



**Financial Assistance Award**

**DENALI COMMISSION**  
 510 "L" Street, Suite 410  
 Anchorage, Alaska 99501  
 (907) 271-1414 (phone)  
 (907) 271-1415 (fax)  
 www.denali.gov

<b>Award Number</b>	180-05
<b>Award Title</b>	AFN Center for Excellence
<b>Performance Period</b>	June 10, 2005 – June 9, 2006
<b>Authorizing Resolution</b>	05-04

**Authority**  
112 Stat 1854

**CFDA Number**  
90.100

Recipient Organization & Address  
 Alaska Federation of Natives  
 1577 C Street, Suite 300  
 Anchorage, AK 99501  
 Phone: (907) 274-3611  
 Fax: (907) 276-7989

**Denali Commission Finance Officer Certification**

*JRP*

**Recipient DUNS # 01-021-0524 TIN # 92 0034863**

**Cost Share Distribution Table**

Accounting Code	Denali Commission	Other Contributors	Total
FY05 DOI	\$936,803.00	\$0.00	\$936,803.00
<b>Total</b>	<b>\$936,803.00</b>	<b>\$0.00</b>	<b>\$936,803.00</b>

This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission is issued in triplicate and constitutes an obligation of federal funding. By signing the three documents, the Recipient agrees to comply with the Award provisions indicated below and attached. Upon acceptance by the Recipient, two signed Award documents shall be returned to the Federal Co-Chair of the Denali Commission and the Recipient shall retain the third document. If not signed and returned without modification by the Recipient within 30 days of receipt, the Federal Co-Chair may unilaterally terminate this Award.

- Special Award Conditions and Attachments
- Line Item Budget
- OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations  
<http://www.whitehouse.gov/omb/circulars/a133/a133.html>

**Administrative Requirements (check one)**

- OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments  
<http://www.whitehouse.gov/omb/circulars/a102/a102.html>
- OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations  
<http://www.whitehouse.gov/omb/circulars/a110/a110.html>

**Cost Principles (check one)**

- OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments  
[www.whitehouse.gov/omb/circulars/a087/a087-all.html](http://www.whitehouse.gov/omb/circulars/a087/a087-all.html)
- OMB Circular A-122, Cost Principles for Nonprofit Organizations  
[www.whitehouse.gov/omb/circulars/a122/a122.html](http://www.whitehouse.gov/omb/circulars/a122/a122.html)
- OMB Circular A-21, Cost Principles for Educational Institutions  
<http://www.whitehouse.gov/omb/circulars/a021/a021.html>
- 48 CFR 31.2, Contracts with Commercial Organizations

**Signature of Authorized Official - Denali Commission**  
*Carmie E. Elio*

**Typed Name and Title**  
 Jeffrey B. Staser, Federal Co-Chair

**Date**  
 6-22-2005

**Signature of Authorized Official - Alaska Federation of Natives**  
*Julie E. Kitka*

**Typed Name and Title**  
 Julie Kitka, President

**Date**  
 6-27-05

## ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

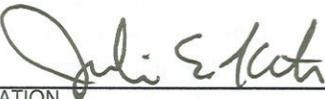
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET.  
SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL  Julie Kitka 	TITLE  President
APPLICANT ORGANIZATION  Alaska Federation of Natives (AFN)	DATE SUBMITTED  6-29-05

*Award Conditions to the Financial Assistance Award  
Between the Denali Commission and Alaska Federation of Natives  
For the AFN Center for Excellence  
Award No. 180-05  
June 2005*

**1. Scope of Work**

This award to Alaska Federation of Natives (AFN) is for the development and implementation of a cluster of economic initiatives linking economic growth and poverty reduction.

The preliminary program of work currently includes:

- 1) Refinement of outcomes outlined in the April 2003 Alaska Federation of Natives (AFN) Testimony to the US Senate Indian Affairs Committee<sup>1</sup>;
- 2) Development of a results-based management process which can be used for greater accountability of federal resources in development and maximizing local decision-making and taking of responsibility<sup>2</sup>;
- 3) Preparations of recommendations to the US Congress in anticipation of congressionally sponsored oversight hearings on the recently released thirty-year trend analysis on the Status of Alaska Natives<sup>3</sup>;
- 4) Outreach and partnership building within the State and outside to bring together the needed leadership and resources to solve the disparities identified in the thirty-year trend analysis<sup>4</sup>;
- 5) Research and develop a business plan for an AFN Center for Excellence as a vehicle to house the various initiatives, especially a pilot program of a domestic version of the Millennium Challenge Account; and
- 6) Host a major economic conference and/or a series of workshops/seminars focused on economic success and ways to replicate success. See attachment A for a full description.

