

SB

150

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: May 4, 2005

FURTHER REFERRALS:

Date of Committee Action: May 6, 2005

The FINANCE Committee considered:

CSSB 150(HES)

CS FOR SENATE BILL NO. 150(HES)

ALASKA CHILDREN'S TRUST FUND GRANTS

"An Act relating to the Alaska children's trust grant awards."

Recommends it be replaced with [] HCS or CS for SB 150 (HES)
 For Senate Bills with new title: [] Technical Title [] New Title: HCR _____ [] Same Title [] New Title

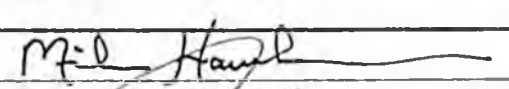
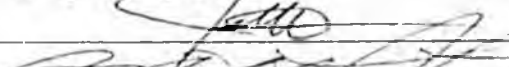

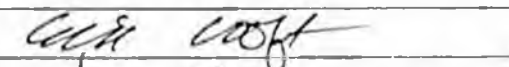
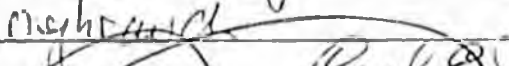

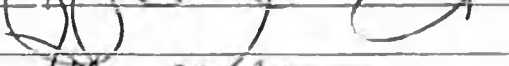
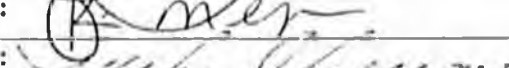
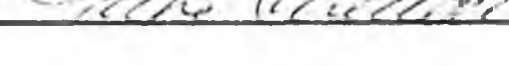
- attach amendments
- add new referral to _____ Committee
- Letter of Intent _____ Committee

List of
Abbrev
for
Depts.:

- ADM
- CED
- COR
- CRT
- EED
- DEC
- DFG
- GOV
- HSS
- LEG
- LAW
- LWF
- MVA
- DNR
- DPS
- REV
- DOT
- UA

<u>NEW FISCAL NOTES</u>				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero
HSS	1			✓

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Hawk			★	
	John			X	
	Steve			X	
	Chris	-			
	Weyhaich	X			
	MOSES	X			
	FOSTER	X			
Chair: 	Meyer			X	
Chair: 	Charvaul			X	

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 150
(S) Publish Date: 4/18/05

Revision Date/Time (Note if correction): 04/06/2005
Corrected

Dept. Affected: Health & Social Services

Title: REPEALING LIMITS ON GRANTS AWARDED BY THE ALASKA CHILDREN'S TRUST FUND RDU Children's Services
Component Children's Trust Programs

Sponsor SENATE (HES)

Requester SENATE (HES)

Component No. 2251

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (0)						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: _____

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The intent of Senate Bill 150 is to allow the Alaska Children's Trust (ACT) more flexibility in grant awards to benefit abused and neglected children. It's goal is to eliminate the cap or limit of dollars that can be awarded to any one grantee through the grant process. The bill also eliminates the current funding formula which is designed to allocate percentages of the cost of the program to be dispersed out over time.

Prepared by: Sherry Hill, Special Assistant to the Commissioner
Division: Office of the Commissioner
Approved by: Joel S. Gilbertson, Commissioner
Agency: Department of Health and Social Services

Phone 465-1618
Date/Time 04/06/2005
Date 04/05/2005



Health, Education, and Social Services Committee Alaska State Senate

SPONSOR STATEMENT

CS SB 150 (HES)—*"An Act relating to the Alaska children's trust grant awards."*

The Alaska Children's Trust was created by the Legislature in 1987 to help fund programs around the state aimed at preventing child abuse and neglect. Under current law, the trust may spend the net income earned by the trust to fund community based prevention programs. However, current statute limits the size of grants to \$50,000 and provides a specific formula for funding grants. The Board of Trustees has requested additional flexibility in awarding grants. SB 150 removes the \$50,000 cap and refines the funding formula. The changes proposed by the bill will allow trustees flexibility in setting grant awards, authority to reduce grants and enforce requirements for program performance, and authority to require applicants to include self-sustainability plans in their proposals. There will be a four-year limit on grant awards. A chart describing the funding formula is provided below.

