



Opportunity Through Education

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Memo

TO: Select Committee on Tribal Relations

FROM: Dicky Shanor, Chief of Staff, WDE
Rob Black, Native American Education Liaison, WDE

DATE: May 22, 2025

SUBJECT: History of St. Stephens Indian School & State Funding

Committee Members,

History

St. Stephen's Indian School, located four miles southwest of Riverton on the Wind River Indian Reservation, was built in 1888 by Missouri Jesuits who oversaw the St. Stephen's Mission. The school operated as a boarding school until 1939, when it converted to its present status as a day school. The mission eventually struggled with financial support and relinquished control of the school to a local community group in 1975.

With support from the Northern Arapaho and Eastern Shoshone Business Councils, the St. Stephens Indian School Educational Association was formed and began managing the school through a contract with the U.S. Bureau of Indian Affairs (BIA) under the 1975 Indian Self-Determination and Educational Assistance Act, P.L. 93-638. The Office of Indian Education Programs within BIA was renamed the Bureau of Indian Education (BIE) in 2006 to manage schools under its jurisdiction.

State Statutory Funding

As a result of the *Campbell County* court cases in the 1990s and 2000s, funding for Wyoming's public schools increased from \$5,107 per pupil in 1995 to \$10,064 in 2006.¹ Because federal per-pupil funding for St. Stephens was not keeping pace with the Wyoming public school funding model, the Governor's Office in 2004 and 2006 provided additional funding. In 2007, the

¹ Historical Wyoming K-12 Education Funding and Enrollment Fiscal Years 1979 to Est. FY 2022, prepared by the Wyoming Legislative Service Office, <https://www.wyoleg.gov/2021/Databook/Education%20Finance%20Information/1-K-12%20Finance/g-K-12%20Funding%20and%20Enrollment.pdf>, accessed 5/7/2025.

Legislature passed a bill² sponsored by the Select Committee on Tribal Relations that equalized the school's funding on a par with other Wind River Indian Reservation school districts.

In accordance with WS 21-4-601(b), the WDE is directed to include an amount within its biennial budget request for the "provision of education programs and services addressing Indian students at risk of failure in school and other programs and services essential to the success and welfare of these students." To arrive at a biennial funding amount, the statute requires a calculation based on the average education resource block grant funding model amount per student for Fremont County School Districts 14, 21, and 38. The average per-student funding amount is multiplied by St. Stephens' student count to determine the gross funding amount. Funding from the Bureau of Indian Education that is comparable to Wyoming's model for operations is subtracted from the gross amount to be paid to St. Stephen's.

Over the years, the WDE has contracted with the Eastern Shoshone Business Council, the Northern Arapaho Business Council, and what was previously known as the Joint Business Council, to provide state funding to St. Stephens.

State funding amounts, dating from 2004, are listed below:

2004-05	\$320,091	2015-16	\$1,068,724
2005-06	\$0	2016-17	\$918,450
2006-07	\$384,110	2017-18	\$1,450,541
2007-08	\$1,049,946	2018-19	\$1,450,541
2008-09	\$1,049,946	2019-20	\$1,481,304
2009-10	\$1,049,946	2020-21	\$1,340,144
2010-11	\$1,106,622	2021-22	\$1,375,168
2011-12	\$1,106,622	2022-23	\$1,297,455
2012-13	\$1,187,097	2023-24	\$0
2013-14	\$1,187,097	2024-25	\$0
2014-15	\$1,068,724	2025-26	\$0

Constitutionality

An opinion from the Wyoming Attorney General, dated March 22, 2011, concluded that the agreement is constitutionally sound because the WDE does not send money directly to St. Stephen's but to the tribes. Further, "the intent of these agreements is to address the needs of Indian students and reduce conditions of unemployment, poverty, and lack of adequate job skills[.] Thus, the agreement between the WDE and the Joint Tribes serves a public purpose and likely does not violate the Wyoming Constitution."

Retrocession

² Senate File 72 of the 2007 Legislature, <https://wyoleg.gov/Legislation/2007/SF0072>, accessed 5/7/2025.

In 2022, as a result of alleged misconduct involving the school's administration, the tribes relinquished control of the school to the Bureau of Indian Education, a process known as "retrocession." The first school year under full BIE control was 2022-23.

Throughout 2023, WDE conducted virtual meetings and exchanged emails with BIE to negotiate continued state funding under WS 21-4-601(b), including requests for enrollment and BIE funding data, both of which were necessary for WDE's calculation of a budget proposal. However, negotiations were unsuccessful; BIE and St. Stephens ended all communication with WDE in October 2023. Since then, no new contract has been drafted or executed.

State Funding Switch

In 2023, the Legislature approved the transfer of the 2023-24 biennial funding for St. Stephens (\$3.5 million) that had been appropriated in the 2022 budget session. The money was moved to the Wyoming Department of Family Services for tribal children's family services and for placing tribal foster children with high behavioral needs. The funding has continued to be part of the DFS budget as required by the 2022 budget bill.