

## Why GAO Did This Study

As of January 3, 2012, the United States recognized 566 Indian tribes. Federal recognition confers specific legal status on tribes and imposes certain responsibilities on the federal government, such as an obligation to provide certain benefits to tribes and their members. Some tribes are not federally recognized but have qualified for and received federal funding. Some of these non-federally recognized tribes are state recognized and may be located on state reservations.

GAO was asked to address (1) the key means by which non-federally recognized tribes have been eligible for federal funding and (2) the amount of federal funding awarded to non-federally recognized tribes for fiscal years 2007 through 2010. GAO also identified some eligibility and federal financial reporting issues related to non-federally recognized tribes. GAO compiled a list of about 400 non-federally recognized tribes and reviewed information from federal agencies, [USAspending.gov](#), states, and other sources to identify tribes' federal funding and eligibility.

## What GAO Recommends

GAO recommends that Education and HHS take specific actions to ensure that they are not making grants to ineligible tribes and to enforce federal financial reporting requirements. HHS agreed. Education stated its commitment to review its practices, but disagreed with GAO's finding on the statutory eligibility for the American Indian Vocational Rehabilitation Services Program, which is discussed more fully in the report.

## INDIAN ISSUES

### Federal Funding for Non-Federally Recognized Tribes

## What GAO Found

Of the approximately 400 non-federally recognized tribes that GAO identified, 26 received funding from 24 federal programs during fiscal years 2007 through 2010. Most of the 26 non-federally recognized tribes were eligible to receive this funding either because of their status as nonprofit organizations or state-recognized tribes. Similarly, most of the 24 federal programs that awarded funding to non-federally recognized tribes during the 4-year period were authorized to fund nonprofit organizations or state-recognized tribes. In addition, some of these programs were authorized to fund other entities, such as tribal communities or community development financial institutions.

For fiscal years 2007 through 2010, 24 federal programs awarded more than \$100 million to the 26 non-federally recognized tribes. Most of the funding was awarded to a few non-federally recognized tribes by a small number of programs. Specifically, 95 percent of the funding was awarded to 9 non-federally recognized tribes, and most of that funding was awarded to the Lumbee Tribe of North Carolina. Similarly, 95 percent of the funding was awarded by seven programs in four agencies, and most of that funding was awarded by one Department of Housing and Urban Development program.

During the course of its review, GAO identified some instances where federal agencies had provided funding to non-federally recognized tribes for which grant eligibility is disputed and one instance where an agency was in the process of better enforcing federal financial reporting requirements with one tribe. Specifically:

- The Department of Education awarded American Indian Vocational Rehabilitation Services Program funding to the United Houma Nation, the Lumbee Tribe of North Carolina, and a consortium consisting of the Choctaw-Apache Tribe of Ebarb and the Four Winds Cherokee. Each of these four tribes is state recognized, but it appears that none of them has a "reservation" as required by the statute establishing the program. GAO has substantial questions about whether Education's interpretation of the term "reservation" is broader than the statutory definition supports.
- The Department of Health and Human Services (HHS) awarded funding to the Nanticoke Leni-Lenape Indians of New Jersey and the Powhatan Renape Nation—two non-federally recognized tribes in New Jersey—under programs authorized to fund state-recognized tribes. The state of New Jersey, however, does not consider these entities to be state recognized.
- HHS has initiated action to enforce federal financial reporting requirements for the Accohannock Indian Tribe. The Accohannock Indian Tribe has not filed its required financial report for 2009 that was due no later than September 30, 2010. In 2009, the Accohannock Indian Tribe reported spending over \$1 million in federal funds from three different federal programs administered by the department. The department sent letters of inquiry about the delinquent financial report on March 8, 2011, and more recently, after GAO inquired about the issue, on February 7, 2012.