

GAO@100 Highlights

Highlights of [GAO-22-104349](#), a report to congressional committees.

Why GAO Did This Study

GAO has previously found that COVID-19 disproportionately harmed the public health and economies of tribal nations in the U.S. In March 2020, the CARES Act appropriated over \$9 billion for federal programs for tribes and their members—this amount included \$8 billion for Treasury’s CRF Tribal Set-Aside and \$453 million for Interior’s OIP (CARES Act funds).

The CARES Act includes a provision for GAO to report on its ongoing monitoring and oversight efforts related to the COVID-19 pandemic. This report is part of that body of work. It examines (1) approaches Interior and Treasury took to distribute CARES Act funds to tribes and steps necessary for tribes to access and use these funds, and (2) challenges the agencies and selected tribes faced and lessons learned that could improve future federal emergency relief to tribes.

To do this work, GAO reviewed agency documents and interviewed federal agency officials, representatives of three tribal organizations and two academic research centers—selected for their work related to CARES Act funds—and officials from seven selected tribes that accessed CARES Act funds from the agencies.

What GAO Recommends

GAO is making two recommendations, including that Treasury update its tribal consultation policy to include direction to consult tribes on data the agency is considering for use in decisions that have tribal implications. The Department of the Treasury agreed with GAO’s recommendations.

View [GAO-22-104349](#). For more information, contact Anna Maria Ortiz at (202) 512-3841 or ortiza@gao.gov.

October 2021

COVID-19

Lessons Learned from Interior and Treasury’s Administration of CARES Act Funds Could Improve Federal Emergency Relief to Tribes

What GAO Found

The Department of the Interior distributed the CARES Act Operation of Indian Programs (OIP) appropriation through existing programs while the Department of the Treasury had to set up a new program to distribute the Coronavirus Relief Fund (CRF) Tribal Government Set-Aside. This resulted in tribes taking fewer steps to access and use Interior’s OIP appropriation than Treasury’s program.

- **Interior.** The CARES Act required that Interior make at least \$400 million of the OIP appropriation available to meet the direct needs of tribes. Interior disbursed these funds through two existing programs based on tribal enrollment. As a result, tribes needed to take few administrative steps to access and use funds.
- **Treasury.** The CARES Act created the CRF as a new program. The CRF appropriation included an \$8 billion Tribal Set-Aside. Treasury did not have a preexisting allocation methodology or mechanisms for disbursing this funding to tribes, so it had to develop them before it could make payments. Treasury distributed the CRF Tribal Set-Aside in two tranches, using multiple allocation methodologies. Treasury asked tribes to take several administrative steps to access and use CRF payments. For example, tribes had to submit two rounds of data to receive both tranches of CRF payments.

Agencies and selected tribes faced various challenges regarding the CARES Act OIP appropriation and CRF Tribal Set-Aside. Treasury faced greater challenges than Interior, and was delayed distributing CRF payments to tribes. For example:

- Treasury officials said the work needed to develop distribution formulas consistent with the CARES Act contributed to delays in CRF disbursements to tribes.
- Selected tribes told GAO that Treasury used certain data in one of its allocation methodologies without consulting with tribes about the data and their limitations. Such consultation could have allowed the agency to make changes or address tribes’ concerns prior to making payments using the data. Consequently, certain tribes did not receive emergency relief in a timely manner to address pandemic needs.
- Selected tribal organizations, academic researchers, and tribes said that adjusting to Treasury’s changing guidance on allowable uses of funds further delayed tribes’ implementation of projects and increased their administrative burden.

Treasury has applied some lessons learned to its administration of a subsequent relief program established by the American Rescue Plan Act of 2021. For example, Treasury improved its communication to tribes on allowable use of funds. However, Treasury has not formalized other lessons learned into its tribal consultation policy. Specifically, Treasury’s tribal consultation policy does not call for the agency to consult with tribes on data it is considering using to make policy decisions with tribal implications. Until Treasury updates its policy, it risks using data without a meaningful dialogue with tribes about any limitations of the data. This deprives Treasury of information that tribes could provide about how to address data limitations and may increase the risk that programs might not be as effective at meeting tribes’ needs in a timely manner.