

**ALASKA LEGISLATURE COMMITTEE FILES 1987-88 8672**

**4431 HCRA COMMUNITY SERVICE BLOCK GRANT**



# MEMORANDUM

# State of Alaska

Community and Regional Affairs

CSBG

TO: The Honorable Heinrich Springer DATE: March 12, 1987  
Alaska State House of Representatives  
ATTN: Terry Hoefflerle

FILE NO.: 2203h/JAH/pr

THRU: TELEPHONE NO.: 465-4890

SUBJECT: Community Services  
Block Grant  
Teleconference/  
Public Hearing;  
March 18, 1987,  
3:00-5:00 PM

FROM: Judith A. Holden  
Block Grant Administrator  
Division of Community  
Development

3/12  
11:30 A

We appreciate the assistance and cooperation of the House Community and Regional Affairs Committee in holding this public hearing. Major participants have requested additional hearing time, based on the number of sites which wish to offer verbal testimony. Because of the importance of public input in this program, I recommend that the hearing time be extended from 4:30 to 5:00 PM. The Legislative Public Information office has cleared this short extension on their schedule.

The details of this teleconference/public hearing are as follows:

DATE: March 18, 1987  
TIME: 3:00-5:00 PM  
LOCATION: House Community and Regional Affairs Conference  
Room, Court Building, Room 603, Juneau  
BRIDGE NO.: 258-1808  
# PORTS: 27  
MODERATOR: Legislative Affairs Staff  
SPONSOR: Representative Heinrich Springer  
CHAIRPERSON: Robert L. Brean, Acting Director  
Department of Community and Regional Affairs  
Division of Community Development

## Participating Sites:

### LIO's

Anchorage	Ketchikan (Saxman)
Barrow	Kotzebue
Bethel	Nome
Fairbanks	Sitka
Juneau	

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These sites should be on-line by start of the teleconference (3:00 PM). Two participants from each location will be allowed to deliver testimony (limited to three minutes each). Then the moderator will go on to the next site on the list. After all LIO, LTC and VTC sites have been given an opportunity to participate and as time allows, the moderator will return to the top of the list.

The Honorable Heinrich Springer  
RE: TELECONFERENCE/PUBLIC HEARING  
March 12, 1987  
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LTC

Fort Yukon

Same process as detailed above under LIO's

VTC's

Hoonah  
Hydaburg  
Kake

Selawik  
Unalakleet  
Yakutat

Same process as detailed above under LIO's

Off-Net's (telephone call-in sites)

Akiachak  
Beaver  
Chevak  
Kwethluk  
Marshall

Pilot Station  
Tanacross  
Tenakee Springs  
Tununak

*Judy will call w/ prioritized list of off nets*

These sites are to dial into the bridge just prior to 4:15, so they are on-line by that time. At 4:15 the moderator will allow up to two participants from each site to present testimony. Please make note of the following information from the Legislative Affairs Information Officer:

"Every site (person) who individually dials into a bridge has an 'open microphone' which means that the slightest background noises from these sites will be transmitted to all sites. Also, since there is no one to act as moderator for these sites, there may be difficulty in controlling testimony or moving from site to site, since you cannot 'talk over' anyone else who is speaking."

Following accepted procedure, we will plan to disconnect each off-net hook-up following presentation of testimony, in an effort to decrease background noise.

Please advise all site participants of the proposed public hearing procedures.

We appreciate the importance of public participation in the Community Service Block Grant program and are making every effort to ensure that this will be a successful teleconference/public hearing.

*CRA rep. - notify committee only*

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The Honorable Heinrich Springer  
RE: TELECONFERENCE/PUBLIC HEARING  
March 12, 1987  
Page 3

Please direct questions and concerns to me at your earliest opportunity so that necessary action may be taken prior to the hearing date. Thank you.

cc: David G. Hoffman, Commissioner  
Mike Harper, Director, HAD  
Robert L. Brean, Acting Director, DCD  
Peggy Simons, Information Coordinator  
Legislative Affairs Agency  
Division of Public Services

*duplicate*

*f*  
*Terry*  
*CRA file*

TESTIMONY BEFORE THE ALASKA STATE HOUSE OF REPRESENTATIVES, COMMITTEE ON  
COMMUNITY & REGIONAL AFFAIRS, THE HON. REP. HENRY SPRINGER, CHAIRMAN  
March 18, 1987

Presented by Vernita Zilys-Cassidy, Director/Village Community Development for RurAL-CAP.

Mr. Chairman, Members of the Committee, and Commissioner Hoffman:

Thank you for this opportunity to provide testimony. I am speaking on behalf of RurAL-CAP's Executive Director, Jeanine Kennedy. While Jeanine had plans to be present when this hearing was originally scheduled for March 4, long-standing previous commitments prevent her from being here today.

Mr. Chairman, RurAL-CAP supports the funding allocations contained in the 1987 Draft Plan for Community Services Block Grants. As you know, RurAL-CAP is a statewide organization which provides services to rural Alaska people in poverty. Although no amount of money could adequately address ALL the needs that are present out there, we do strive to serve those who are most in need, according to their own determination of their priorities, in the most cost-effective manner possible.

Programs directly supported by the CSB grants include alcohol and drug abuse prevention; energy conservation; attention to subsistence and natural resource issues; village community development; and training to head Start. These are all areas of need identified BY RURAL ALASKANS to their representatives on our Board of Directors, and to us directly through the annual Village Participation Conference sponsored by RurAL-CAP. Toward solving problems in these spheres, we coordinate our efforts with those of many other service providers all over the state. In Anchorage alone, we have working agreements with thirty or so organizations. Our Board has representatives from every area of the state from Barrow to Ketchikan, and the majority of them are village people.

RurAL-CAP was founded in 1965 to assist the Johnson Administration's War on Poverty. While our programs are traditionally directed toward the rural areas of Alaska which to this day continue to evidence the most need, I would like to point out that many of our programs provide services in the major population areas of the State.

In Anchorage, we serve 180 families through Head Start. We provide funding assistance to Bean's Cafe and the Brother Francis Shelter for food for the needy. We provide coordination of problem-solving through discussion groups among prisoners in the Palmer Correctional Center, the Sixth Avenue jail and the Hiland Mountain prison. In Fairbanks we provide monies to the Breadline, an organization which serves meals to the people in poverty in that city. In Seward we provide money to the Mount Marathon Native Association to buy food for the needy, and we also serve many families in Seward through Head Start there.

In these times of declining state revenues, RurAL-CAP's historic use of funds to most directly alleviate the causes of poverty makes sense. For example, our energy program focuses on providing information and education to rural residents about how to cut the cost of energy. Our weatherization program likewise provides a means to cut energy costs in areas where climate conditions raise the cost of fuel use to an average far beyond that of urban areas with more moderate temperatures.

I draw your attention to the fact that RurAL-CAP spends 85.7% of dollars we receive DIRECTLY on services, advocacy, training and technical assistance. We have a good track record for cost-effectiveness and we are dedicated to continuing that record. However any agency must maintain a core of support staff and when funding cuts occur, there is a point beyond which it is all but impossible to avoid cutting programs. We have been resourceful in finding ways to avoid cutting programs, even to the point of employees taking voluntary leave without pay at times. We have been fortunate to have employees so committed to their work - but how far can they be reasonably expected to go? We need to have the current allocation retained, or risk losing valuable talent that is desperately needed by our rural constituency.

Previous substantial funding cuts to RurAL-CAP have meant total losses of programs addressing needs in the areas of Head Start, energy and weatherization in some areas of the state. Since these needs have not gone away, it is clear that the State may find itself holding the bag in those same areas.

In fact, over FY 86 and FY 87, we have seen a net change to the tune of MINUS \$564,182. At present the funding available to RurAL CAP is only just sufficient for us to continue our programs at their current levels - which compared to other years, are past the muscle, into the bone and threatening the marrow! We have cut back on staff before programs, staff travel before programs, we have cut equipment purchases and items we refuse to take for granted: costs such as phone, postage, and office supplies, we have frozen salaries for the past two years and decreased our fringe benefits - again at the risk of losing resources to agencies with better medical benefits. We have no retirement program. Our employees pay half their medical insurance premiums.

I have three suggestions for modifying the CSBG Plan that would make it even more responsive to the needs and concerns of the poor in Alaska. First, I suggest the provision for amending the Plan be changed to require a legislative hearing whenever the amendment would affect the use and distribution of CSBG funds. HOW FUNDS ARE DISTRIBUTED IS PERHAPS THE MOST IMPORTANT PART OF THE CSBG PLAN. It does the body no good if blood is directed to the fingertips at the expense of the more vital parts! In this case, the "body" - the people in need of assistance - should have an opportunity for full input into any changes in distribution of CSBG money. Mere consultation with RurAL CAP and SEACAP will not suffice - they are only the face of the public they serve.

Second, the draft Plan has increased the amount of funds DCRA may spend on administration. Under CSBG law, the State receives 10% of the funds in part for administration and in part to spend on programs for the poor at the Commissioner's discretion. The FY 1986 Plan limited administrative expenditures to 5% of CSBG State funds. The <sup>1987</sup> Draft Plan says DCRA may spend 5% or \$55,000 whichever is greater. In real terms it means this year some \$17,000 more may be spent on state administration than was spent last year, since 5% of the total is <sup>only</sup> about \$38,000. This means approximately \$17,000 less would be available for attention to the needs of the poor.

This is especially important to RurAL-CAP because last year the Commissioner of DCRA (then Emil Notti) promised that DCRA would grant its discretionary funds to RurAL-CAP in FY 86 and FY 87 to cushion the blow of changes made in funding allocation in last year's plan that resulted in less money to our agency. We therefore urge this year's Plan provide only that 5% of the total funds be spent on administration.

Third, when DCRA receives additional unexpected funds, as it did in 1986, and is making decisions on discretionary funds in the future, the Commissioner should send out requests for proposals on how best to spend those funds. Last year DCRA immediately offered an unexpected infusion of money to SEACAP. RurAL CAP had no opportunity to submit a proposal for expenditure of these funds, although several programs were severely cut that would have been helped immeasurably by State assistance. We were only allowed to react to the decision of Commissioner Notti. I do not suggest that SEACAP's proposal was a bad one; rather, I think both agencies should have been asked to submit proposals, and a decision based on those submittals then made.

We will submit more detailed testimony in writing but I thank you again for the chance to summarize for the benefit of the Committee.