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<sup>1</sup> AFN Testimony to the US Senate Indian Affairs Committee, April, 2003

<sup>2</sup> Similar to the process used by OMB, and similar to the processes used by the Asian Development Bank and other multi-national institutions focused on poverty-reduction linked to economic growth.

<sup>3</sup> The US Senate Indian Affairs Committee has agreed to hold an oversight hearing in either DC or a field hearing in Alaska later this year in 2005. AFN commissioned an update of the 1989 Status of Alaska Natives report from the University of Alaska, Institute of Social and Economic Research, and the First Alaskans Institute

<sup>4</sup> AFN commissioned an update of the 1989 AFN Call to Action: Status of Alaska Natives report from the University of Alaska, Institute of Social and Economic Research and the First Alaskans Institute. The University of Alaska report is called the thirty-year trend analysis and the First Alaskans Institute report is called Our Choices, Our Future.

Within the first quarter (90 days) following the execution of this award, the AFN will develop a final, detailed work plan and provide it to the Denali Commission's Program Manager via e-mail. This detailed work plan should itemize:

- a. Goals to be accomplished,
- b. The major tasks that will be performed to achieve each goal,
- c. A budget broken out by goals and tasks,
- d. Timelines for starting and completion of the tasks, and
- e. A description of task deliverables.

The final work plan will guide the project to completion within 1 year of execution of this award.

All Commission funding is intended for use for the scope of work identified in the Award document only. Any balance of funds remaining after the full scope of work has been completed will be returned to the Denali Commission.

## 2. *Milestones*

The following milestones are identified as the major steps to be completed as part of the project. "Planned" dates for the first milestone are included here. As part of each progress report, recipients shall update the progress toward meeting these milestones (see section 7, Reporting).

Milestone	Planned		Actual		Units	Total Cost At Completion
	Start Date	End Date	Start Date	End Date		
In-Progress	06/10/2005	06/09/2006			0	\$0.00
Project Close-out					0	\$0.00

## 3. *Award Performance Period*

The Award performance period is June 10, 2005 through June 9, 2006. This is the period during which Award recipients can incur obligations or costs against this Award.

## 4. *Direct and Indirect Costs*

The cost principles of OMB Circular A-122, Cost Principles for Nonprofit Organizations, are applicable to this Award. No indirect costs are allowable under this award. Please refer to the cost principles regulations for specific details on other allowable charges under this Award.

## 5. *Budget and Program Revisions*

The Administrative Circular, OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education,

Hospitals, and Other Nonprofit Organizations, applies to this Award. Please refer to the Administrative Circular for specific details on revisions to this Award. The Administrative Circular requires that Alaska Federation of Natives will inform the Commission in writing (e-mail, letter, or report) at the earliest possible date of any unanticipated project cost overrun, project schedule delays, or changes in the project scope or changed site conditions.

## **6. Payments**

Payments under this Award will be made through the U.S. Department of Treasury's Automated Standard Application for Payment (ASAP) system. The ASAP system is the Commission's mechanism for requesting and delivering Federal funds to Award recipients. Your organization must be registered with the ASAP program in order to make draw downs. Please contact the Commission's Finance Manager at (907)-271-1414 for further information about registering with the ASAP program. Payments shall be made in accordance with OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations. **No interest will be accrued on these funds.**

## **7. Reporting**

Two forms of project reporting are required under this Award, listed below. Alaska Federation of Natives shall submit reports using the Denali Commission's on-line Project Database System, available at [www.denali.gov](http://www.denali.gov). If there are technical limitations which may prevent the recipient from meeting this requirement, please contact the Program Manager listed in this agreement.

