

## Your Taxpayer Dollars at Work: Bureau of Indian Affairs Edition

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NPR aired [a story](#) this morning about the \$32.7 million taxpayers will have to pay owing to the Bureau of Indian Affairs mishandling the leases for some of its office space. According to two new reports by the Department of the Interior's inspector general, the "BIA violated multiple rules, including overpaying for space and renting too much of it — in some cases without government authority to do so."

Here is some key information from the report:

The Office of inspector General (OIG) conducted an inspection of 14 Bureau of Indian Affairs (BIA) real property leases to determine whether BIA followed applicable policies and guidelines (see Attachment 1 – called "Audit of Post Award Lease Files," August 2012). This inspection resulted from a referral to us from the U.S. General Services Administration's (GSA) Public Buildings Service (PBS). PBS found that BIA leased property without approval and exceeded approved square footage limits. GSA informed BIA that it could not exercise its delegation of authority until the Bureau submitted a corrective action plan approved by GSA.

Our inspection confirmed GSA's findings. We also determined that BIA approved \$32.7 million in lease agreements that exceeded GSA square footage and purchase approval limits. We found that BIA has submitted a corrective action plan for GSA approval to which GSA has not responded. No further action has been taken by BIA to regain its leasing authority. We provide three recommendations to help BIA resolve this issue by complying with GSA guidance, updating its own policies, and developing appropriate training.

While renting more space than the agency needs or overpaying for it isn't illegal, it is a serious waste of taxpayer's money. However, this may be the least of our problems when it comes to the Bureau of Indian Affairs. Chris Edwards at the Cato Institute has [a great piece](#) (that's if you have a taste for stories about government-induced disasters) detailing the Bureau's history of mismanagement, the Indian Trust Fund mess, and much more.

Now, according to NPR, the federal government spends some \$4.2 billion every year on

office space. The story highlights some very questionable decisions made by agencies. For instance, Health and Human Services has been paying rent for the same building for 60 years, while the Department of Commerce pays \$60 million a year in rent. Then, there are the renovation expenses: For example, the State Department's lease is up in five years and yet it just spent \$80 million renovating office space.

Speaking of money taxpayers spend on renovating buildings, you should read [this exchange](#) between House Financial Services Committee chairman Jeb Hensarling (R., Texas) and CFPB Director Richard Cordray on "the Bureau's plans to spend \$145 million for renovations to its Washington headquarters."

Of course, it gets worse. Taxpayers are asked to foot the bill to rent and renovate these buildings while thousands of buildings owned by the federal government are underutilized or empty. Senator Coburn looked into this a few years ago and [he found the following](#):

The federal government currently owns 55,557 buildings that are not utilized or underutilized, with a collective value of \$96 billion, according to OMB. A 2007 OMB study found that the value of unused federal buildings is roughly \$18 billion. Taxpayers must pick up the cost to maintain these properties that serve no purpose. In addition to the millions of dollars in unnecessary maintenance costs, billions of dollars in revenues could be generated simply by selling off these unnecessary holdings.

But that is just the tip of the iceberg. Watchdog groups like Citizens Against Government Waste and fiscal hawks like Senator Coburn have long noted that the federal government has a terrible track record of managing its property and doesn't even know or try to account for what it rents, what it uses, and what it owns.