03/18/87



# Alaska State Legislature

## House of Representatives

### Committee on Community & Regional Affairs

Pouch V  
State Capitol  
Juneau, Alaska 99811  
(907) 465-4833

#### MEMORANDUM

To: All HCRA Members

From: Representative Henry Springer, Chairman  
HCRA *HS*

Date: December 2, 1987

Subject: HCRA Committee Meeting  
Community Service Block Grant (CSBG) State Plan

There will be a meeting of the HCRA Committee for the purpose of taking testimony on the Department of Community and Regional Affairs FY 88 CSBG State Plan. A legislative public hearing is required in order for the program to receive federal funds.

Meeting: Teleconference/Public Hearing-HCRA Committee  
Topic: CSBG State Plan  
Day: Tuesday, December 22, 1987  
Time: 2:00-3:30 p.m.  
Place: Anchorage\*, Juneau\*\*, Bethel, Nome, Ketchikan, Sitka and Offnets (Copper Center, Fort Yukon, Haines, Hydaburg, Kake and Port Lions)

\* LIO, 3111 C Street, Main floor, Large conference room  
\*\*C-205, Butrovich

Please call my office if you have any questions (465-3789).

Attachment (Public Notice)

cc: Senator Arliss Sturgulewski  
Chief Clerk  
Judy Holden, DCRA, CSBG  
Peggy Simons, LIO Coordinator  
Lynn Morley

## PUBLIC NOTICE

### DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS FY 88 COMMUNITY SERVICES BLOCK GRANT (CSBG) STATE PLAN

The Draft FY 88 State Plan is available for public review and comment. CSBG funds are allocated to the State and to Alaska's two Community Action agencies, the Rural Alaska Community Action Program (Rural CAP) and the Southeast Alaska Community Action Program (SEACAP) to impact the causes and conditions of poverty in Alaska. The plan describes how the State administers the program, activities of grantees and the distribution plans for FY 88.

A public hearing will be conducted on the plan on December 22, 1987 from 2:00 to 3:30 p.m. The hearing will be chaired by Representative Heinrich Springer of the House Community and Regional Affairs Committee through the Interim Legislative Teleconference Network.

The Legislative Information Office sites designated for this hearing are:

- Anchorage, 3111 "C" Street, Suite 150;
- Bethel, Kuskokwim Inn Annex;
- Juneau, Capitol Building, Room 205;
- Ketchikan, 352 Front Street;
- Nome, Second Floor, Front Street; and
- Sitka, 210 Lake Street.

In addition to the listed LIOs, Offnet sites have been established in Copper Center, Fort Yukon, Haines, Hydaburg, Kake and Port Lions.

A written summary of any comments presented at the hearing would be appreciated. The Division will also give consideration to written comments, which must be received by the close of business on Thursday, December 31, 1987. Copies of the Draft State Plan are available from the Department of Community and Regional Affairs offices. Questions about the plan or hearing sites can be directed to: Judy Holden, Block Grant Administrator, Department of Community and Regional Affairs, Rural Development Division, P. O. Box BC, Juneau, Alaska 99811. Telephone (907) 465-4890.

WORKSHEET

Hearing: Public Hearing (Teleconference) - Community Services Block Grant Program

Date Sched.: HCRA Committee, Wednesday, March 18, 1987

Info Attached: Draft State Plan for FY 1987  
 Transmittal letter: Commissioner DCRA  
 Public Notice  
 Listing of proposed changes to FY86 Plan  
 Letter/Background Information Comm. Hoffman to  
 Committee Chairman

Staff Briefing:

The Hearing: In order to receive federal Community Service Block Grant (CSBG) funds each year the State must prepare a State Plan which describes the "use and distribution" of the funds. The plan must be submitted for public review at a hearing conducted by the Legislature. Twenty-five rural and urban sites will be connected for the teleconference. These sites were nominated by the two prime contractors for these grants, RurALCAP and SEACAP.

The committee is sponsoring the hearing, however, Robert L. Brean, Acting Director of the Community Development Division will chair the meeting.

Source of Funds: The CSBG program was established by the Omnibus Budget Reconciliation Act of 1981. It shifted administration of this anti-poverty program to individual states. Funded by U.S. Dept. of Health and Human Services (Office of Community Services), \$1,051,518 will come to the state in FY 87. The program is located within the State DCRA Division of Community Development.

The Money:

Total CSBG funds to State	\$1,051,518
Tribal Grantees	<u>277,501</u>
Balance DCRA	\$ 774,017
10% State Administrative and discretionary funds	<u>77,402</u>
90% Flow through funding available to CAPs	\$ <u>696,615</u>

Distribution of Remaining Funds

	RURALCAP	SEACAP
1. Basic Grant	\$ 50,000	\$ 50,000
2. Poverty Population Formula (based on population 696,615 below poverty level <u>-100,000</u> & relative number of \$ 596,614 X (.903) AFDC households)	\$ <u>538,803</u> \$ 588,803	(.0969) \$ <u>57,812</u> \$107,812

The Program: CSBG funds are used to help low income people "secure and retain meaningful employment, an adequate education, make the best of available income, obtain emergency assistance for energy related life sustaining needs, and attain greater self-sufficiency and participation

5 CSBG

# STATE OF ALASKA THE LEGISLATURE

## LEGISLATIVE AFFAIRS AGENCY

Regional Information Office

Sitka Legislative Office  
March 18, 1987

TO: Rep. Springer and House Community & Regional Affairs Committee

FR: Emma L. Andrew (through Sitka Legislative Office)

NOTE: Ms. Emma Andrew brought a hand-written message to be transmitted to the Committee for the 3/18 hearing on Community Block Grants. The message is attached to this memo but was written in blue ink and may not transmit clearly. Consequently, we have re-typed her message as follows:

My name is Emma L. Andrew.

Current student at Sheldon Jackson College.

Speaking on behalf of Head Start,

It's GREAT!!

I am an "graduate" of the FIRST  
Head Start in 1965-66. My daughter  
graduated in '84 and '85. - Second  
generation.

I would like to keep Head Start (HS)  
funding at its level, because it works.

I will be an advocate for HS  
for years to come and do not want  
HS to ever phase out.

All the children in Alaska benefit  
from HS and so does the communities.

They children are our leaders for TOMORROW.

EMMA L. ANDREW  
801 LINCOLN ST.  
SITKA, ALASKA 99835  
747-9965

My name is Emma L. Andrew,  
Current student at Sheldon Jackson College.  
Speaking on behalf of Head Start,  
Its GREAT!!

I am an "graduate" of the FIRST  
Head Start in 1965-66. My daughters  
graduated in '84 and '85 - Second  
generation

I would like to ~~see~~ <sup>keep</sup> Head Start (HS)  
funding at its level, because it works.

I will be an advocate for HS  
for years to come and do not want  
HS to ever phase out.

All the children in Alaska benefit  
from HS and so does the communities.

They children are our Leaders for TOMORROW.

EMMA L. ANDREW  
801 Lincoln St.  
SITKA, AK. 99835

747-9965

# STATE OF ALASKA

STEVE COWPER, GOVERNOR

## DEPT. OF COMMUNITY & REGIONAL AFFAIRS

### DIVISION OF COMMUNITY DEVELOPMENT

- P.O. BOX BC  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-4890
- 949 E. 36TH AVENUE, SUITE 400  
ANCHORAGE, ALASKA 99508  
PHONE: (907) 563-1355
- P.O. BOX BD  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-4814
- 1514 CUSHMAN STREET, ROOM 208  
FAIRBANKS, ALASKA 99701  
PHONE: (907) 456-1505
- P.O. BOX 1068  
NOME, ALASKA 99762  
PHONE: (907) 443-2274
- P.O. BOX 348  
BETHEL, ALASKA 99559  
PHONE: (907) 543-2885

Dear Interested Parties:

Enclosed is the Draft FY 87 Community Services Block Grant (CSBG) State Plan for your review and comment. A public hearing will be conducted by teleconference with the cooperation of the House Community and Regional Affairs Committee on March 18, 1987 from 3:00 - 4:30 PM to hear your comments. Written comments will be accepted until the close of business March 25, 1987. The enclosed public notice contains additional information about the hearing.

For those of you who may be unfamiliar with the CSBG Program, it is funded by the U.S. Department of Health and Human Services (DHHS), Office of Community Services (OCS) and administered by the Department of Community and Regional Affairs (DCRA), Division of Community Development (DCD). The state will receive about \$775,000 for federal fiscal year 1987.

The federal law provides that 90 percent of the funds must be distributed to eligible Community Action Agencies that were established in 1981. The remaining 10 percent is granted to the State for administration and discretionary activities. In Alaska, the two primary recipients are the Rural Alaska Community Action Program (RurAL CAP) and the Southeastern Alaska Community Action Program (SEACAP). The State has contracts with these organizations to provide activities that benefit low-income persons. The draft of the state plan provides details about these activities and how the State administers the program.

A copy of the draft plan is included with this letter, which is the same as the FY86 Final Plan with only very minor technical revisions. These changes are identified by page, section, and paragraph in the enclosed material which is entitled Proposed Revisions. This document also presents proposed new language for Section III.G.1 which deals with amendments to the state plan.

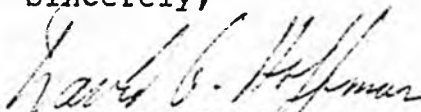
Interested Parties

Page 2

We look forward to your participation in the public hearing and encourage you to provide written comments if you wish. Written comments will be accepted until the close of business on Wednesday, March 25, 1987. If you have questions please contact:

Judy Holden  
Block Grant Administrator  
Department of Community and Regional Affairs  
Division of Community Development  
P.O.Box BC  
Juneau, AK 99811  
Phone: 465-4890

Sincerely,



David G. Hoffman  
Commissioner

PUBLIC NOTICE

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS  
FY 87 COMMUNITY SERVICES BLOCK GRANT (CSBG) STATE PLAN

The Draft FY 87 State Plan is available for public review and comment. CSBG funds are allocated to the State and to Alaska's two Community Action agencies, the Rural Alaska Community Action Program (Rural CAP) and the Southeast Alaska Community Action Program (SEACAP) to impact the causes and conditions of poverty in Alaska. The plan describes how the State administers the program, activities of grantees and the funds available for FY 87.

A public hearing will be conducted on the plan on March 18, 1987 from 3:00-4:30 PM. The hearing will be conducted by the House Community and Regional Affairs Committee in Juneau and teleconferenced to various sites statewide. A written summary of any comments presented at the hearing would be appreciated. The Division will also give consideration to written comments which must be received by the close of business on Thursday, March 26, 1987. Questions about the plan or hearing sites can be directed to: Judy Holden, Block Grant Administrator, Department of Community and Regional Affairs, Division of Community Development, P.O. Box BC, Juneau, AK 99811. Telephone (907) 465-4890.