- a. **Progress Reports** shall be submitted on a quarterly basis. The first reporting period is June 10, 2005 – June 30, 2005 and each calendar year quarter thereafter. Reports are due within 30 days of the end of the reporting period. Progress reports shall include the following:
  - i. Total project funding, including both Denali Commission funding and other project funding sources.
  - ii. The total project expenditures for the project as of the end of the reporting period, including both Denali Commission and Other funding sources.
  - iii. Update schedule and milestone information as identified in the Scope of Work
  - iv. Narrative summary of the project status and accomplishments to date, and address the following questions: is the project on schedule, is the project on budget, and what actions are planned to address any project problems.
  - v. For minor repair and renovation projects or other non-construction projects, pictures should be provided of before and after, or photos that are representative of the funded activity, to the extent possible. Photos shall be provided in a digital format as part of the on-line report. A short description of the activity and names of those in the photos shall also be provided.

- b. **Federal Single Audits** shall be submitted annually, when required. In accordance with OMB Circular A-133, which requires [subpart 200] “Non-Federal entities that expend \$500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of this part. [subpart 205] The determination of when an award is expended should be based on when the activity related to the award occurs.”

Recipients shall also submit single audits to the Federal Clearinghouse designated by OMB. Information can be found on the following web-site:

<http://harvester.census.gov/sac/>

### **8. *Award Close-Out***

The award close-out shall be completed within 90 days of the end of the Award performance period or within 90 days of the completion of the project, whichever is earlier. Recipients must also draw down any remaining funds for expenditures incurred under this award during this 90-day period.

The Award Close-out report shall be submitted on-line through the Denali Commission’s on-line Project Database System, available at [www.denali.gov](http://www.denali.gov). The project close out will require the recipient to submit the following information:

- a. Final data for each item listed in paragraph 7(a) “Progress Reports”.
- b. Final project expenditures itemized by the following categories: planning & design; materials & equipment; freight; labor; project administration/overhead and other expenses.
- c. Acknowledgement of support: For all non-construction projects, the Award recipient shall include an acknowledgement of the Government’s support for the project(s) developed under this Award. The format for acknowledgement of the Government’s support for non-construction awards will vary with each award and must be agreed upon between the Award recipient and the Denali Commission Project Manager. The Denali Commission logo shall be used in conjunction with acknowledgement of the Commission’s support where appropriate. Costs associated with this requirement shall be paid out of the project funding received by the Award recipient from the Denali Commission.

### **9. *Public Policy Laws and Assurances***

Award Recipients are required to comply with the public policy laws and assurances on Standard Forms SF 424b (non-construction projects) or SF 424d (construction projects). This form must also be signed by a certifying official of the organization. Some of the laws are highlighted below for your reference.

To the maximum extent practicable, considering applicable laws, Funding Recipients shall accomplish the project contemplated by the Award using local Alaska firms and labor.

No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

Project level environmental reviews in accordance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) are required for each project undertaken with Denali Commission funds.

### ***10. Non-Compliance with Award Conditions***

Recipients not in compliance with the terms and conditions of this Financial Assistance Award will be notified by the Denali Commission. The Denali Commission will work with the recipient to identify the steps necessary to bring them back into compliance, and will establish an appropriate time frame for the corrections to be made. If the corrections have not been made by the deadline, the Denali Commission reserves the right to either suspend or unilaterally terminate the Financial Assistance Award for non-performance.

### ***11. Program Manager, Financial Manager & Other Contact Information***

<b>Denali Commission</b>	<b>Alaska Federation of Natives</b>
Paul McIntosh Program Manager 510 L Street, Suite 410 Anchorage, AK 99501 Phone: (907) 271-1640 Fax: (907) 271-1415 Email: <a href="mailto:pmcintosh@denali.gov">pmcintosh@denali.gov</a>	Nelson Angapak, Sr. Project Manager 510 L Street, Suite 410 Anchorage, AK 99501 Phone: (907) 271-2367 Cell: (907) 229-9162 Fax: (907) 271-1415 Email: <a href="mailto:nangapak@denali.gov">nangapak@denali.gov</a>
Joey Hutcherson Grants Manager & Analyst 510 L Street, Suite 410 Anchorage, AK 99501 Phone: (907) 271-3415 Fax: (907) 271-1415 Email: <a href="mailto:jhutcherson@denali.gov">jhutcherson@denali.gov</a>	Gladys Charles Financial Contact 1577 C Street, Suite 300 Anchorage, AK 99501 Phone: (907) 274-3611 Fax: (907) 276-7989 E-mail: <a href="mailto:gcharles@nativefederation.org">gcharles@nativefederation.org</a>

