “The job market for Indian Country is more open than ever before, but you have to have the ability to communicate. Having remote access allows you to be connected to the network.”

Storytelling: A Strategy of Its Own

One-time federal funds are one silken thread in the web of tribal resources. A systematic and comprehensive analysis of past resource allocation patterns helps tell the story of decision-making and results while helping tribal leaders draw a map to the future that all want to see. Within tribal communities, understanding how past challenges, successes, and investment choices have established present realities is an essential part of strategic resource planning. Storytelling can inform a unified vision of what tribal communities want and can help build a plan. Storytelling is foundational for reimagining and rebuilding infrastructures that support the advancement of equity for Native peoples and can help build strategies for long-term sustainability of services that are launched or funded with one-time federal funds. Documenting successes and using storytelling to communicate and build relationships with tribal community members, tribal leaders, legislators, and local politicians can also forge partnerships and pave the way to ensure that critical needs of tribal communities are at the forefront of policymaking and resource allocation. As Torres says, “We realize this is the most money Indian Country will ever see come down to tribes. We have to use it wisely and appropriately to set our future generations up for success.”

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