FY87 COMMUNITY SERVICES BLOCK GRANT STATE PLAN

PROPOSED REVISIONS

The revisions identified in this material are technical in nature and have already been incorporated into the language of the enclosed draft plan. The language proposed for Section III.G.1 has been added to this document for discussion purposes and has not been incorporated into the draft plan.

Various Sections. Pages - i,1,2,7,13.

References to FY86 have been changed to FY87.

Section II.

B. Page 1, first paragraph, 2<sup>nd</sup> to last sentence.

Change "have received" to receive.

C. Page 2, third paragraph, last sentence.

Drop "FY85" and insert past program year.

Section III.

A. Page 3, second paragraph, 2<sup>nd</sup> to last sentence.

Insert actual hearing date.

B. Page 3, first paragraph, 1st sentence.

After 5% add, "or \$55,000.00, whichever is greater,".

E. Page 4, a., first sentence.

Delete "this", and add, a CSBG.

Section IV.

Page 7, second paragraph, first sentence.

Delete "this past year" and change to read "In reviewing the funding situation during 1985 and early 1986,".

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**Community Services  
Block Grant  
State Plan for FY 1987**

**DRAFT**

February 1987

State of Alaska  
Department of Community and Regional Affairs  
Division of Community Development

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**David G. Hoffman**  
Commissioner

**Steve Cowper**  
Governor

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STATE OF ALASKA  
FY 87 COMMUNITY SERVICES BLOCK GRANT STATE PLAN  
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## I. SUBMISSION OF THE STATE PLAN

With the submission of this plan the State of Alaska, Department of Community and Regional Affairs, is applying for FY 87 funding for the Community Services Block Grant program [Sec.675(a)] pursuant to the provisions of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35); HJR 599-13, the mechanism for the inclusion of the Grandfather Clause, which assures 90% funding for CAAs; and Public Law which appropriates funds for the Department of Labor, Health and Human Services, and Education for FY 87. This plan describes how the State of Alaska will carry out the assurances contained in Section 675(c) as per Section 675(d)(1), and the proposed uses of funds, as required by Section 1742 of the Act.

## II. INTRODUCTION

### A. The Omnibus Budget Reconciliation Act.

The Omnibus Budget Reconciliation Act of August 13, 1981 (Public Law 97-35) repealed all but Title VIII and Title X of the Economic Opportunity Act of 1964. With this repeal, the Administration also changed the traditional role of the Federal Government of directly funding private non-profit anti-poverty programs at the local level. Instead, this funding is now channeled directly to states in the form of Community Services Block Grants, giving Governors more direct control over the expenditure of such funds at the local level for low-income residents.

### B. State Administration.

The federal Department of Health and Human Services, through its Office of Community Services, administered the CSBG funds for the State during FY 1982 by making grants to the two designated Community Action Agencies in the State: The Rural Alaska Community Action Program, Inc. (Rural CAP) and the Southeastern Alaska Community Action Program (SEACAP). A variety of tribal entities receive direct funding from Washington D.C. during each fiscal year. This amount is deducted from the State's CSBG allocation.

During FY 83, the State of Alaska assumed administration of the Community Services Block Grant. The Governor designated the Alas.a Department of Community and Regional Affairs (DCRA) as the State administering agency for this block grant program. In 1983 the CSBG application was developed by the Division of Community Development (DCD). This Division has responsibility for administering the Job Training Partnership Act (JTPA). In addition, State funded Day Care Assistance and Child Care Programs, the Displaced Homemaker's Program, and a number of other State funded capital projects and Legislative Grants are administered by the Division. The federally funded HUD-Community Development Block Grant and Department of Energy Low Income Weatherization and State Energy Conservation Programs are also administered by the Division. The Division is familiar with and has significant experience in operating a variety of complex federal programs.

Public notices are placed in statewide newspapers and the State Administrative Journal to inform the public of the availability of the State Plan and to invite public comments for up to 20 days. The State conducts the legislative and public hearings on the State Plan in accordance with Section 675(b) of the Act. The Community and Regional Affairs Committee of the State House of Representatives will have conducted the public hearing on March 18, 1987 over the legislative teleconference network. Testimony is to be taken from rural and urban sites around the state.

B. Responsibilities to Subgrantees and Financial Audits.

The State will not expend more than five percent or \$55,000.00, whichever is greater, of its allotment for administrative expenses as per Section 675(c)(2)(B). The State will disburse funds, coordinate and monitor the programs operated with Community Services Block Grant Funds, and provide training and technical assistance, where required. The State will assist, where necessary, with program management and compliance, including, but not limited to, financial monitoring and audits [Sec. 675(c)(9)]. Audits of CSBG expenditures will be conducted at least every two years in accordance with 45 CFR Part 96 subpart I paragraph 96.91 and Section 1745(b).

The audits will be conducted in accordance with federal circulars A-128 and A-110, as appropriate, and with standards established by the Comptroller General for the audit of governmental organizations, programs, activities and functions. Audits are required in the state's contract with CAA's and are conducted in lieu of any other financial and compliance audits of the same funds which the State is required to conduct under any other provision of this Act [Sec. 1745(a), (c) and (d)]. Such audits will be conducted by an entity independent of any agency administering activities or services carried out under this subtitle and shall be conducted in accordance with generally accepted accounting principles [Sec. 675(f)]. The cost of subgrantee audits will be included in the CAA's administrative budget.

C. Subgrantee Application Procedures.

CAA's are required to submit an application for CSBG funds in order to be funded. The application includes a workplan which establishes the CAA's goals and objectives, cites which statutory requirements are being met, identifies project timelines, technical assistance/coordination mechanisms and requirements, and sources of other funds. In addition, the workplan includes a detailed narrative, and a budget prepared by line item with a detailed breakdown for each line item. The application must be approved by the applicant's governing board. The CAA is required to provide the necessary assurances included in the Omnibus Budget Reconciliation Act. The activities to be undertaken by the CAA must be measureable and have a potential impact on the causes of poverty [Section 675(c)(1)(A) (i through viii) and (C)(D) and (E), of the Omnibus Budget Reconciliation Act.

- b. Terminate the contract in whole, or in part, at any time before the final contract payment is made and notify the Contractor in writing of its decision to terminate, the reason for termination and the effective date of termination.

If the Contractor defaults or violates the terms of the contract the Department may request the Attorney General to institute actions to recover all or part of the project funds paid to the Contractor.

All reasonable and necessary costs incurred or obligated before the actual contract termination and which are allowable under the terms of the contract shall be reimbursed by the Department.

The Contractor can appeal a decision to terminate a grant for cause by writing to the Commissioner of the Department of Community and Regional Affairs. The contractor must explain in detail all of the reasons for the appeal. The appeal must be received by the Department within thirteen working days of the date the contractor received the grant termination notice. The commissioner may grant an extension for exceptional circumstances for up to five days, if a written request is received before expiration of the initial thirteen day period.

The Commissioner will review the appeal and notify the appellant within 10 working days if it is timely and accepted for a hearing.

When an appeal is accepted, the Commissioner will conduct a hearing on the appeal as soon as practicable within 20 working days. The Commissioner can conduct the hearing or may designate one or more persons from within the Department to serve as a hearing panel.

If a hearing is conducted it will be recorded. All interested parties wishing to be heard at the hearing shall submit a written brief of their statement no later than 24 hours prior to the hour of the hearing.

The decision will be made available to interested parties within 15 working days of the date of the completion of the hearing.

As required by Sec. 676 A of Public Law No. 98-558, a copy of the hearing record will be made available for a prompt review by the Secretary of the Department of Health and Human Services, if such a request is made. If a review by the Secretary is requested, the department's determination will not be effective until a finding confirming the State's finding of cause is provided by the Secretary.

#### F. Reporting Requirements.

1. Fiscal Reports: Monthly or quarterly financial reports/request for funds will be provided by the subgrantees.

# **CORRECTION**

**THIS DOCUMENT  
HAS BEEN REPHOTOGRAPHED  
TO ASSURE LEGIBILITY**

## I. SUBMISSION OF THE STATE PLAN

With the submission of this plan the State of Alaska, Department of Community and Regional Affairs, is applying for FY 87 funding for the Community Services Block Grant program [Sec.675(a)] pursuant to the provisions of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35); HJR 599-13, the mechanism for the inclusion of the Grandfather Clause, which assures 90% funding for CAAs; and Public Law which appropriates funds for the Department of Labor, Health and Human Services, and Education for FY 87. This plan describes how the State of Alaska will carry out the assurances contained in Section 675(c) as per Section 675(d)(1), and the proposed uses of funds, as required by Section 1742 of the Act.

## II. INTRODUCTION

### A. The Omnibus Budget Reconciliation Act.

The Omnibus Budget Reconciliation Act of August 13, 1981 (Public Law 97-35) repealed all but Title VIII and Title X of the Economic Opportunity Act of 1964. With this repeal, the Administration also changed the traditional role of the Federal Government of directly funding private non-profit anti-poverty programs at the local level. Instead, this funding is now channeled directly to states in the form of Community Services Block Grants, giving Governors more direct control over the expenditure of such funds at the local level for low-income residents.

### B. State Administration.

The federal Department of Health and Human Services, through its Office of Community Services, administered the CSBG funds for the State during FY 1982 by making grants to the two designated Community Action Agencies in the State: The Rural Alaska Community Action Program, Inc. (RURAL CAP) and the Southeastern Alaska Community Action Program (SEACAP). A variety of tribal entities receive direct funding from Washington D.C. during each fiscal year. This amount is deducted from the State's CSBG allocation.

During FY 83, the State of Alaska assumed administration of the Community Services Block Grant. The Governor designated the Alaska Department of Community and Regional Affairs (DCRA) as the State administering agency for this block grant program. In 1983 the CSBG application was developed by the Division of Community Development (DCD). This Division has responsibility for administering the Job Training Partnership Act (JTPA). In addition, State funded Day Care Assistance and Child Care Programs, the Displaced Homemaker's Program, and a number of other State funded capital projects and Legislative Grants are administered by the Division. The federally funded HUD-Community Development Block Grant and Department of Energy Low Income Weatherization and State Energy Conservation Programs are also administered by the Division. The Division is familiar with and has significant experience in operating a variety of complex federal programs.

Set out below is the State of Alaska's plan for the distribution and administration of CSBG funds. The State Plan annotates the required federal assurances to meet the conditions and stipulations contained in Section 675(d)(1) of the Act.

C. The Role of the Community Action Agencies.

At least 90% of the funding received by the State of Alaska will be passed through to the two existing Community Action Agencies. This plan relies largely on the continuation of activities by these agencies to meet the assurances required in Section 675(c) of the Act.

With these funds the rural Alaska Community Action Program (RurAL CAP) and Southeast Alaska Community Action Program (SEACAP) provide a range of services to low-income Alaskans in rural and urban communities which are dispersed over a vast geographic area.

