

First Alaskans Institute

February 27, 2007

Paul McIntosh, Program Manager
 Denali Commission
 510 L Street, Suite 410
 Anchorage, AK 99501

Dear Mr. McIntosh:

In follow-up to our discussion with you and other Denali Commission staff in December and January, First Alaskans Institute requests a modification to the work plan associated with the Denali Commission Grant, project number 195-05. The proposed modification includes revisions to the budget and scope of work. First Alaskans Institute believes these changes will benefit the overall project and product.

First Alaskans Institute proposes the following budget revision which would result in a net zero effect on the overall funding request.

	Approved Total Budget	Change	Revised Total Budget
Project Staff and Fringe	\$ 79,203	(\$12,323)	\$ 66,880
Contractual	\$ 141,825	\$ 11,056	\$ 152,881
Other Project Expenses	<u>\$ 28,972</u>	<u>\$ 1,267</u>	<u>\$ 30,239</u>
Total Grant Expenditures	<u>\$ 250,000</u>	<u>\$ 0</u>	<u>\$ 250,000</u>
Total First Alaskans In-kind Contribution	<u>\$ 58,595</u>	<u>\$ 0</u>	<u>\$ 58,595</u>
Total Project Costs	<u>\$ 308,595</u>	<u>\$ 0</u>	<u>\$ 308,595</u>

These changes should improve the Rural Development Performance Measures Project outcomes and will not cause additional costs to be incurred or delay the completion of the project. A narrative description of proposed work plan and justification is attached.

We respectfully request written approval of this request. Thank you for your time and consideration. Should you have any questions, comments or concerns, please contact me at greta@firstalaskans.org or (907) 677-1700.

Sincerely,



Greta L. Goto, Director
 Alaska Native Policy Center
 First Alaskans Institute

Attachment: Rural Development Performance Measures Work Plan, February 26, 2007

Cc: File
 Joey Ausel



Rural Development Performance Measures Project Work Plan

Denali Commission Grant, Project Number 195-05

February 26, 2007

First Alaskans Institute
Alaska Native Policy Center
606 E Street, Suite 200
Anchorage, Alaska 99501

Rural Development Performance Measures Project Revised Work Plan - Overview

First Alaskans Institute Alaska Native Policy Center (Policy Center) proposes changes to the Scope of Work and Work Plan for the Rural Development Performance Measures Project. The changes are intended to improve the Rural Development Performance Measures project outcomes and will not cause additional costs to be incurred or delay the completion of the project.

The Policy Center proposes that the 'test' of the system of rural development performance measures and the evaluation of that test by the University of Alaska be eliminated from the Scope of Work. The Policy Center bases its request on the results of work completed to date: project literature reviews representing the work of experts in the field; research on Alaska programs; analysis of data streams; and input from community discussion series and Advisory Team meetings. The lessons of the RDPM work thus far have altered original project assumptions about availability of data and appropriate frameworks of understanding about poverty and economic development in rural Alaska.

The Policy Center concluded that any measures used to evaluate the effectiveness of economic development programs in reducing poverty in rural Alaska communities must focus on *outcomes* or *results*, rather than program *outputs* or *efficiencies*. These measures must begin with the community and be based on community visions and goals.

At the onset of the RDPM project, the Policy Center was concerned that data from small Alaska communities might be limited. Completed research on this issue has shown that the lack of data available at a community level on a regular and reliable basis is a very serious problem. Key data for traditional indicators of economic growth such as employment, fast growing occupations and industries, building permits, property values are not available for communities or, in many circumstances, even the census areas in rural Alaska. This problem seriously impacts the potential of effectively analyzing whether programs promoting economic growth are impacting poverty.

Given the inadequacy of available data and central issues about poverty definitions and local economic indicators, ANPC proposes an amended Scope of Work that will provide a meaningful tool for communities and the Denali Commission to use in the development of outcome measures for economic development programs:

Scope of Work

The Rural Development Performance Measures project will provide a tool for communities and the Denali Commission to use in the development of outcome measures for economic development programs. The project will provide the Denali Commission with a final report that will include or address:

- Description of the process used to develop the set of rural performance measures.
- Identification of existing streams of meaningful data that are available on a regular and reliable basis and at a local level.
- A guide to help communities access that data.
- Identification of data gaps regarding rural Alaska.
- Identification of additional indicators to better understand rural community economies.
- Identification of alternative collection procedures and/or data analysis that address existing data gaps or weaknesses.
- Consideration of economic reports previously prepared for the Denali Commission.
- Development of a set of measures for linking economic development to poverty reduction.

- A proposed guide to help villages identify and incorporate outcome based measures in their planning process.
- Recommendations.

Project Phases

Phase I – September 2005 through December 2006:

- Refine the work plan
- Recruit and meet with the project advisory team
- Review established concepts of poverty and economic growth and poverty reduction
- Identify economic development programs and performance measures currently deployed in Alaska
- Identify existing streams of data that are produced by others on a regular and reliable basis
- Identify existing and current resources available to establish a baseline of data collected about poverty and economic status and other indicators in Rural Alaska
- Complete a scoping search of existing data to include how often data are collected and verified, and the reliability and validity of existing data sources
- Identify data needed to supplement available baseline data
- Analyze ISER indicators for utility in rural communities
- Determine need for additional data (primary and/or secondary data collection), and potential processes for compiling/collecting the data
- Develop and implement discussions on topics such as the definition of poverty; indicators of village economic growth and development; and traditional and alternative measurements linking economic development programs to poverty reduction, and
- Ongoing communications regarding project via First Alaskans website

Phase II - January 2007 through July 2007:

- Develop data 'road map' that guides non-professional users to community data sources
- Continue discussions on existing and potential outcome measures and data sources
- Develop a set of measures using available data; recommendations on supplemental data sources; and/or improvements for data collection
- Develop community guide that includes tools for outcome based planning and measures

Project wrap-up

- Print and distribute final project report to Denali Commission, advisory project work team, and First Alaskans website.

Project Deliverables:

Reports and Performance Measures

- Quarterly Progress Reports via Denali Commission online Project Data base System
- Final RDPM Report
- Project Close-Out Report via Denali Commission online Project Data base System