<u>Grant year</u>	<u>Previous funding amount</u>	<u>New funding amount</u>
1	up to 75% of costs	up to 75% of 1 st year costs
2	up to 75% of costs	up to 50% of 1 st year costs
3	up to 50% of costs	up to 25% of 1 st year costs
4	up to 50% of costs	up to 25% of 1 st year costs
5+	up to 25% of costs	N/A

Article 03. ALASKA CHILDREN'S TRUST

Sec. 37.14.200. Alaska children's trust established.

(a) The Alaska children's trust is established as a separate endowment trust of the state.

(b) The principal of the trust consists of

(1) legislative appropriations to the trust; and

(2) gifts, bequests, and contributions of cash or other assets from a person.

(c) The net income of the trust shall be determined by the commissioner of revenue in accordance with investment accounting principles and in a manner that preserves the distinction between principal and income.

Sec. 37.14.210. Powers and duties of the commissioner of revenue. The commissioner of revenue is the treasurer of the trust and has the power and duty to

(1) act as official custodian of the cash and investments belonging to the trust by securing adequate and safe custodial facilities;

(2) receive all items of cash and investments belonging to the trust;

(3) collect the principal and income from investments owned or acquired by the trust and deposit the amounts in separate principal and income accounts for the trust;

(4) invest and reinvest the assets of the trust as provided in this section and as provided for the investment of funds under AS 14.25.180(c) and AS 37.14.170;

(5) exercise the powers of an owner with respect to the assets of the trust;

(6) maintain accounting records of the trust in accordance with investment accounting principles and with distinction between the principal and income accounts of the trust;

(7) engage an independent firm of certified public accountants to annually audit the financial condition of the trust's investments and investment transactions;

(8) enter into and enforce contracts or agreements considered necessary for the investment purposes of the trust;

(9) report to the board the condition and investment performance of the trust;

(10) do all acts, whether or not expressly authorized, that the commissioner of revenue considers necessary or proper in administering the assets of the trust.

Sec. 37.14.220. Administration of the trust. The trust shall be administered by the Alaska Children's Trust Board.

Sec. 37.14.225. Trust board established. The Alaska Children's Trust Board is established in the Office of the Governor. The board is composed of

- (1) the governor or a designee of the governor;
 - (2) the commissioner of health and social services or the commissioner's designee;
 - (3) the commissioner of education and early development or the commissioner's designee;
- and
- (4) four public members appointed by the governor; in appointing the public members, the governor shall give a preference to persons who have experience and expertise in
 - (A) children's or prevention programs; or
 - (B) private sector finance.

Sec. 37.14.230. Powers and duties of the board. When acting as administrator of the trust, the board shall

- (1) hold regular and special meetings it considers necessary; the board may hold meetings by teleconference;
- (2) award grants from the net income of the trust to community-based programs and projects that the board finds will aid in the prevention of child abuse and neglect;
- (3) monitor approved programs and projects for compliance with AS 37.14.200 - 37.14.270;
- (4) before providing assistance to a program or project, approve written findings on the program or project that include a consideration of the means of measuring the effectiveness of the program or project;
- (5) apply for, and use net income from the trust to obtain, private and federal grants for the prevention of child abuse and neglect;

- (6) solicit contributions, gifts, and bequests to the trust;
 - (7) keep audio tape recordings of each meeting of the board to be made available on request;
- and
- (8) submit to the governor and make available to the legislature by February 1 each year a report describing
 - (A) the child abuse and neglect prevention services that were provided by the programs and projects to which the board awarded grants; and
 - (B) the annual level of contributions, income, and expenses of the trust.