***Attachment A***  
***Alaska Native Center for Excellence,***  
***Preliminary Work Plan***  
***June 13, 2005***

# ALASKA NATIVE CENTER FOR EXCELLENCE Preliminary Work Plan



Presented to the Denali Commission

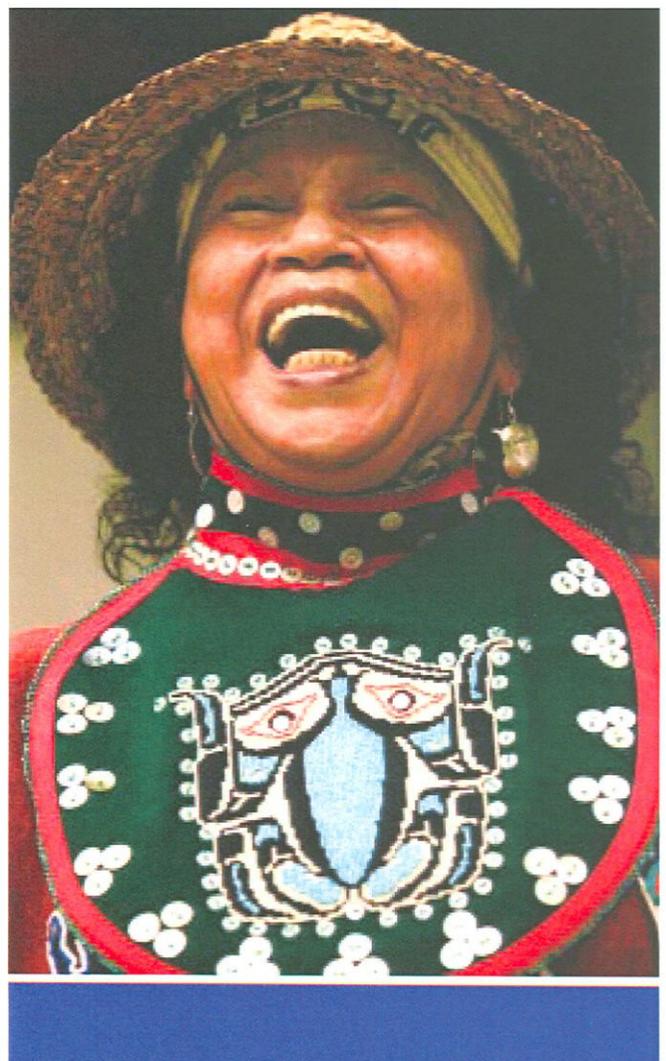


## Project Overview

Areas of work will include:

- **Refinement of outcomes** outlined in the April 2003 AFN Testimony to the U.S. Senate Indian Affairs Committee.<sup>1</sup>
- **Development of a results-based management process** which can be used for greater accountability of federal resources in development and maximizing local decision-making and taking of responsibility.<sup>2</sup>
- **Preparations of recommendations to the U.S. Congress** in anticipation of congressionally sponsored oversight hearings on the recently released 30-Year Trend Analysis on the Status of Alaska Natives.<sup>3</sup>
- **Outreach and partnership building** within the state and outside to bring together the needed leadership and resources to solve the disparities identified in the 30-Year Trend Analysis.<sup>4</sup>
- **Research and development of a business plan** for an *Alaska Native Center for Excellence* as a vehicle to house the various initiatives, especially a pilot program of a domestic version of the Millennium Challenge Account.
- **Host a major economic conference and/or a series of workshops/seminars** focused on economic success and ways to replicate success.

This scope of work summarizes our current thinking and proposed plan of action.





## Why are we doing this?

Encouraging progress is being made here in Alaska, but we can do more. We are seeing signs of improved living conditions among Alaska Native people: infant mortality is down, total death rates are down and life expectancy is up; yet disparities still exist. It is imperative that ongoing disparities be addressed and actions taken which eliminate them.