In Southeast Alaska, SEACAP provides regional programs in weatherization, youth employment and advocacy, and referral services to the low-income clients in the region. RurAL CAP serves a large geographical area of the State with services available throughout rural Alaska. RurAL CAP serves its low-income population with Head Start and other child development programs, alcoholism and drug abuse prevention, weatherization and other energy programs designed to lower the fuel bills of poor families, natural resources programs to ensure continued access to fish and game resources by those who depend on them as staples, and citizen participation programs to ensure that the voice of the poor is heard. Both agencies use CSBG and non CSBG funds to extend services to rural and urban Alaskans. Appendix A provides a summary of each agency's activities for the past program year.

CSBG funds are used to help low-income people to secure and retain meaningful employment, an adequate education, make the best use of available income, obtain and maintain adequate housing, obtain emergency assistance for energy related life-sustaining needs, and attain greater self-sufficiency and participation in programs and projects that directly affect their lives and well-being.

III. ROLE OF THE STATE AGENCY

The Governor of the State of Alaska has designated the Department of Community and Regional Affairs, formerly the State Economic Opportunity Office (SEOO), as the administering agency for the Community Services Block Grant Program.

A. Public Review and Hearings.

The State Department of Community and Regional Affairs disseminates the State Plan to the public [as per Sec. 675(d)(2)], in order to facilitate comments from interested local governments, corporations, agencies and persons [Section 1742(b) and (c)]. Copies of the Plan are sent to interested parties, all legislators, appropriate legislative committees, Community Action Agencies, and Regional Offices of the Division of Community Development for review and comment.

Public notices are placed in statewide newspapers and the State Administrative Journal to inform the public of the availability of the State Plan and to invite public comments for up to 20 days. The State conducts the legislative and public hearings on the State Plan in accordance with Section 675(b) of the Act. The Community and Regional Affairs Committee of the State House of Representatives will have conducted the public hearing on March 18, 1987 over the legislative teleconference network. Testimony is to be taken from rural and urban sites around the state.

B. Responsibilities to Subgrantees and Financial Audits.

The State will not expend more than five percent or \$55,000.00, whichever is greater, of its allotment for administrative expenses as per Section 675(c)(2)(B). The State will disburse funds, coordinate and monitor the programs operated with Community Services Block Grant Funds, and provide training and technical assistance, where required. The State will assist, where necessary, with program management and compliance, including, but not limited to, financial monitoring and audits [Sec. 675(c)(9)]. Audits of CSBG expenditures will be conducted at least every two years in accordance with 45 CFR Part 96 subpart I paragraph 96.91 and Section 1745(b).

The audits will be conducted in accordance with federal circulars A-128 and A-110, as appropriate, and with standards established by the Comptroller General for the audit of governmental organizations, programs, activities and functions. Audits are required in the state's contract with CAA's and are conducted in lieu of any other financial and compliance audits of the same funds which the State is required to conduct under any other provision of this Act [Sec. 1745(a), (c) and (d)]. Such audits will be conducted by an entity independent of any agency administering activities or services carried out under this subtitle and shall be conducted in accordance with generally accepted accounting principles [Sec. 675(f)]. The cost of subgrantee audits will be included in the CAA's administrative budget.

C. Subgrantee Application Procedures.

CAA's are required to submit an application for CSBG funds in order to be funded. The application includes a workplan which establishes the CAA's goals and objectives, cites which statutory requirements are being met, identifies project timelines, technical assistance/coordination mechanisms and requirements, and sources of other funds. In addition, the workplan includes a detailed narrative, and a budget prepared by line item with a detailed breakdown for each line item. The application must be approved by the applicant's governing board. The CAA is required to provide the necessary assurances included in the Omnibus Budget Reconciliation Act. The activities to be undertaken by the CAA must be measureable and have a potential impact on the causes of poverty [Section 675(c)(1)(A) (i through viii) and (C)(D) and (E), of the Omnibus Budget Reconciliation Act.

The board must provide assurances that it has adopted and implemented bylaws for itself and agency policies relative to travel, personnel, and other areas as appropriate, consistent with Federal and state laws and regulations. The reimbursement rates for travel and related expenses will be set locally by the boards, but may not exceed State limits. Fiscal management policies and procedures must have been approved and be located in a separate volume. Any weaknesses or inadequacies identified in the latest audit report must have been corrected, with assurances contained in the application.

D. Subgrantee Monitoring.

Monitoring checklists will be utilized for program reviews to assure programmatic fiscal compliance. Through on-site visits staff can identify contract performance/achievements, potential or actual problem areas, and initiate corrective action in cooperation with the local agencies. A written report of the on-site visit will be prepared, copies of which will be provided to the Community Action Agency board chairperson and executive director.

E. Suspension, Termination of Funds, and Procedure for Appeals.

All grantees, to be eligible for funding under the plan, must use CSBG funds to carry out activities authorized under Section 675(c)(1) of the Omnibus Budget Reconciliation Act of 1981 and must not use them for activities prohibited under Section 675(c)(6) and (7).

Grantees must have internal control and fund accounting procedures to assure the proper disbursement of and accounting for funds provided. If a grantee or a potential grantee fails to meet these program and fiscal requirements, it will be ineligible for funding under the State's CSBG program.

Termination by Mutual Consent:

- a. Either party may terminate a CSBG contract by mutual consent by setting forth the reasons and submitting them in writing. Before the termination is effective, the other party must give written consent.

Termination for Cause:

If the Contractor fails to comply with the provisions of the contract, or fails to use the funds for only those purposes which have been designated in the contract, the Department may, after written notice to the Contractor:

- a. Suspend the contract and withhold any further payment or prohibit the Contractor from incurring additional obligations of funds, pending corrective action by the Contractor or a decision to terminate; or

- b. Terminate the contract in whole, or in part, at any time before the final contract payment is made and notify the Contractor in writing of its decision to terminate, the reason for termination and the effective date of termination.

If the Contractor defaults or violates the terms of the contract the Department may request the Attorney General to institute actions to recover all or part of the project funds paid to the Contractor.

All reasonable and necessary costs incurred or obligated before the actual contract termination and which are allowable under the terms of the contract shall be reimbursed by the Department.

The Contractor can appeal a decision to terminate a grant for cause by writing to the Commissioner of the Department of Community and Regional Affairs. The contractor must explain in detail all of the reasons for the appeal. The appeal must be received by the Department within thirteen working days of the date the contractor received the grant termination notice. The commissioner may grant an extension for exceptional circumstances for up to five days, if a written request is received before expiration of the initial thirteen day period.

The Commissioner will review the appeal and notify the appellant within 10 working days if it is timely and accepted for a hearing.

When an appeal is accepted, the Commissioner will conduct a hearing on the appeal as soon as practicable within 20 working days. The Commissioner can conduct the hearing or may designate one or more persons from within the Department to serve as a hearing panel.

If a hearing is conducted it will be recorded. All interested parties wishing to be heard at the hearing shall submit a written brief of their statement no later than 24 hours prior to the hour of the hearing.

The decision will be made available to interested parties within 15 working days of the date of the completion of the hearing.

As required by Sec. 676 A of Public Law No. 98-558, a copy of the hearing record will be made available for a prompt review by the Secretary of the Department of Health and Human Services, if such a request is made. If a review by the Secretary is requested, the department's determination will not be effective until a finding confirming the State's finding of cause is provided by the Secretary.

#### F. Reporting Requirements.

1. Fiscal Reports: Monthly or quarterly financial reports/request for funds will be provided by the subgrantees.

a. A CAA may receive an advance of not more than 25% of that CAA's grant award. The request shall be in writing with a brief explanation of the need for an advance.

2. Quarterly Progress Reports are required from subgrantees specifying the level of work performed during the contract period. The quarterly report shall include an analysis of the activities included in the workplan as compared to actual accomplishments, any variations in the workplan, as well as identification of particular successes or problem areas encountered. In addition, an annual report shall be submitted for the grant period which contains the same level of information. The annual report will require an analysis of the effectiveness of the subgrantee's workplan and discuss proposed activities for the next program year based on public participation, board priorities, and impacts of previous or present funding. The Contractor shall use the format prescribed by the Department.

#### G. Amendments.

1. To the State Plan: During the program year, in consultation with local grantees, this plan may be amended, as appropriate. OCS will be notified of State Plan amendments.

2. To Local Programs: Proposed program amendments may be submitted during the course of the year. The Department of Community and Regional Affairs reserves the right to approve or disapprove such requests for amendments. Proposed amendments which are reasonable, and which do not significantly change the program benefit will be approved.

#### IV. CRITERIA AND METHOD OF FUND DISTRIBUTION

Alaska, a large state geographically, with a relatively small but diverse population uses not less than 90 percent of the funds to make grants to the two existing Community Action Agencies [Sec. 675(c)(4) and 675(c)(2)(B)].

The State will use not more than the allotted \$55,000.00 of the total Community Services Block Grant funds for administration of the grant [Sec.675(c)(2)(B)]. The Department reserves the right to distribute the discretionary funds for activities that benefit low-income Alaskans. For example, these funds could be distributed to; existing CAP's to reduce the impacts of funding reductions, to CAA's or other non-profit organizations for special projects or other activities to be determined by the Department.

The Department has reviewed the funding available to the two CAP's since the Office of Community Services administered the Community Services Block Grant Program. Just prior to the state assuming administration of the program, the available funds were divided between the two CAA's on the basis of approximately 17% for SEACAP and 83% for RurAL CAP. When the Department prepared its first plan, the funding ratio was based primarily on poverty population derived from the 1980 census. This resulted in changing the funding ratio to approximately 8.7% for SEACAP, and 91.3% for RurAL CAP because of the poverty populations in the respective service areas claimed.

While both CAA's experienced an overall loss of funds during this period, the experience of the last two years has shown that the smaller organization was seriously hampered in its ability to maintain a staff and conduct programs with CSBG funds. Inherent in the department's assumption of the CSBG program from OCS, is a recognition of the value of maintaining the two eligible organizations in order to support existing programs.

In reviewing the funding situation during 1985 and early 1986, the Department acknowledged its oversight in creating this disproportionate distribution based solely on poverty population. The Department recognizes that a certain level of funding is necessary for a program to meet the basic operational requirements of P.L. 97-35. These basic costs include staff, office, supplies, and travel for governing board and staff.

In order to accomplish a more equitable distribution of available funds the Department will use a two step funding formula.