Sec. 37.14.240. Fund utilization.

(a) Except as provided in (d) of this section, the principal of the trust and any capital gains or losses realized on the principal shall be retained perpetually in the trust for investment as specified in AS 37.14.210, and may not be used for the awarding of grants.

(b) The net income of the trust may be appropriated only for the following purposes:

- (1) the awarding of grants;
- (2) obtaining private and federal grants for the trust;
- (3) soliciting contributions, gifts, and bequests for the trust; and
- (4) reimbursement to the Department of Revenue for the costs of establishing the trust.

(c) Realized net income that has not been appropriated, or that has been appropriated but not expended, shall be invested until appropriated and expended.

(d) Up to \$150,000 per year may be appropriated from the principal of the trust for the administrative expenses of the board relating to AS 37.14.200 - 37.14.270.

Sec. ~~37.14.250~~ Grants.

(a) In awarding grants from the net income of the trust, the board shall consider the proposals of a qualified applicant only after the applicant has submitted a detailed proposal in the form prescribed by the board. The board may not award a grant unless the board makes written findings that

- (1) the proposed project, if successful, will help prevent child abuse or neglect;

(2) the application for financial assistance contains an adequate plan for project implementation, including both financial feasibility and project effectiveness;

(3) the applicant demonstrates that sufficient technical expertise is available to accomplish the objectives of the proposed program or project; and

(4) the applicant has identified costs associated with and ancillary to the project, additional governmental costs, future obligations generated by the program or project, and necessary operating, maintenance, or other support costs for the life of the program or project.

(b) The board may establish other requirements for the award of grants under this section if necessary to carry out the purpose of the trust.

(c) The board shall award grants in amounts that

(1) are appropriate to the conditions of the applicant and the proposed program or project; and

(2) will make the most effective use of the money available.

(d) The amount of all grants awarded by the board during a 12-month period to a single project or program may not exceed \$50,000. The board may not finance more than 75 percent of the cost of a program or project during each of the first two years for which the program or project receives a grant, 50 percent during each of the third and fourth years, and 25 percent during each year thereafter.

(e) A recipient of a grant may not use more than 10 percent of the grant for administration of the program or project.

(f) To the extent consistent with the terms or conditions of the grant, a private or federal grant awarded to the board shall be distributed in the same manner as provided for grants under this section and AS 37.14.260.

Sec. 37.14.260. Eligibility for grants. The board may award a grant to an applicant if

(1) the applicant has submitted a proposal that is acceptable to the board; and

(2) programs and projects, if any, of the applicant that have previously received a grant from the board have complied with all requirements of that assistance and have performed with sufficient success or promise to warrant further financial assistance.

Sec. 37.14.270. Definitions. In AS 37.14.200 - 37.14.270

(1) "board" means the Alaska Children's Trust Board;

(2) "child abuse and neglect" has the meaning given "child abuse or neglect" in AS 47.17.290;

(3) "prevention of child abuse and neglect" includes primary and secondary prevention programs; in this paragraph

(A) "primary prevention program" means an educational or training program intended to raise the awareness of and change attitudes concerning child abuse and neglect and its prevention;

(B) "secondary prevention program" means a service intended to reach high-risk groups and to prevent the occurrence or recurrence of child abuse and neglect;

(4) "trust" means the Alaska children's trust established in AS 37.14.200.

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

Alaska Children's Trust



Annual Report
2004



Governor Frank and Nancy Murkowski, supporting Alaska's children





Ensuring a
Bright Future
for all of
Alaska's Children

Alaska's children deserve to grow up in a safe and nurturing environment. The mission of the Alaska Children's Trust is to improve the status of children in Alaska by generating funds and committing resources to eliminate child abuse and neglect.





making them
in which "

Alaska Children's Trust

Trustees



Joel Gilbertson, Commissioner
Dept. of Health and Social Services



Roger Sampson, Commissioner
Dept. of Education & Early Development



Karen Rehfeld, Deputy Commissioner
Dept. of Education & Early Child Development



Ramy Brooks



Hargo McCabe, Chair



Andrea Gelvin



Kaye Saxon



Diane Kaplan

Friends of ACT



Tisa Northcutt, FACT Chair

State of Alaska



Marcia Kennal, Deputy Commissioner
Office of Children Services
Dept. of Health and Social Services





Don't worry about what a child can do
that he is someone today.