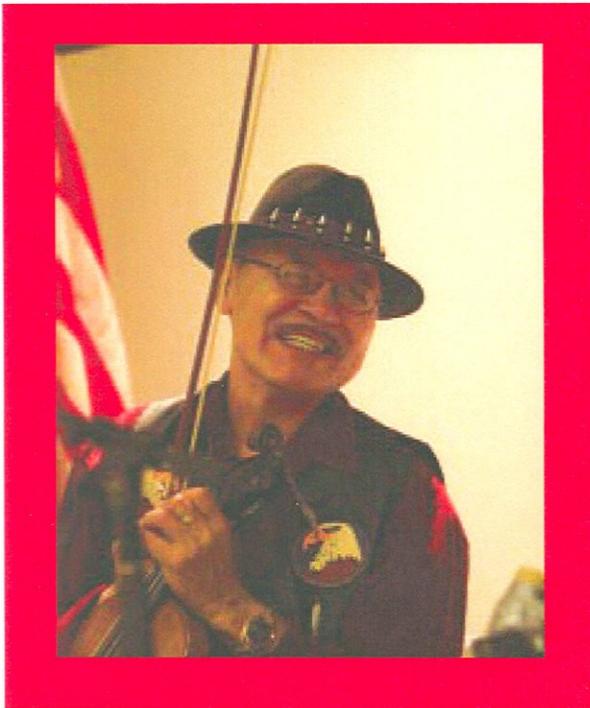
For example:

- Native income has increased every decade since 1960, even after being adjusted for inflation. In 2000—real per capita income was four times higher than in the 1960s. Growth in the 1990s was only about 7%.
- Native income remains far below the income of non-Natives. In 2000, Native per capita income was a little less than one-half of non-Native income.
- Half of Native families have incomes below \$30,000. Larger Native families mean that these incomes are also supporting more people.
- Income is especially low in remote areas; Natives make up 60% of the population in remote areas.
- Remote areas also include the highest cost of living.
- Alaska Natives' poverty rate is 20% versus a 7% rate among non-Natives, so Alaska Natives are three times more likely to live in poverty than non-Natives.
- Families headed by a woman are more likely to be poor.
- 25% of all Native families in remote villages live below the poverty level.<sup>5</sup>
- These statistics are just an example of the disparities we are aware of, which require the focused attention and concentrated efforts of many individuals and institutions to rectify.

# Why the Alaska Native Center for Excellence?

## How will it make a difference?

## What's new and different about it?



We are living in extraordinary times. Globalization is affecting Alaska in many ways, as it is affecting other parts of the world. Rapid change and an explosion in access to information and knowledge are changing our world. The *Alaska Native Center for Excellence*, or The Center, is being developed to find a small niche to add value to the Alaska Native people and other Alaskans in the long-tail of the internet, electronic commerce and the changing world.<sup>6</sup> The Center will be a virtual network of people and ideas with practical results. Throughout this process, Alaska Native people will demonstrate the power of culture and ideas, while expanding and nurturing an economic base under some of the most difficult conditions in the United States.

The Center will focus on how change occurs and why new ideas encounter resistance. It will show how high impact strategies run by top-notch people who have demonstrated both the capacity and the determination to affect change will make a difference. The Center will nurture innovation and risk-taking. It will work to elicit greater community support because innovation and risk-taking are a part of our long history of survival as indigenous people. Through our actions, we will prove the power of ideas. We will change our perceptions of the problems we face, and as

we change our perceptions, we will gain control over these situations. We will develop a stronger commitment to action—to actually doing something, rather than letting our people be trapped by events. The Center will improve our ability to respond to and learn from each other.

The Center will demonstrate that it takes creative individuals with fixed determination and a strong will to propel the innovation that our state needs to tackle its biggest problems. It will show that important social change frequently begins with a small group of dedicated people who see a problem and envision a new solution; who take the initiative to act on that vision; and who gather resources to build an organization to protect and market that vision. The Center will show that it takes people who provide the energy and sustained focus to overcome inevitable resistance and who keep improving, strengthening and broadening that vision until what was once a marginal idea becomes a new norm. It will explore models of analysis and decision-making that look for non-obvious solutions that have ten times the impact of ordinary choices. The Center will explore ways to identify trendsetting ideas and big ideas that will change and improve life here in Alaska. It will nurture group entrepreneurship and true collaboration, not just individuals working together. The Center will explore ways to share different learning models, including how to develop the ability to see patterns and synergies where most of us only see pieces; and to recognize the power of ideas and idea patterns and how they motivate action. The Center will be a small part of an accelerator for change—attempting to break the mindset of dependency that is deeply entrenched in Alaska.