- 1) The first step recognizes the need for each organization to have a grant for basic operating expenses. While both CAP's will receive \$50,000.00 to meet basic costs this does not necessarily limit administrative costs to this amount.
- 2) The second step recognizes the importance of the poverty population as an element in distributing the available funds. The Department will use the formula in the FY 85 CSBG State Plan to determine the distribution of the balance of the funds after subtracting the basic grant.

The results of the formula for the FY 87 funds is as follows:

Total CSBG Funds to State	\$1,051,518.00
-Tribal Grantees	277,501.00
-Balance DCRA	774,017.00*
-10% State Admin & Discretionary	77,402.00
-90% to CAP's	696,615.00

Funding Available to CAP's

Step I. Basic Grant	<u>RURAL CAP</u> \$ 50,000.00	<u>SEACAP</u> \$ 50,000.00
Step II. Poverty Population		
Formula		
\$696,615.00		
<u>-100,000.00</u>		
\$596,615.00	x .903=	<u>\$538,803.00</u>
		x .0969=
		<u>\$ 57,812.00</u>
Total to Each CAP	\$588,803.00	\$107,812.00

If the level of federal funding shown above changes contracts will be adjusted accordingly.

The factors used in step II to determine the distribution of funds on a population basis are the same as those in the FY 85 CSBG Plan and are derived in the following manner:

1. 1980 Census of Population  
 General Social and Economic Characteristics  
 Poverty Status in 1979 of Families and Persons for Counties: 1980  
 Table 181
2. Alaska Department of Health and Social Services  
 Eligibility Information System  
 Aid to Families with Dependent Children (AFDC) Payment Summary  
 September 1986

To arrive at equitable distribution of CSBG funds, the following process is used.

The statewide number of low-income individuals at 125% of poverty per the 1980 Census from Table 181 is 55,909. The number of low-income persons residing in Southeastern Alaska is 4,677 (this number includes the census districts of Haines, Juneau, Ketchikan Gateway Borough, Prince of Wales/Outer Ketchikan, Skagway/Yakutat/Angoon, Wrangell/Petersburg, and Sitka). 4,677 is then divided by the statewide number of low income, 4,677/55,909 arrive at 8.37%. The balance of state allocation 51,232 (55,909 - 4,677) is divided by 55,909 to arrive at a rate of 91.63%.

Similarly, AFDC cases in Southeastern Alaska are used to arrive at a percentage of AFDC cases relative to the balance of the state. In September 1986, 745 AFDC cases are served in the southeast region versus a total of 6731 statewide. These figures are taken from the report identified in #2 above. The resulting percentage for Southeast is 11% and 89% for the balance of the state.

The CSBG allocation based on statistical information is:

1980 Poverty Statistics (125% of Poverty level)	<u>RURAL CAP</u> 91.63	<u>SEACAP</u> 8.37
AFDC cases	<u>89.00%</u>	<u>11.00%</u>
Total	180.63%	19.37%

These figures are divided by two to arrive at a distribution figure for CSBG funds.

<u>RURAL CAP</u> 90.31%	<u>SEACAP</u> 9.69%
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V. GEOGRAPHIC AREAS AND CHARACTERISTICS OF INDIVIDUALS TO BE SERVED

As mentioned earlier, with Rural CAP serving the majority of rural Alaska and now acting as a conduit of funds to help assist the urban poor, and with SEACAP serving the low-income population of Southeastern Alaska, the Community Services Block Grant Program can touch, within the limits of funding, all eligible low-income participants, including the elderly poor, on a state-wide basis, with population estimates of 55,909 [Sec.1742(a)(2)] as per the 1980 U.S.Census.

VI. GOALS AND OBJECTIVES

A. The Overall Goal: Preventing Poverty.

The primary State goal for the CSBG program [Sec. 1742(a)(1)] is to reduce and/or prevent poverty through community-based educational activities which lead to a greater degree of self-sufficiency on the part of low-income people [as per Sec 675(c)(1)(A) and 675(c)(1)(B)(ii), (vi) and (vii)].

B. Background of Programs.

Section II of this Plan briefly describes the history of anti-poverty funding and programs in Alaska and the role that CAA's have played. The Plan further provides understanding of specific projects accomplished to date. The attached Appendices describe the projects CAA's have used to meet the goals and objectives of the Community Services Block Grant program for the previous fiscal year [per Sec. 1742(a)].

C. Coordination of Resources.

To help meet both the goal and objectives, the State, through its subgrantees, will coordinate all available resources.

D. Program Objective: Impacting Poverty.

One of the State's main objectives with its subgrantees is to continue to provide a wide range of services and activities which have a measurable and major impact on the causes of poverty in the State [as per Sec. 675(c)(1)(A)].

Many of the relevant activities detailed throughout this Plan, are ongoing programs of the existing CAAs which, since 1965, have worked to eradicate the causes of poverty in Alaska. Particular program components which attain this objective include, but are not limited to:

1. Local Control.

A local control component will provide training and technical assistance to interested eligible applicants to help return power and responsibility to the local unit of government. This element is an integral part of both self-sufficiency [Sec. 675(c)(1)(B)(vi)] and self-awareness, which will help to impact the causes of poverty [Sec. 675(c)(1)(A)].

## 2. Planning and Research.

A planning component enables the programs to research and help provide some of the necessary education and information [Sec. 675(c)(1)(B)(ii)] to both the low-income population who require such knowledge for self-improvement, and to appropriate government agencies to help coordinate and establish linkages between such governmental and other social services programs to assure the effective delivery of services to low-income individuals as per Sec. 675(c)(1)(D).

## E. Program Objective: Self-Sufficiency.

Another similar objective of the CSEB funded programs will be to concentrate on removing obstacles to the achievement of self-sufficiency [Sec. 675(c)(1)(B)(vi)], through programs that provide education [Sec. 675(c)(1)(B)(ii)], encourage community involvement and participation [Sec. 675(c)(1)(B)(vii)], and help make more effective use of other related programs [Sec. 675(c)(1)(B)(viii)], in part because of the coordination between government and other social service programs to assure effective delivery [Sec. 675(c)(1)(D)]. Specific activities, programs and concerns designed to meet this objective are:

### 1. Natural Resources.

A natural resources component concentrates both on resource management and energy conservation with educational activities [Sec. 675(c)(1)(B)(ii)] designed to assist low-income participants make better use of available income [Sec. 675(c)(1)(B)(iii)], and to help obtain and maintain adequate housing and a suitable living environment [Sec. 675(c)(1)(B)(iv)].

### 2. Urban Programs.

An urban component is coordinated with local municipal agencies to identify priorities that address the needs of the urban poor [Sec. 675(c)(1)(B)(v)], [Sec. 675(c)(1)(C)].

### 3. Citizen Participation.

A citizen participation component [Sec. 675(c)(1)(B)(vii)] is provided to educate low-income people in governmental and other processes [Sec. 675(c)(1)(B)(ii)] as to their significance in these processes in order to gain a measure of control over decisions which affect the overall quality of life.

### 4. Economic Development.

An economic development program helps to provide employment opportunities, some job counseling, and related activities [Sec. 675(c)(1)(B)(i)] as well as using and encouraging the use of the private sector [Sec. 675(c)(1)(E)]. The latter partially through use of the coordinated efforts with other agencies, and through the existing Boards of Directors of the CAAs.

## VII. OTHER ADMINISTRATIVE ASSURANCES

### A. Composition of the Board of Directors.

The Boards of Directors of both CAAs will meet the board composition requirements prior to contract approval [Sec. 675(c)(3)]. The Boards of both RurAL CAP and SEACAP comply with the requirement presently, i.e., one third are elected public officials or their representatives, at least one third are democratically selected representatives of the poor, and the balance are officials or members of business, industry, labor, religious, welfare, education, or other major groups and interests in the community or communities. In the event other non-profit organizations are considered for projects with CSBG funds their boards must approximate this requirement as nearly as possible.

### B. Transfer of Funds.

1. In the event that the State transfers funds to services under the Older American Act, the Head Start Program, or the Energy Crisis Intervention Program, such transfers shall not exceed five percent of the State's allotment according to Section 674 [Sec. 675(c)(5)].
2. Pursuant to the section 2604 (f) (1) of the Low Income Home Energy Assistance Act (LIHEAP) of 1981 the Governor is authorized to transfer up to 10% of the State's allocation from LIHEAP to the Community Services Block Grant (CSBG) program. The purpose of this language is to provide the Governor with the authority to transfer funds should the Governor determine that funds are available and a transfer of funds is consistent with the best interests of the State of Alaska. In the event these funds become available to supplement the CSBG they will be used to assist CAA's in complying with the goals and objectives of the State Plan and deliverables required by the Department of Health and Social Services.

### C. Prohibition of Political Activities.

None of Alaska's CSBG allocation will be used to engage in political activities [Sec. 675(c)(6)] in accordance with Chapter 15 of Title 5, United States Code [Sec. 675(c)], nor to assist voters in any way in any election [Sec. 675(c)(7)].

Conditions of the State's contract with the CAAs, or any other non-profit group, will incorporate these conditions.

### D. Coordination of Programs.

The State of Alaska will encourage continued coordination of anti-poverty programs with emergency energy crisis intervention programs under Title XXVI of this Act [as per Sec. 675(c)(8)]. Both CAAs have been actively involved in Low Income Home Energy Assistance program referrals and advocacy, and emergency energy crisis intervention program activities. The CAAs and any other CSBG subgrantees will be required to coordinate their activities between such programs and existing anti-poverty programs where appropriate.

E. Fiscal Control and Accounting Procedures.

The State establishes fiscal control and fund accounting procedures to assure proper disbursement of and accounting for Federal funds [Sec. 675(c)(9)].

The board provides assurances to ensure that fiscal control and fund accounting procedures are adequate to provide for the proper disbursement of funds. The board provides assurances that accounting procedures are adequate for all funds received pursuant to this application, and that it will ensure the cooperation of staff and availability of all records.

F. Federal Investigations.

Upon written notification that an authorized federal investigation is being conducted, the State of Alaska will cooperate, to the extent of its ability, with any federal investigations undertaken in accordance with Section 679 of the Act [Sec. 675(c)(10)].

G. Nondiscrimination.

The State shall make part of any contract with a subgrantee receiving CSBG funds a requirement that no person be denied benefits or participation in services, or subject to discrimination on the grounds of race, color, national origin, age, or sex, according to Section 677(a) of the Act.

H. Limitation on Use of Funds for Construction.

The State, or any of its subgrantees, will not use any funds for the purchase or improvement of land, or the purchase, construction, or permanent improvement of any building or other facility [Sec. 680(a)] except as outlined in Section 680(a) and (b).