Sandra Tauscher



Financially, it has been an exciting year for the Alaska Children's Trust (ACT). Assets held by the Trust now exceed \$10 million. In Fiscal Year 2005, the ACT awarded a total of approximately \$217,314 to 16 grantees in 12 communities around the state. For the first time in history, the ACT also received a \$600,000 federal appropriation to develop and implement a social marketing campaign aimed at preventing child abuse in Alaska. A special recognition goes to Senator Ted Stevens and Lisa Sutherland for this grant.

Though the rate of child abuse remains higher in Alaska than anywhere else in the country, the ACT is deeply grateful for an improving financial position to help address this problem. Over the next five years, the ACT will remain focused on its strategic priorities including:

- Implementing a social marketing campaign aimed at preventing child abuse in Alaska;
- Continuing to fund community-based child abuse prevention programs that deliver measurable results;
- Working with the Friends of the Alaska Children's Trust to develop a long-term funding strategy for the ACT;
- Further developing the organizational structure of the Board and related committees/entities to carry out the mission of the ACT.

The Board is committed to building on the hard work of Carol Brice (outgoing chair), the entire past Board and all of its supporters. We welcome two new board members, Andrea Gelvin, an educator from Fairbanks, and Diane Kaplan, president of the Rasmuson Foundation to help us accomplish our mission of preventing child abuse in Alaska. We remain dedicated to our work and to making a difference in the lives of our children.

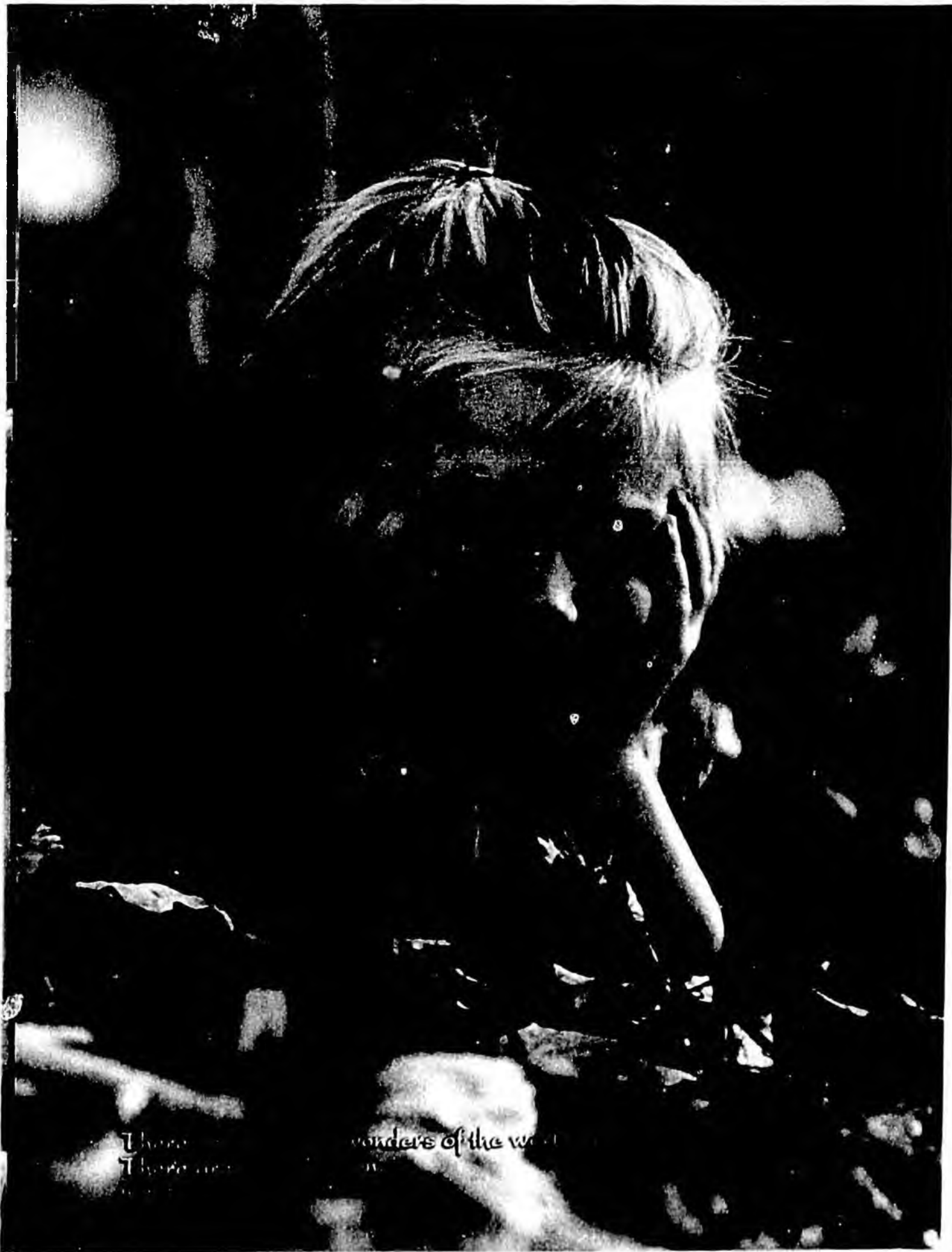
A handwritten signature in cursive script that reads "Margo S. McCabe".

