

**State of North Dakota  
61<sup>st</sup> Legislative Assembly**

**Interim Legislative Council**

**Higher Education Committee**

July 8, 2010

**Testimony of North Dakota Association of Tribal Colleges**

P.O. Box 69, Mandan, ND 58554

Mr. Chairman and members of the Committee:

Good morning. The North Dakota Association of Tribal Colleges (NDATC) is offering testimony to answer the questions of the Legislative Council's Higher Education Committee regarding state assistance to non-beneficiary students<sup>1</sup> at North Dakota's Tribally controlled colleges (North Dakota Century Code Chapter 15-70, 61<sup>st</sup> ND Assembly Session, SB1394). Presenting the testimony today on behalf of NDATC is Dr. Cynthia Lindquist Mala, the President of Cankdeska Cikana (Little Hoop) Community College (CCCC) of Fort Totten, North Dakota. The Tribal Colleges receiving state assistance, in addition to CCCC, include: Fort Berthold Community College, Sitting Bull College, Turtle Mountain Community College and United Tribes Technical College.

First, we want to thank the State Legislative Assembly for providing funds to the Tribal colleges in North Dakota in support of education for both Indian and non-Indian students. Our Colleges are vital public resources, open to all. We find our graduates occupying important jobs in our communities, raising families, paying taxes and going on to four year and graduate degree programs at North Dakota institutions of higher education and elsewhere. Many of our students, Indian and non-Indian alike, have stated that without access to an affordable local college, they would not have been able to obtain a higher education degree. The assistance we receive from the state helps us accomplish our goals of providing quality higher education opportunities for our communities.

As we understand the issues stated in the Notice of the Higher Education Committee's meeting today, the Committee is requesting information regarding "completion rates of students at tribal colleges and efforts made to correct audit deficiencies at tribal colleges." Our testimony today will address both issues.

While we appreciate the Committee's interest in the completion rates for students in general at our Tribal Colleges, in Section 15-70-05, the information the Tribal Colleges are required to provide includes information about the enrollment status of each student "on whose account assistance financial assistance under this chapter is being sought." Such students as are referred to in Section 15-70-05 are termed "non-beneficiary" students, because they are students who are not counted for the purpose of funding under the federal Tribally Controlled College and University Assistance Act of 1978 (25 U.S.C. Section 1801 et seq.).

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<sup>1</sup> The terms "beneficiary" and "non-beneficiary" students are used in the legislation, rather than "Indian and "non-Indian" students, because some students are Indians by race but are not able to be counted for funding under the Tribally Controlled College and University Assistance Act.

We note that overall graduation rates, including both beneficiary and non-beneficiary students, are provided to the U.S. Department of Education as part of the Integrated Postsecondary Education Data Systems (IPEDS). For your reference, these rates are included in the attached table. We have included what information we have gathered so far about the number of non-beneficiary graduates at each institution. Where information on this table is lacking, the particular College will provide the information as soon as is possible, or may have the information to present to you at this hearing separate from this testimony.

We also note that we have provided each year the information required under Chapter 15-70 regarding non-beneficiary students to the state board of higher education as a part of our application for the state funds provided in Chapter 15-70.

Regarding our audits, we would note that the table provided to us by the Higher Education Committee staff shows each Tribal college to have received an "unqualified" audit for at least major funds for its most recent audit available. As federal grantees, we are required to abide by the federal Single Audit Act. This requires all the funds we receive from any source to be audited in one audit, even though we all receive funds for our operation from a number of sources, most of them federal.

We note especially that no deficiencies are noted in these audits for expenditures of state funds received from the state as have been appropriated by the legislature to fulfill the requirements of N.D.C.C. Chapter 15-70. The requirement in Chapter 15-70 to provide our audits to the legislative council was inserted for this reason; to determine how we are handling the funds we receive, including the state funds received. An "unqualified" audit means, among other things, that each college is eligible to receive federal funding in the succeeding fiscal year. We believe that this finding should also continue to qualify our Tribal colleges for state funding if such funding is again approved by the legislature in the next legislative assembly.

The "significant deficiencies" noted for each college do not generally affect the unqualified nature of the audits, and no instances of misspending of funds, or fraud, or any questioned costs, have been noted in any of the audits. Regarding these deficiencies, each of the Tribal colleges has been working with their auditors and finance departments to develop a plan to remedy any problems noted as quickly as possible. In most cases, our staffs are not extensive. In some cases, we must rely on outside assistance, including our auditors, to prepare key financial documents on our behalf, such as an annual financial statement. This does not mean we are careless with our funds, including the state funds that we receive, and such lack of staff or expertise has not resulted in a qualified audit for major funds.

Some of our audits take longer than others to complete. Typically, our audits are completed from 6-9 months after a fiscal year has ended, although the process may be extended beyond that period for various reasons. Thus, not all the Colleges have submitted to the Legislative Council the audit for their immediate past fiscal year (FY 2009). Each college will submit their most recent audit as soon as it is received and approved as final.

Finally, each of the Tribal college presidents receiving state funds is here to answer any specific questions you may have about their audits, and any deficiencies noted by their auditors.

We hope this testimony, the accompanying table, and information to be provided later, answers the Committee's questions. We stand ready to answer any additional questions you may have.

Table of Non-beneficiary Graduation Information  
North Dakota Tribal Colleges -2010

College	Year(s)	# Non-beneficiary students	# Non-beneficiary graduates	IPEDS Overall Graduation rate
Cankdeska Cikana Community College	2007-2010	17 – 7 remain students	3 graduates – AAS Degree	11 %
Fort Bethold Community College				52 %
Sitting Bull College	2007-2010	17 – 7 remain as students – 4 going on to 4 yr programs	11 graduates – 4 going on to 4 yr programs	13 %
Turtle Mountain Community College	2007-2010	150 non beneficiary students	22 graduates	11 %
United Tribes Technical College <sup>1</sup>	2007-2010	132 non beneficiary students	Overall non-beneficiary graduation rate:  2008: 21.7% 2009: 35.4 % 2010: 45.0 %	32 %

<sup>1</sup>The numbers for United Tribes Technical College increased substantially in 2009-2010 because our Medical Transcription students were transferred to undergraduate student status as a result of an industry change