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Steve Cowper, Governor

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Date

FY 87 STATE PLAN  
COMMUNITY SERVICES BLOCK GRANT PROGRAM

APPENDIX A

SUMMARY OF ACTIVITIES FOR FY 86

This information is provided to give a summary of the activities of Alaska's two Community Action Agencies during the past year. The activities are conducted to meet the purposes stated in Public Law 97-35, as stated in the following:

- (1) use the funds available under this subtitle--
  - (A) to provide a range of services and activities having a measureable and potentially major impact on causes of poverty in the community or those areas of the community where poverty is a particularly acute problem;
  - (B) to provide activities designed to assist low-income participants, including the elderly poor:
    - (i) to secure and retain meaningful employment;
    - (ii) to attain an adequate education;
    - (iii) to make better use of available income;
    - (iv) to obtain and maintain adequate housing and a suitable living environment;
    - (v) to obtain emergency assistance through loans or grants to meet immediate and urgent individual and family needs, including the need for health services, nutritious food, housing, and employment-related assistance;
    - (vi) to remove obstacles and solve problems which block the achievement of self-sufficiency;
    - (vii) to achieve greater participation in the affairs of the community; and
    - (viii) to make more effective use of other programs related to the purposes of this subtitle.

Alaska's Community Action Agencies (CAA) made use of funds from various sources over the past year, including CSBG funds, to provide a range of programs and advocacy activities for the benefit of low-income persons. CSBG resources were used in conjunction with state and other federal funds such as Low Income Home Energy Assistance Program (LIHEAP), Head Start, State Office of Alcoholism and Drug Abuse (SOADA), and direct state grants.

The following material briefly describes the activities of the community action agencies to the extent they can be categorized in (B) (i - viii) above.

#### Employment

Activity in this area was provided through efforts to locate markets for seafood products and efforts to increase Native hire in the Alaska Department of Corrections.

#### Education

Activity in this area included: Head Start, which serves over 1,500 children all over the state and is funded with federal and state funds of over \$6,000,000; development and distribution of energy conservation materials to rural residents, as well as demonstration of effective energy saving technologies, over \$1,000,000 in state and federal funds were provided in all phases of energy conservation programs; the Village Participation Conference, which brought over 50 villagers to the state capital to discuss rural problems and to present recommendations to policy makers, which involved over \$90,000 in CSBG funds.

#### Available Income

Activity in this area continued to be the reduction in high cost energy through weatherization projects and demonstration of improvements in technology to reduce fuel consumption.

#### Adequate Housing and Suitable Living Environment

Activity in this area continued to be advocacy for low-income housing, monitoring development activities in rural locations to identify environmental impacts, and employment of young persons to assist low-income elderly and handicapped persons with home repair projects.

#### Emergency Assistance

Activity in this area was provided through the advocacy for low-income housing and assistance to a low-income homeowner who was affected by a mudslide.



MAR 18 1987

TESTIMONY BEFORE THE ALASKA STATE HOUSE OF REPRESENTATIVES, COMMITTEE ON  
COMMUNITY & REGIONAL AFFAIRS, THE HON. REP. HENRY SPRINGER, CHAIRMAN  
March 18, 1987

Presented by Vernita Zilys-Cassidy, Director/Village Community Development for RurAL-CAP.

Mr. Chairman, Members of the Committee, and Commissioner Hoffman:

Thank you for this opportunity to provide testimony. I am speaking on behalf of RurAL-CAP's Executive Director, Jeanine Kennedy. While Jeanine had plans to be present when this hearing was originally scheduled for March 4, long-standing previous commitments prevent her from being here today.

Mr. Chairman, RurAL-CAP supports the funding allocations contained in the 1987 Draft Plan for Community Services Block Grants. As you know, RurAL-CAP is a statewide organization which provides services to rural Alaska people in poverty. Although no amount of money could adequately address ALL the needs that are present out there, we do strive to serve those who are most in need, according to their own determination of their priorities, in the most cost-effective manner possible.

Programs directly supported by the CSB grants include alcohol and drug abuse prevention; energy conservation; attention to subsistence and natural resource issues; village community development; and training to Head Start. These are all areas of need identified BY RURAL ALASKANS to their representatives on our Board of Directors, and to us directly through the annual Village Participation Conference sponsored by RurAL-CAP. Toward solving problems in these spheres, we coordinate our efforts with those of many other service providers all over the state. In Anchorage alone, we have working agreements with thirty or so organizations. Our Board has representatives from every area of the state from Barrow to Ketchikan, and the majority of them are village people.

RurAL-CAP was founded in 1965 to assist the Johnson Administration's War on Poverty. While our programs are traditionally directed toward the rural areas of Alaska which to this day continue to evidence the most need, I would like to point out that many of our programs provide services in the major population areas of the State.

In Anchorage, we serve 180 families through Head Start. We provide funding assistance to Bean's Cafe and the Brother Francis Shelter for food for the needy. We provide coordination of problem-solving through discussion groups among prisoners in the Palmer Correctional Center, the Sixth Avenue jail and the Hiland Mountain prison. In Fairbanks we provide monies to the Breadline, an organization which serves meals to the people in poverty in that city. In Seward we provide money to the Mount Marathon Native Association to buy food for the needy, and we also serve many families in Seward through Head Start there.

In these times of declining state revenues, RurAL-CAP's historic use of funds to most directly alleviate the causes of poverty makes sense. For example, our energy program focuses on providing information and education to rural residents about how to cut the cost of energy. Our weatherization program likewise provides a means to cut energy costs in areas where climate conditions raise the cost of fuel use to an average far beyond that of urban areas with more moderate temperatures.

I draw your attention to the fact that RurAL-CAP spends 85.7% of dollars we receive DIRECTLY on services, advocacy, training and technical assistance. We have a good track record for cost-effectiveness and we are dedicated to continuing that record. However any agency must maintain a core of support staff and when funding cuts occur, there is a point beyond which it is all but impossible to avoid cutting programs. We have been resourceful in finding ways to avoid cutting programs, even to the point of employees taking voluntary leave without pay at times. We have been fortunate to have employees so committed to their work - but how far can they be reasonably expected to go? We need to have the current allocation retained, or risk losing valuable talent that is desperately needed by our rural constituency.

Previous substantial funding cuts to RurAL-CAP have meant total losses of programs addressing needs in the areas of Head Start, energy and weatherization in some areas of the state. Since these needs have not gone away, it is clear that the State may find itself holding the bag in those same areas.

RurAL CAP Testimony  
1987 CSBG State Plan Hearing  
Page Three

In fact, over FY 86 and FY 87, we have seen a net change to the tune of MINUS \$564,182. At present the funding available to RurAL CAP is only just sufficient for us to continue our programs at their current levels - which compared to other years, are past the muscle, into the bone and threatening the marrow! We have cut back on staff before programs, staff travel before programs, we have cut equipment purchases and items we refuse to take for granted: costs such as phone, postage, and office supplies, we have frozen salaries for the past two years and decreased our fringe benefits - again at the risk of losing resources to agencies with better medical benefits. We have no retirement program. Our employees pay half their medical insurance premiums.

I have three suggestions for modifying the CSBG Plan that would make it even more responsive to the needs and concerns of the poor in Alaska. First, I suggest the provision for amending the Plan be changed to require a legislative hearing whenever the amendment would affect the use and distribution of CSBG funds. HOW FUNDS ARE DISTRIBUTED IS PERHAPS THE MOST IMPORTANT PART OF THE CSBG PLAN. It does the body no good if blood is directed to the fingertips at the expense of the more vital parts! In this case, the "body" - the people in need of assistance - should have an opportunity for full input into any changes in distribution of CSBG money. Mere consultation with RurAL CAP and SEACAP will not suffice - they are only the face of the public they serve.

Second, the draft Plan has increased the amount of funds DCRA may spend on administration. Under CSBG law, the State receives 10% of the funds in part for administration and in part to spend on programs for the poor at the Commissioner's discretion. The FY 1986 Plan limited administrative expenditures to 5% of CSBG State funds. The <sup>1987</sup> Draft Plan says DCRA may spend 5% or \$55,000 whichever is greater. In real terms it means this year some \$17,000 more may be spent on state administration than was spent last year, since 5% of the total is <sup>only</sup> about \$38,000. This means approximately \$17,000 less would be available for attention to the needs of the poor.

This is especially important to RurAL-CAP because last year the Commissioner of DCRA (then Emil Notti) promised that DCRA would grant its discretionary funds to RurAL-CAP in FY 86 and FY 87 to cushion the blow of changes made in funding allocation in last year's plan that resulted in less money to our agency. We therefore urge this year's Plan provide only that 5% of the total funds be spent on administration.

Third, when DCRA receives additional unexpected funds, as it did in 1986, and is making decisions on discretionary funds in the future, the Commissioner should send out requests for proposals on how best to spend those funds. Last year DCRA immediately offered an unexpected infusion of money to SEACAP. RurAL CAP had no opportunity to submit a proposal for expenditure of these funds, although several programs were severely cut that would have been helped immeasurably by State assistance. We were only allowed to react to the decision of Commissioner Notti. I do not suggest that SEACAP's proposal was a bad one; rather, I think both agencies should have been asked to submit proposals, and a decision based on those submittals then made.

We will submit more detailed testimony in writing but I thank you again for the chance to summarize for the benefit of the Committee.

03/18/87



tingit-haida REGIONAL HOUSING AUTHORITY

P. O. Box 32237 • Juneau, Alaska 99803-2237 • (907) 780-6442

March 16, 1987

Hon. David Hoffman  
Commissioner  
Department of Community  
and Regional Affairs  
P.O. Box B  
Juneau, Ak

Dear Commissioner:

This letter is to comment on the 1987 Community Services Block Grant plan, the performance of SEACAP and the funding anticipated for Southeastern Alaska. Please enter this letter into the record at the hearing on March 18, 1987.

The Housing Authority shares a service area, a concern for the mostly low income clientele and for the condition of housing stock with SEACAP. We have had a formal working relationship based on mutual sharing of information and cooperation on projects for several years. This relationship has allowed both agencies to maximize their limited funding and thus target the highest priorities for work.

We also share another similarity, that of having a small staff which must be ready to accomplish a variety of tasks for the people we serve. I can say without reservation that SEACAP has been an effective force on a variety of issues affecting Southeastern's low income populace.

I understand the draft plan has only allocated about \$107,000.00 for SEACAP for this year's activities and that unlike past years there is no plan to provide a general fund addition to that budget. I encourage you to fund SEACAP at the minimal maintenance level of \$150,000.00, so that the effectiveness of this organization will not be harmed.