With its partners, the *Alaska Native Center for Excellence* will work to create conditions that allow the Alaska Native people to develop a two-pronged economic strategy that includes:

1. Promoting public sector reform.
2. Private sector development.

The Center will begin discussions and a collaborative effort to create and implement a comprehensive development framework, one that includes the latest thinking on shifts to a knowledge-based economy.<sup>7</sup> A five-year overall economic development plan is an achievable outcome of this project.

# Alaska Native Center for Excellence Goals

These overall goals will serve as guidelines for the *Alaska Native Center for Excellence* and this further work.

**Poverty-reduction**—to reduce poverty in rural Alaska.

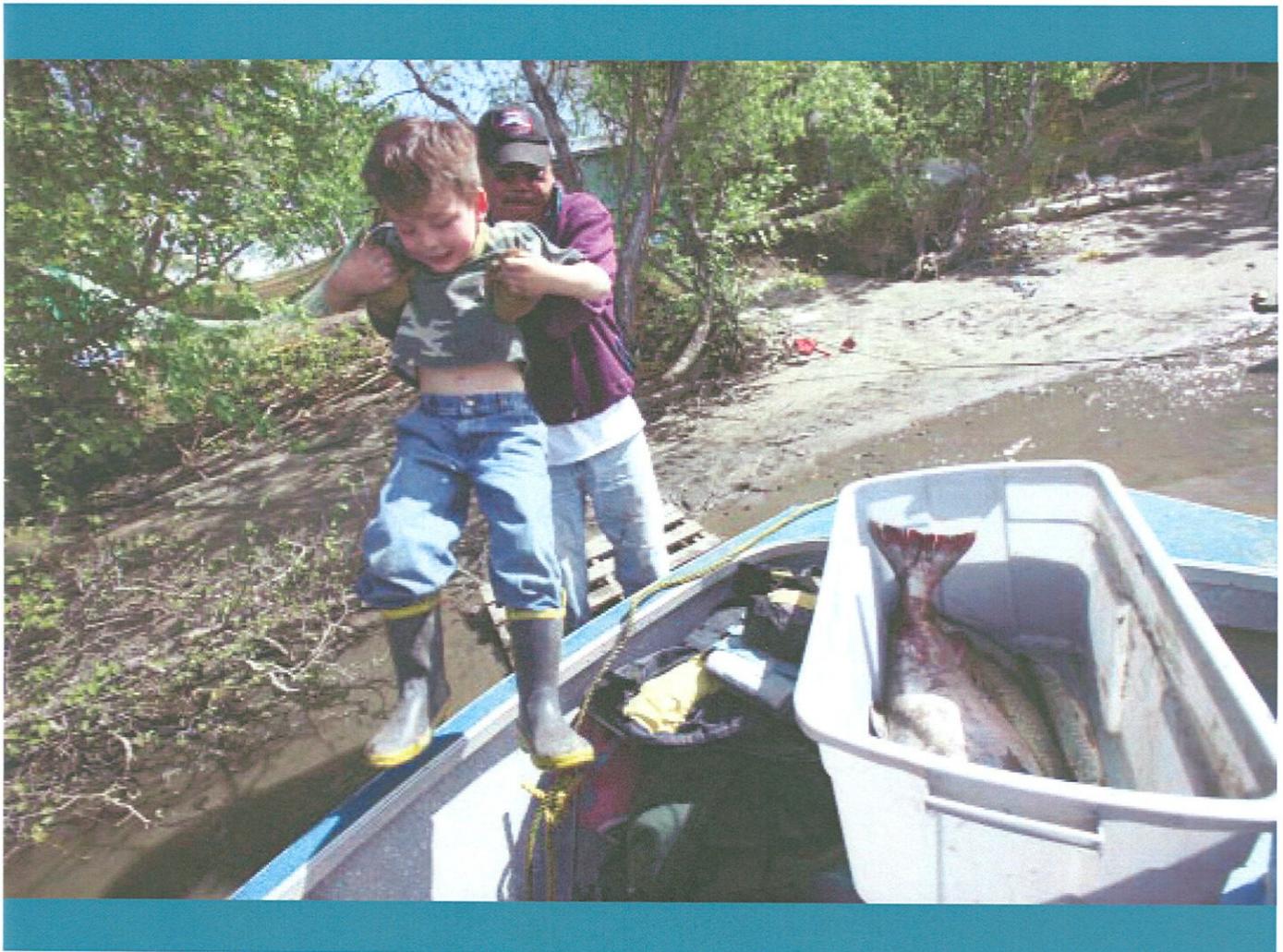
**Innovation**—to encourage innovative approaches to solving old problems.