Margo S. McCabe
Chair



Carol Brice





There
There are

wonders of the world



Message from the FACT Chair

The Friends of the Alaska Children's Trust (FACT) is comprised of a dedicated Board of Directors that has overseen the fund raising for the Alaska Children's Trust since its inception. In 2004, it raised more than \$100,000 for the Children's Trust through special events. In all, it has raised more than \$1 million to help eliminate child abuse and neglect.

2004 "Mush for Kids" underwritten by Flint Hills Resources Alaska, LLC.

In April of 2004, the Fairbanks community raised nearly \$25,000 at the annual "Mush for Kids." Alaska's popular Iditarod sled dog racer, Ramy Brooks from Healy who serves as a Trustee for the Alaska Children's Trust, signed autographs and had pictures taken with the families alongside his mother, famous sprint musher Roxy Wright. Ramy was joined by Carol Brice, founding member and former chair of the Alaska Children's Trust and long-time community leader who was honored for her many years of service.

Volunteer mushers gave more than 800 children free dog sled rides on a track constructed by volunteers from Brice Inc. and Great Northwest. Inside Pike's Waterfront Lodge, crowds were entertained by Celtic Confusion, Lousiaska, the Johnson-O'Malley Dancers, Randy Smith Middle School Jazz Band and Slightly Askew. Many of Fairbanks' non-profit agencies that provide services to children conducted fun family activities and handed out information about their programs. Outside, three-time Iditarod champion Jeff King signed autographs and talked to children and their parents about mushing. The Fairbanks Police Department, Alaska State Troopers and local fire departments gave children tours of their vehicles. The day also featured ice carving and weight-pull demonstrations, the Musher's Olympics, a hockey shoot and puppy petting pens.

Once again we thank Jeri Wigdahl from Flint Hills Resources Alaska, who joined a cadre of volunteers and organizers to make this a fun and successful day for all. And a special thanks goes to our event coordinator, Lin Gale.

Seventh Annual Golf Classic sponsored by Alyeska Pipeline Service Company.