Sincerely,

*Joseph G. Wilson*

Joseph G. Wilson  
Executive Director

cc: SEACAP ✓



**BIG BROTHERS / BIG SISTERS  
OF JUNEAU, INCORPORATED**

326 FOURTH STREET, SUITE 204  
JUNEAU, ALASKA 99801  
(907) 586-3350

March 17, 1987

Judy Holden  
Block Grant Administrator  
Department of Community & Regional Affairs  
P.O. Box B  
Juneau, Alaska 99811

Dear Ms. Holden,

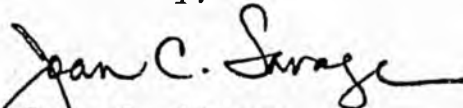
On behalf of Big Brothers/Big Sisters of Juneau, I am happy to submit a letter of support for SEACAP.

Big Brothers/Big Sisters of Juneau is a human service program that provides services to youth, ages 6 to 15, through the use of volunteers who provide consistent one-to-one contact with the child with who they are matched. The families that come to BB/BS for service are typically AFDC recipients or draw a lower than average level of income. They are frequently clients who would seek the help of SEACAP's programs.

In addition, BB/BS works most closely with SEACAP through our involvement with the Juneau Social Services Network (JSSN). SEACAP has spearheaded the Network's involvement in such issues as non-regressive tax reform for the C/B of Juneau and the development of a human services needs assessment for the community. SEACAP has also been a resource for our agency in evaluating the best ways of working toward ensuring the state's financial support of ours and other community programs.

In light of this, BB/BS strongly supports SEACAP's funding at a level of at least \$150,000 in order to ensure continuation of programs.

Sincerely,

  
Joan C. Savage  
Executive Director



A UNITED WAY AGENCY

Commissioner David Hoffman  
Department of Community and Regional Affairs  
P.O. Box B  
Juneau, Alaska 99811

Dear Commissioner Hoffman:

Thank you for the opportunity to comment on your 1987 Community Services Block Grant Plan and allocation formula, please enter this in the hearing record. The plan seems to meet the general requirements of the Federal Act with regard to the provision of services for target populations. However the proposed distribution of funds and previous records of services provided reflects a basic inequity which as a Commissioner you have the opportunity, responsibility and authority to correct. This inequity, using the low income statistics of the urban centers of Anchorage and Fairbanks to generate program receipts and then not spending any funds there must end. I recommend taking those areas out of the service base and recomputing the formula based on the new figures. Whatever the outcome I am recommending a minimum allocation of \$150,000. of CSBG funds for SEACAP.

Having said that, let me now comment on SEACAP's performance as the Community Action Agency serving Sitka. Sitka is represented on the SEACAP Board by former Mayor John Dapcevitch and by another eminent Sitkan, a past Grand Camp Alaska Native Brotherhood President Patrick Paul Sr. Both are active members of the Community who have always volunteered time to finding solutions for Sitka's problems. When it has been necessary to look outside of Sitka for additional assistance, they have often called on SEACAP, for solutions, including: individual entitlement problems; community project co-ordination of outside resources; involvement in regional or statewide problems involving the state Legislature and Administration; in addition they provide individual services on a regular basis in housing rehabilitation.

Their focus on economic development also is of interest to us as small business are the backbone of our economy and we appreciate SEACAP's interest in the private sector.

In short we are happy with our Southeastern Alaska Community Action Agency and support funding at an minimal level of \$150,000.

Sincerely,

*Dan Keck*

Dan Keck  
Mayor

cc SEACAP

csbg/keck/hearing



CENTRAL COUNCIL  
Tlingit and Haida Indian Tribes of Alaska  
320 West Willoughby Avenue • Suite 300  
Juneau, Alaska 99801

---

March 10, 1987

The Honorable Henry Springer  
Chairman, House Community &  
Regional Affairs Committee  
Alaska State Legislature  
P. O. Box V  
Juneau AK 99811

Dear Representative Springer:

Central Council, Tlingit and Haida Indian Tribes of Alaska, endorses the proposal of the Southeast Alaska Community Action Program (SEACAP) for a Weatherization Program submitted to the State Department of Community and Regional Affairs. We believe SEACAP is performing a valuable service to the communities of Southeast Alaska and should continue to be funded by the State of Alaska. They have been active in weatherization and energy-related programs, and in some instances they also responded to emergencies that could not be handled at the local level.

SEACAP has worked closely with other regional organizations such as the Tlingit and Haida Regional Electrical Authority and other companies, and the Tlingit-Haida Central Council. Their efforts have also resulted in local employment and training.

We respectfully recommend that your committee include them for continued funding as a valuable service-oriented program.

Sincerely,

Edward K. Thomas  
President

EKT/jg

---

TELEPHONE: 907/ 586-1432



*Grand Camp*  
*Alaska Native Brotherhood*

March 16, 1987

Ms. Judy Holden  
Block Grant Administration  
Department of Community & Regional  
Affairs  
P.O. Box B  
Juneau, AK 99811

Dear Ms. Holden:

This letter is to endorse the continued funding of the Southeast Alaska Community Action Program and we urge that the maximum funding level of \$150,000 be provided. As a Grand Officer of The Alaska Native Brotherhood, I've had many occasions to work with the Staff of SEACAP and have found them to be most helpful.

We totally support their efforts, activities and programs.

Sincerely,

Richard Stitt  
President, ANB Grand Camp

RS:ld

Post ANB Grand Presidents  
Dr. Alfred Widmark  
Patrick J. Paul  
Thomas Jackson

John Hope  
Frank Bee  
Dr. Walter Soboleff

Richard Stitt  
Steven V. Hotch  
Nelson D. Frank

Frank O. Williams  
Herbert Hope  
Robert R. Martin

Roy Poratovich, Grand President Emeritus



OFFICE OF THE MAYOR  
CITY AND BOROUGH OF JUNEAU

March 12, 1987

The Honorable Heinrich Springer  
Alaska State House of Representatives  
Box V  
Juneau, Alaska 99811

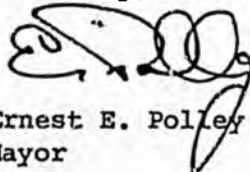
Dear Representative Springer:

Please accept this letter of support on behalf of the Southeastern Alaska Community Action Program. I offer my full endorsement of SEACAP's programs serving Southeastern Alaska, and I would like to especially praise their creative initiative and responsiveness to community issues.

SEACAP is an effective advocate of issues impacting our low income, elderly and disadvantaged populations; and they are deeply involved in new initiatives affecting the course of our economic future. The working relationship SEACAP enjoys with the City and Borough administration, staff, Assembly and other community-based organizations is exceptional.

I don't know of a more effective organization anywhere, particularly when one considers their accomplishments in light of the severe budget and staffing constraints they are faced with. I consider SEACAP a truly beneficial asset to my community.

Sincerely,



Ernest E. Polley  
Mayor

EEP/bvh  
cc: Gordon Stockdale

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STEVEN W. SILVER

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OF COUNSEL  
F. O. EASTAUGH

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M. E. MONAGLE (1902-1985)  
JAMES F. CLARK  
PAUL M. HOFFMAN  
D. ELIZABETH CUADRA \*\*  
JAMES M. SHINE  
PAMELA FINLEY  
THOMAS J. SLAGLE

March 12, 1987

ADMITTED IN WASHINGTON, D.C. \*  
ADMITTED IN WASHINGTON, D.C. \*\*  
AND ALASKA

ALL OTHERS ADMITTED  
IN ALASKA

The Honorable Heinrich Springer, Chairman  
House Committee on Community and  
Regional Affairs  
Alaska State Legislature  
P. O. Box V  
Juneau, Alaska 99811

Re: Southeastern Alaska Community Action Program (SEACAP)

Dear Representative Springer:

We understand that your committee will be holding hearings the week of March 16, affecting the funding available for SEACAP. Please accept this letter as written testimony for those hearings.

One of our clients (Olivia Castaneda, in Juneau) suffered destruction of part of her residential property during a mud slide from the lower slopes of Mt. Roberts during December of 1986. SEACAP has proven to be extremely helpful to Ms. Castaneda, in her economic plight, by arranging to perform the removal of the debris left by the mud slide's demolition of her property. Without SEACAP's kind intervention, Ms. Castaneda would have been entirely unable to remove this debris, an action which the City/Borough of Juneau was requiring her to perform.

SEACAP was already involved in a project to construct retaining wall type structures which hopefully may prevent future mud slides in the same area, and prevent further destruction to several people's properties. SEACAP saw the problem Ms. Castaneda was having in finding means to remove the demolished

Representative Heinrich Springer  
March 12, 1987  
Page Two

building from her property and applied a "can do" attitude to get the problem resolved. SEACAP, using a crew of workers from the Lemon Creek Correctional Center, came in and did the work that was required.

We need to support and encourage organizations that show the spirit of community action and use their creativity to address and resolve problems that find no solution elsewhere. Based on our experience with SEACAP as described above, it seems to us that SEACAP is able to deliver a great deal of public benefit per public dollar expended. We therefore encourage the committee to provide SEACAP with a level of funding which will enable it to continue its highly effective delivery of community services.

Very truly yours,

  
James F. Clark

JFC:DEC:sd/9.59

cc: Commissioner David Hoffman (C&RA)



# SOUTHEAST SENIOR SERVICES

419 Sixth St., C.C.S. Wing • Juneau, Alaska 99801  
(907) 586-6233 or 586-6238

March 13, 1987

David Hoffman  
Department of Community and Regional Affairs  
Post Office Box B.  
Juneau, AK 99811

Dear Mr. Hoffman:

Southeast Senior Services wants to support the request of the Southeast Alaska Community Action Program for an allocation to continue their work in this region. Our organization serves the same catchment area, and we are acquainted with the community needs they are proposing to address.

S.E.A.C.A.P. has been most helpful in one small community. Our Site Manager sought their assistance with an idea he had for housing renovation for the elderly so that they can remain in their own homes. S.E.A.C.A.P. is furnishing a small grant for materials to get the project started.

In all of our Southeast communities, there are many low-income seniors and families of all ages who need the kind of help S.E.A.C.A.P. proposes to provide.

We want to urge favorable consideration of their grant application for \$150,000.

Sincerely yours,

A handwritten signature in cursive script that reads "Lillian Wilder".

Lillian Wilder  
Project Director

cc: Michael Deman, S.E.A.C.A.P.

HD:ba

Judy Holden  
Block Grant Administrator  
Department of Community and Regional Affairs  
P. O. Box B  
Juneau, Alaska 99811

Dear Mrs. Holden:

March 12, 1987

Thank you for the opportunity to comment on the proposed allocation of funds under the Community Services Block Grant Program. Please enter this into the hearing record before the House Community and Regional Affairs Committee.