**Ownership**—to promote solutions by and for Alaska Natives and other rural residents that are consistent with local cultures and experience.

**Ability to replicate and leverage**—to support initiatives that can be replicated or expanded within the community or elsewhere; and to leverage Denali Commission funding with funding from other sources.

**Learning and knowledge-sharing**—to bring in new skills and share knowledge in ways that create a capacity to inspire and generate hope.

**Economic development**—to expand economic opportunity in real, practical ways.



## Key questions to keep us on target

The following questions, though few in number, are critical to the success of this work plan in obtaining the results and outcomes that we are trying to achieve. We must remain vigilant in asking ourselves:

- Are we focused on growth, particularly private sector growth that can generate jobs?
- Are we linking economic development with poverty-reduction strategies?
- Are we sharing information, best practices, lessons learned and success stories?
- Are we focused on accountability and results?



## How do we get from goals to measurable outcomes?

The *Alaska Native Center for Excellence* will set out to accomplish five new things: two new simplified processes and three initial programs. Two affiliated programs are also associated with this cluster of initiatives and will contribute to the effort.

### Simplified Processes

- Research and development of a simplified, results-based management process that is relevant to rural Alaska.
- Outreach and dialogue on a comprehensive development framework to guide collaboration among multiple partners.

### New Programs

- Research and development of a specialized **Entrepreneurship and Innovation Program**, including knowledge-based economies.
- Development and piloting of an **Economic Diagnostic Team** and a process to help assess economic opportunities in the villages.

- Research and development of a **Micro-Loan Program** in collaboration with the Denali Commission, utilizing the authority extended to the Denali Commission in recent congressional amendments to the law.

### Affiliated Programs

- **Alaska Marketplace**—a collaborative project launched by the Denali Commission, the State of Alaska and the Alaska Federation of Natives, managed by AFN (separate funding arrangement).
- **Alaska Rural Systemic Initiative**—a collaborative project launched by the Alaska Federation of Natives and the University of Alaska, Fairbanks. An important contribution of this project is the start-up and operation of the Alaska Native Knowledge Network (in transition and in its final year of a ten-year project funded by the National Science Foundation).

# Soliciting financial & in-kind participation

AFN will solicit private sector donations of both financial and in-kind support. The extent of the need will be quantified as early as possible.



## Communication, communication, communication

AFN will develop a web-based knowledge management system and other communication tools whose purpose will be to:

- Facilitate outreach to strategic individuals and organizations.
- Create a federation of interested individuals and organizations who are interested in economic growth linked to poverty-reduction.
- Allow dialogue to occur and working relationships to develop.
- Keep our partners informed and engaged in the collaborative effort.
- Share ideas on innovation and entrepreneurship.
- Share best practices for sustainable rural development.
- Create networks of common interest to design “blueprints” or “how-to guidelines” for best practices for sustainable rural economies.
- Share best practices for the integration of cultural and economic development.
- Build a database of lessons learned and new innovative ideas that are generated.
- Expand the use of internal and external websites that link to learning and research tools, including access to online libraries and collections such as the *Harvard Manager Mentor Program*, with its focus on Innovation and Entrepreneurship, and other such collections.



## Economic conference, workshops & seminars

At this stage, two days of workshops and seminars have been planned. Both sessions are being planned in conjunction with senior staff from the Technology Development Fund and partners involved in the *Alaska Marketplace*. The first smaller planning session is scheduled for June 30th in Anchorage, Alaska. The second session will be a full day of small workshops and seminars in Fairbanks on October 19, 2005. This second session will allow participation by delegates to the *AFN Annual Convention*, the

local business community and the general public. The *AFN Annual Convention* is scheduled for October 20-22, 2005.