In August, nearly 100 supporters came out on a chilly Saturday morning to golf for kids. This year, FACT raised \$80,000 for the Alaska Children's Trust. The ongoing success of this tournament is due in large part to the support that we receive from Alyeska Pipeline Service Company and its many employees. I would like to thank Alyeska's president David Whyte, Janie Leask, director of Public Affairs, and all of the sponsors and volunteers that help to make this event such a success.

As we look to the new year, FACT will be joining the Alaska Children's Trust to roll out a major campaign to eliminate child abuse and neglect in Alaska. Please join us as we continue our efforts on behalf of Alaska's children.

Tlisa A. Northcutt
Chair





... a little hope and somebody who believes

© 1994
George Maglar Johnson

Alaska Children's Trust Overview

The Alaska Children's Trust was established in 1988 with the goal of preventing child abuse and neglect throughout the state. The first legislative appropriation was made in 1996 for \$6.8 million. Today, the Alaska Children's Trust boasts a total of \$10.3 million dollars.

Seven Trustees, appointed by the Governor, oversee the fiduciary and grant making functions of the Alaska Children's Trust.

The Alaska Children's Trust operates as a savings account. The Fund's principal continues to grow through grants and donations, while the interest from the earnings fund small grants of \$30,000 or less to small nonprofits providing prevention programs for child abuse and neglect.

In 2004, the Trustees awarded a total of \$217,314 to 16 nonprofits in 12 communities across the state. In all, more than \$2 million has been granted to prevention programs and projects.

In 1997, a nonprofit arm of the Trust was formed - the Friends of the Alaska Children's Trust (FACT). The FACT fundraises solely for the Alaska Children's Trust, and annually contributes proceeds in excess of \$100,000.

To make a gift, please make check payable to:

The Friends of the Alaska Children's Trust (FACT)
P.O. Box 240249
Anchorage, AK 99524-0249

www.friendsofact.org
(907-248-7676)

FACT Tax ID #91-1765129





Good parents give their children roots and wings
where home is, wings to fly away and explore.

James Salt

Financial Statements

(Amounts rounded to nearest thousand)

Statement of Invested Assets

June 30, 2004

Cash and Equivalents	\$ 766,000
Marketable Debt Securities	5,593,000
Equity Securities	4,424,000
Interest and Dividends Receivable	18,000
Total Investments	\$ 10,301,000

Statement of Investment Income and Changes in Invested Assets

June 30, 2004

Investment Income	\$ 812,000
Total Invested Assets, Beginning of Year	9,595,000
Net Contributions (Withdrawals)	(106,000)
Total Invested Assets, End of Year	\$ 10,301,000

NOTE: The June 30, 2004, audited financial statements are available from the Department of Revenue, Treasury Division, by calling Betty Martin, Comptroller, at (907) 465-2350.

Grantees

Alaska Legal Services Corporation
Anchorage \$18,000

Through its Children At Risk program, Alaska Legal Services helps empower parents and children to use the legal system to increase family safety, stability and self-sufficiency.

Bartlett Regional Hospital
Juneau \$6,688

The Fathers Project provides support for new fathers and encourages their involvement in child care.





**Center for Community
Sitka \$20,000**

Teach Your Children Well is a parent support project featuring a radio program promoting parent and child health. The project also provides prenatal and parenting classes.

**Covenant House Alaska
Anchorage \$7,000**

Project Nurture offers support services for young new mothers between the ages of 16 and 20.

**Fairbanks Counseling & Adoption
Fairbanks \$3,333**

Responsible Fathers is a program aimed at helping teen fathers increase their involvement with—and responsibility for—their children. Services include parenting education, supervised playtime and teen parent mediation.

**Homer Children's Services, Inc.
Homer \$4,902**

The Birth 2 Three Project is a prenatal and early childhood family education and support program.

**Hoonah City Schools
Hoonah \$19,810**

Parents as Teachers provides primary prevention services including parenting education and support, home visits and assistance to all families seeking Denali KidCare health benefits.