I am the Chairman of the Citizen's Advisory Committee, a group appointed by the Governor to work on a number of issues concerning Native Alaskans. The group has representation from the Central Council of Tlingit and Hadia Indian Tribes of Alaska, Sealaska Corporation and the Grand Camps, Alaska Native Brotherhood and Sisterhood. The CAC's efforts, on a variety of statewide issues, have been assisted on a staff basis by the Southeastern Alaska Community Action Program, (SEACAP). The assistance of research, report drafting and direct action provided by SEACAP has allowed we committee members, each with our own full time jobs, to accomplish very measurable and significant goals.

Specifically, through research and negotiations, the CAC was able to draft an amendment to the State's EEO plan for the Division of Corrections, which mandated the hiring of one Native Alaskan for each two Correctional Officer positions filled. To date, that has resulted in six out of twelve Alaska Native hires and the outlook is for an additional fifty to sixty in the next eighteen months. These are real jobs located in a variety of communities statewide, and SEACAP has contributed significantly to the opportunity!

I know that the allocation of funds is a difficult process and that there are always more wants than money. However, some recognition must be given to the need to provide a minimal level of funding to accomplish innovative, recognizable and measurable tasks, such as securing permanent jobs for CSBG target populations. The CAC has requested staff services from SEACAP again this year and their Board has agreed to try to provide them, largely because of the results of last years efforts.

However, the funding proposed in your plan may limit the assistance to our group because there will be no additional state general funds available. Last year SEACAP received an additional \$42,000. from the state, which allowed SEACAP to provide us with substantial professional services. I encourage you to amend the draft plan to fund SEACAP at a minimal level of \$150,000., so that this important work of securing full time, permanent unsubsidized jobs for Native Alaskans can continue.

In addition, I understand the formula is based on the inclusion of Anchorage and Fairbanks low income population numbers in calculating Southeastern Alaska's share. Shouldn't those major population areas be deleted from any plan? After all, they receive major grants independent of the State's allocation. Removal would allow the concentration of effort on the smaller urban and rural areas and allow a more equitable distribution of funds.

Sincerely,

*Ron Williams*  
Ron Williams  
Chairman  
Citizen's Advisory Committee  
8131 Dogwood Lane  
Juneau, Alaska 99801

cc SEACAP



## Aiding Women from Abuse and Rape Emergencies

"Serving Juneau and Nine Southeastern Communities"

(907) 586-6623 (business) (907) 586-1090 (crisis)

P.O. Box 020809  
Juneau, Alaska 99802-0809

Rinna E. Mercurieff, Executive Director

March 10, 1987

David Hoffman, Commissioner  
Department of Community & Regional Affairs  
P.O. Box 8  
Juneau, AK 99811

Dear Commissioner Hoffman:

As the Executive Director of a non-profit agency which provides services to numerous low income clients, I am writing this letter in support of Southeastern Alaska Community Action Program's (SEACAP's) request for a 1987 allocation of at least \$150,000.

SEACAP's programs to serve and advocate for the low income population is a service which is critical to those in need. I urge you to fund SEACAP's request at a level which is realistic to provide optimum services.

Sincerely,

Rinna E. Mercurieff  
Executive Director





# MEN, Inc.

(907) 586-3585

222 Seward Street • No. 202  
Juneau, Alaska 99801

March 18, 1987

Judy Holden,  
Block Grant Administrator  
Department of Community and  
Regional Affairs  
P. O. Box B  
Juneau, Alaska 99811

Dear Ms. Holden,

This letter is in strong support of SEACAP receiving the greatest level of funding possible under the Community Services Block Grant program.

SEACAP is the only independent agency that I am aware of that advocates directly for disadvantaged citizens in Southeast Alaska. Over the past year, SEACAP has provided a variety of services to and on behalf of low-income and unemployed persons. The services that I know about include: advocacy around disaster assistance; advocacy for low-income housing in Juneau; summer employment for youth to provide services to the elderly and handicapped; weatherization and home repair assistance to Southeast Alaska families; and individual assistance to clients regarding entitlement programs.

With the present economic downfall that is facing the state of Alaska, the role of SEACAP is even more important. A larger percentage of Southeast Alaskans will have great difficulty in meeting basic survival needs. It is essential that this group of citizens have SEACAP to assist them in obtaining the services they so badly need and deserve. Without the services of SEACAP, we can expect a sharp rise in problems such as family violence, sexual assault, substance abuse, and suicide among low-income residents.

Over the last year, SEACAP has made a great effort to diversify its funding base, including movement into private-sector enterprise to supplement public funding. While these efforts should be commended, the needs of disadvantaged persons far outweigh the resources at SEACAP to serve this expanding sector of our society. Please provide expanded support to SEACAP to continue and increase its very important services in Southeast Alaska.

Sincerely,

Walter Majoros  
Executive Director



# STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

March 4, 1987

CSBG  
STEVE COWPER, GOVERNOR

*SJ*  
*Terry*

- POUCH B  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400  
ANCHORAGE, ALASKA 99508  
PHONE: (907) 563-1073

MAR 10 1987

The Honorable Heinrich Springer  
Alaska State House  
of Representatives  
P.O. Box V  
Juneau, AK 99811

Dear Representative Springer:

This is a formal request for your assistance in conducting a hearing with your committee on the FY87 Community Services Block Grant (CSBG) State Plan. It is my understanding that this has been discussed with you by your staff and that March 18, 1987 from 3:00 - 4:30 p.m. has been confirmed as a mutually acceptable time.

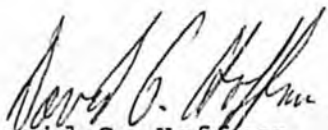
In order to receive the federal (CSBG) funds each year, we must prepare a State Plan that describes the "use and distribution" of the funds. This plan must undergo public review at a hearing conducted by the Legislature. Since the House Community and Regional Affairs Committee graciously provided the forum last year, I am making the same request of you this year.

Various sites will be included by teleconference so that comments can be heard from rural and urban residents.

I have enclosed information that provides a general description of the program, as well as a copy of the draft FY87 CSBG State Plan which further details how the program is to be administered.

Thank you for your assistance. If you have any questions please let me know.

Sincerely,

  
David G. Hoffman  
Commissioner

BACKGROUND INFORMATION  
COMMUNITY SERVICES BLOCK GRANT PROGRAM

The Community Services Block Grant (CSBG) Program was established by the Omnibus Budget Reconciliation Act (OBRA) of 1981. This act was designed to shift the funding and administration of this anti-poverty program from the federal Department of Health and Human Services (DHSS) to the states. Governor Sheffield placed the program in the Department of Community and Regional Affairs (DCRA), Division of Community Development (DCD). The Department assumed administration of the program in State Fiscal Year 1983.

The program provides pass through funding to private nonprofit anti-poverty programs at the local level. In Alaska the two primary beneficiaries are the Rural Alaska Community Action Program (Rural CAP) and Southeastern Alaska Community Action Program (SEACAP). The law provides that 90 percent of the available funds must be passed on to eligible Community Action Programs and 10 percent to the State for administration and discretionary projects.

The federal allocation to the State is approximately \$1,000,000 a year. About \$230,000 is awarded to tribal grantees who apply directly to DHHS. The remaining funds, about \$770,000 are awarded to the State. The Block Grant Administrator prepares and distributes an Annual Plan for public comment and submits to the Department of Health and Human Services for approval.

After receiving the funding, the Division's role is primarily administrative in nature. It processes and monitors the contracts and provides technical assistance as needed to the contractors. Since both agencies are governed by Boards of Directors that are sensitive to the interests of low-income persons in their respective service areas, the Department has not set any particular priorities for their activities.

The following information provides a general summary of the distribution of fund to the Community Action Programs and the State since 1983.

<u>YEAR</u>	<u>TOTAL</u>	<u>SEACAP</u>	<u>Rural CAP</u>	<u>STATE</u>	<u>OTHER</u>
1983	\$808.0	\$ 71.0	\$659.0	\$ 39.0	\$ 39.0
1984	816.0	112.0	659.0	39.0	6.0
1985	788.0	69.0	656.0	39.0	24.0
1986	767.0	107.0	583.0	45.0	32.0
(Proposed)					
1987	774.0	107.0	588.0	55.0	22.4

MAR 16 1987

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- \*\* L. G. BERRY
- HAROLD E. SNOW, JR.
- \*\* CARL W. WINNER
- SUSAN M. WEST
- \*\* JULIA B. BOCKMON
- JOSEPH D. DARNELL
- GREGORY G. SILVEY
- JON M. DeVORE

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March 12, 1987

ADMITTED IN WASHINGTON, D.C. \*

ADMITTED IN WASHINGTON, D.C. \*\*  
AND ALASKA

ALL OTHERS ADMITTED  
IN ALASKA

The Honorable Heinrich Springer, Chairman  
House Committee on Community and  
Regional Affairs  
Alaska State Legislature  
P. O. Box V  
Juneau, Alaska 99811

Re: Southeastern Alaska Community Action Program (SEACAP)

Dear Representative Springer:

We understand that your committee will be holding hearings the week of March 16, affecting the funding available for SEACAP. Please accept this letter as written testimony for those hearings.

One of our clients (Olivia Castaneda, in Juneau) suffered destruction of part of her residential property during a mud slide from the lower slopes of Mt. Roberts during December of 1986. SEACAP has proven to be extremely helpful to Ms. Castaneda, in her economic plight, by arranging to perform the removal of the debris left by the mud slide's demolition of her property. Without SEACAP's kind intervention, Ms. Castaneda would have been entirely unable to remove this debris, an action which the City/Borough of Juneau was requiring her to perform.

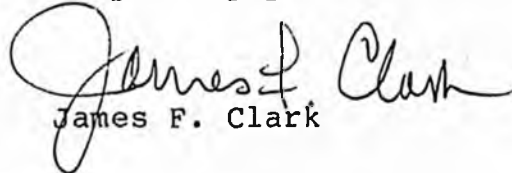
SEACAP was already involved in a project to construct retaining wall type structures which hopefully may prevent future mud slides in the same area, and prevent further destruction to several people's properties. SEACAP saw the problem Ms. Castaneda was having in finding means to remove the demolished

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building from her property and applied a "can do" attitude to get the problem resolved. SEACAP, using a crew of workers from the Lemon Creek Correctional Center, came in and did the work that was required.

We need to support and encourage organizations that show the spirit of community action and use their creativity to address and resolve problems that find no solution elsewhere. Based on our experience with SEACAP as described above, it seems to us that SEACAP is able to deliver a great deal of public benefit per public dollar expended. We therefore encourage the committee to provide SEACAP with a level of funding which will enable it to continue its highly effective delivery of community services.

Very truly yours,

  
James F. Clark

JFC:DEC:sd/9.59

cc: Commissioner David Hoffman (C&RA)