The economic conference has not yet been scheduled. This conference will build on the successful June 2004 *Leadership Forum: Building Knowledge-Based Economies* and the continuing work of this project and the work of our partners.

## Measure & evaluate results

Working with our advisory group and partners, the *Alaska Native Center for Excellence* will develop an evaluation methodology to measure and evaluate the results of this effort. This will be shared with the Denali Commission staff in the first quarter of the project.



## Timeline & Progress Reports

**January 2005 to present:** In-kind work.

**June 2005:** Begin outreach to potential partners and members of the advisory group; set up communications efforts; further research and development of materials for discussion; work session (June 30th).

**July 2005:** Outreach and further research and development; meetings of advisory group and partners; assignment of various responsibilities and development of agreed upon new timeline; progress report prepared to share with the Denali Commission at their retreat; additional briefings to the Alaska Congressional delegation and key staff.

**August 2005:** Ongoing work on research and development of initiatives; meetings of advisory group and partners; outreach continues.

A revised timeline and updated work plan will be submitted based on the recommendations of the Advisory Group at the end of the first quarter, if not earlier.

### **Possible Advisory Group** *(subject to further discussions)*

We could bring in partners with specialized expertise to lend to the effort, including:

University of Alaska, Anchorage, College of Business and Public Policy—consulting and collaboration

University of Alaska, Fairbanks, College of Rural Alaska—consulting and collaboration

Alaska Pacific University—consulting and collaboration

First Alaskans Institute, Alaska Native Policy Center—collaboration

Harvard University—consulting arrangements

Asian Development Bank Institute—cooperative agreement

Technology Development Fund—collaboration

Others TBD

### **Possible Partners** *(subject to further discussions)*

Alaska Native Arts Foundation

Alaska Partnership in Manufacturing

National Native American Bank

Alaska Capital Growth

Alaska Village Initiatives

Rural Community Action Program



## Endnotes

<sup>1</sup>AFN Testimony to the U.S. Senate Indian Affairs Committee, April, 2003.

<sup>2</sup>Similar to the process used by OMB, and similar to the processes used by the Asian Development Bank and other multi-national institutions focused on poverty-reduction linked to economic growth.

<sup>3</sup>The U.S. Senate Indian Affairs Committee has agreed to hold an oversight hearing in either D.C. or a field hearing in Alaska later this year. AFN commissioned an update of the *1989 Status of Alaska Natives* report from the University of Alaska, Institute of Social and Economic Research and the First Alaskans Institute.

<sup>4</sup>AFN commissioned an update of the *1989 AFN Call to Action: Status of Alaska Natives* report from the University of Alaska, Institute of Social and Economic Research and the First Alaskans Institute. The University of Alaska report is called the *30-Year Trend Analysis* and the First Alaskans Institute report is called *Our Choices, Our Future*.

<sup>5</sup>Extracted from the *Our Choices, Our Future* report by First Alaskans Institute.

<sup>6</sup>*The Economist*, May 7, 2005 issue, pg 72. Long-tail is defined in a short answer as a shift from mass markets to niche markets, as electronic commerce aggregates and makes profitable what were previously unprofitable transactions. Examples of businesses that already exploit long-tail effects are Amazon, Rhapsody, iTunes Music Store, Google and eBay.

<sup>7</sup>The Asian Development Bank Institute's upcoming *Workforce Development for Knowledge Economies* conference is scheduled to review policies and strategies for building a knowledge-based economy, innovative technologies and their implications for a knowledge based economy, the concept of convergence and its impact, models of distributing spectrum, issues and problems of developing knowledge workers and strategies for converting. AFN has a partnership with the NARO office of the Asian Development Bank and they have inquired on our behalf about participation in their conference. AFN has received formal notice that they are granting observer status to AFN to attend their select conference in September 2005. The Asian Development Bank Institute (ADBI) has indicated that they are willing to discuss possibilities for distance learning, based on our needs and interests. They have held a number of courses that may be of interest and there may be a way to deliver course material to us via a combination of video conference, CD-ROMs and email. The Asian Development Bank Institute is 100% funded by the Government of Japan and provides long-term planning for the Asian Development Bank. AFN has previously demonstrated that the World Bank Global Distance Learning Network is a viable communication tool to network other countries into our meetings and may be a communication tool that we use again in the future.



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