



Rural Alaska Community Action Program, Inc.

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Public Hearing on the Community Services Block Grant

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Testimony presented by

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Chief Executive Officer

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Good morning. My name is Patrick M. Anderson and I am the Chief Executive Officer for the Rural Alaska Community Action Program, also known as RurAL CAP. I am joined by L. Tiel Smith, Chief Operating Officer for RurAL CAP whose responsibility is oversight of the Community Services Block Grant. These federal funds to the State of Alaska provide core funding that we use to empower low income families to become self-sufficient and revitalize communities through locally driven and guided innovative programming.

Funding comes to the Division of Community and Regional Affairs of the Alaska Department of Commerce, Community and Economic Development and is administered by Pauletta Bourne, Grant Administrator III, Department of Community & Regional Affairs, Community Aid & Accountability, who is online with us today. RurAL CAP has had a long and healthy partnership with the State of Alaska, which is responsible for preparing and monitoring the State Plan.

As the only Community Action Agency in Alaska, RurAL CAP is the single eligible recipient for 95% of the state's CSBG funds. In FY 2020, RurAL CAP applied for \$2,500,000 million in CSBG funds to support programs and services for low-income people. As a private, statewide, non-profit organization with 501(c)(3) tax exempt status, RurAL CAP is one of more than 1,000 Community Action Agencies in the nation which work to build self-sufficiency among low-income people.

RurAL CAP is governed by a 24-member tripartite Board of Directors (Target Population, Public Officials and Business Representatives) representing every major region of the state. The board meets quarterly.



Healthy People, Sustainable Communities, Vibrant Cultures



The agency employs approximately 430 employees across the state, who provide direct services to lower-income Alaskans as determined by community need assessments. They include prenatal services for women, assessment, health and education for children and family training and counseling through Head Start, Early Head Start and Parents as Teachers. We also provide home weatherization and improvements, including a new program of handicap access for Veterans, self-help housing, access to affordable housing, community health promotion, youth support and leadership development, and solid waste management. Full time staff are augmented by seasonal hires throughout the year. Our Head Start Staff have the summer off.

Our last public testimony was given on August 21, 2018. We completed our 3-year required report and community assessment. We reported the following services at that time.

As an organization focused on improvements in the lives of low-income people, RurAL CAP applies the majority of its resources to rural communities where poverty rates are many times higher than in urban Alaska. Yet as the only community action agency in Alaska and one with a mandate to serve people statewide, RurAL CAP also provides:

- Head Start services to pre-school children and their parents in Ketchikan and Anchorage;
- Home weatherization to qualifying low-income residents in Juneau and Anchorage;
- Affordable housing opportunities to families in Anchorage and on the Kenai Peninsula; and
- Childcare and housing first services in Anchorage.

The State Plan contains detailed examples of outcome measures for each of RurAL CAP's CSBG-supported programs. This system of Results Oriented Management and Accountability, or ROMA, has received national recognition within the network of social service and community action agencies as a model of comprehensive outcome evaluation. These outcomes are required reporting for all community action agencies. RurAL CAP has adapted the Lean Management system to include the ROMA framework of results. Our Executive Leadership Team has been extremely focused on the development of quality in our processes and the results we achieve.

We want to focus our attention on identifying and documenting breakthrough measurable change in the conditions and behaviors of the people we serve. RurAL CAP's system of program evaluation and accountability keeps our human and financial resources focused on improving the lives of low-income Alaskans in ways that produce measurable results. During 2018-2019, we have started the CSBG strategic process to engage our board and target the

population we serve in what we are referring to as "Breakthrough Initiatives," an attempt to stretch our goals to truly attack poverty. Here is a brief explanation of why we are taking this approach.

According to Kids Count Alaska, over 26,000 Alaskan children (36% of the total) live in poverty. 11,000 live in households with incomes under \$1,000 monthly. The permanent fund is a critical resource for families in poverty. Public Assistance and Alaska Native corporate dividends are also important sources of income for families in poverty. In what Scott Goldsmith, a retired research professor at the Institute for Social and Economic Research refers to as "Remote Rural Alaska," over 70% of income comes from government sources. Poverty has actually increased in Alaska, and it is time to explore creative and innovative means for reducing poverty in Alaska. As of today, we are developing a Breakthrough Initiative to address some of the structural economic deficiency areas in Remote Rural Alaska. RurAL CAP's board has already authorized expansion into Social Enterprise (the Social Enterprise Alliance suggests the following basic working definition: "Organizations that address a basic unmet need or solve a social or environmental problem through a market-driven approach.") As we refine our Initiative, we intend to explore a variety of possible rural centered income opportunities and import substitution potential. We will also look at investing in urban businesses that can employ rural residents on a rotational basis (travelling to work and returning home on a regular basis). This approach will allow rural residents who live in a significant subsistence economy to earn the cash needed for expenses that have to be paid in cash.

As we look at the condition of our rural economy, research by the State of Alaska (through the Behavioral Risk Factor Surveillance System and as a part of the Health Alaskans 2020 Initiative) is providing insight into the root cause of a variety of behavioral issues that cause economic distress and drive poverty in Rural Alaska. Addictive behaviors (alcohol, drugs and tobacco) disproportionately affect people with higher rates of Toxic Stress, as measured by a number of Adverse Childhood Experiences. 35% of adults who have 7 of 10 identified ACE's attempt suicide during their life. About 2 ½% of adults with 0 ACE's will attempt. Addiction increases significantly as ACE's increase. With ACE's, we believe we have identified the Root Cause for why many adults end up in poverty. The State of Alaska found that Alaska Native adults have about twice the rate of ACE's as does the total population. This alone may explain the high rates of alcoholism, drug addiction and smoking in rural Alaska. We will be expanding our just completed Community Needs Assessment to explore the impact of Toxic Stress on rural communities.

The Board of Directors identifies major issues affecting low-income people and sets agency policy. We are working through the CSBG process and will present the results of our latest needs assessment to the board in mid-May. During our Board's strategic planning session in December, we plan to ask the board for approval of both Breakthrough Initiatives.

Thank you for continuing to support the programs and grants utilized by RurAL CAP to achieve the results we report. Without those programs, the negative financial impact on our customers and the citizens of the State of Alaska would be much higher.

Respectfully submitted,

Rural Alaska Community Action Program, Inc.

By:



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