**Juneau Family Birth Center
Juneau \$7,110**

The Young Families Program supports teen families through the pregnancy and parenting experience with a combination of pregnancy and parenting education, labor and birth support, home-based support and referral services.

**Resource Center for Parents & Children (RCPC)
Fairbanks \$20,000**

RCPC is the coordinator for parent education, information and support in the northern region of Alaska. Program grants include the RCPC Community Outreach Video Project, a series of parenting videos focusing on promoting culturally respectful and appropriate parenting skills in rural villages and small communities.

**REACH, Inc.
Juneau \$18,650**

The Family Support Project provides behavioral and infant mental health training and consultation to community outreach programs throughout Juneau.

**Safe & Fear-Free Environment, Inc. (S.A.F.E.)
Dillingham \$7,483**

SAFE for LIFE provides children and their families with the tools and information they need to prevent domestic violence and child abuse.

**Saxman/Gateway Center
Ketchikan/Saxman \$15,000**

The Youth Breakfast and Homework Club offers kids a nutritious morning snack at the center before they go to school. Students participate in a variety of activities and discussions that teach them skills to handle conflicts and build confidence. In addition, they receive after school assistance with school projects and homework.

**SeaView Community Services
Seward \$18,381**

SeaView's Incest Awareness Campaign employs education and prevention programs, and early intervention strategies to raise awareness about sexual abuse in families.

**Sutton Elementary School
Sutton \$10,957**

The Eagle's Nest Transitional Preschool, which shares its learning environment with the kindergarten class at Sutton Elementary School, is a unique family resource center that focuses on abuse prevention by promoting early intervention and parental involvement.

**Talkeetna Elementary School
Talkeetna \$20,000**

The Early Childhood Initiative is a program designed to target at risk children and their families, offering support through home visits and parenting classes.

**Tundra Women's Coalition (TWC)
Bethel \$20,000**

The TWC Children's Program provides after-school group activities for at risk K-6 children, in addition to a support group for teen girls, parenting sessions with shelter residents, and the Talking About Touching child sexual abuse prevention curriculum.

Total Amount Awarded = \$217,314



Acknowledgment:

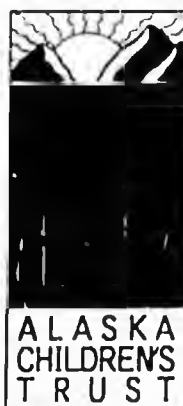
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A.T. Publishing & Printing, Inc.
Anchorage, Alaska

To make a gift, please make check payable to:

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P.O. Box 240249
Anchorage, AK 99524-0249

www.friendsofact.org
(907-248-7676)

FACT Tax ID #91-1765129



Rebecca Parker, Anchorage (907) 269-7801 or 1-800-643-KIDS (5437)

www.hss.state.ak.us/ocs/ChildrensTrust/default.htm

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 150
(S) Publish Date: 4/18/05

Revision Date/Time (Note if correction): 04/06/2005 Corrected
Dept. Affected: Health & Social Services

Title: REPEALING LIMITS ON GRANTS AWARDED BY THE ALASKA CHILDREN'S TRUST FUND
RDU: Children's Services
Component: Children's Trust Programs

Sponsor: SENATE (HES)
Requester: SENATE (HES)
Component No.: 2251

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CAPITAL EXPENDITURES						
CHANGE IN REVENUES (0)						

FUND SOURCE (Thousands of Dollars)

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1003 GF Match						
1004 GF						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: _____
Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

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Temporary						

ANALYSIS: (Attach a separate page if necessary)

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Prepared by: Sherry Hill, Special Assistant to the Commissioner Phone 465-1618
Division: Office of the Commissioner Date/Time 04/06/2005
Approved by: Joel S. Gilbertson, Commissioner Date 04/05/2005
Agency: Department of Health and Social Services