

**Alaska Statewide Independent Living Council, Inc.
Quarterly Meeting**

LOCATION

Videoconference

DATE

November 19 - 20, 2020

MEETING MINUTES

Prepared by: Paula DiPaolo
Peninsula Reporting

Thursday, November 20, 2020

Council Members Present:

Tristan Knutson Lombardo
Lisa Morley
Cheri Johansen, Chair
Nona Safra
Irma Goodwine
Doug Toelle
Jim Kreatschman
Ric Nelson
Wendi Shanks
Jessica Chapman

Council Members Absent:

Jaye Destiny Palmer - excused

Guests:

Anne Applegate
Lesley Thompson
Dave Fleurant
Jessie Menkens
Lizette Stiehr
Nate Kile
Maggie Winston
Maria Bahr
Duane Mayes
Chellie Skoog

Staff:

Michael Christian, Executive Director
Kathy Munk, Administrative Assistant

Court Reporter:

Lenny DiPaolo, RPR, CRR, CCP

CALL TO ORDER – 1:00 p.m.

ROLL CALL – Quorum Established

CONSENT AGENDA

Nona Safra **MOVED** to approve the consent agenda as amended, **SECONDED** by Jessica Chapman. Hearing no objections, the motion **PASSED**, and the consent agenda was approved as presented.

RECOGNIZING OUTGOING COUNCIL MEMBERS

Michael Christian recognized Cathy Gerby and Jennifer Brower for their hard work and exceptional leadership during their years as members of the SILC.

INTRODUCTIONS

Michael Christian opened up an opportunity for members of the SILC to introduce themselves by sharing personal information about their families, hobbies, and where they would choose to go on vacation in 2021 and why.

CONSUMER SATISFACTION SURVEY

Kathy Munk reported that consumer satisfaction surveys are sent out quarterly, and letters are sent out based on names and addresses provided by the CILs. From time to time, some of the returns they get on the surveys are minimal. At the last IL Network meeting, the group discussed sending the survey out more frequently as well as other tactics they could explore to get greater response.

Kathy directed SILC members to the survey data contained in their packet and noted that out of 105 letters mailed, they had 25 responses, which was a good response rate for them.

Michael Christian noted that a name is drawn out of the survey responses to win a \$50 Amazon gift card. He stated that in the future, they might send out two surveys a year, and they may also look at doing drawings for each region.

Ric Nelson asked if they have tried doing their surveys online. Kathy Munk noted that the SILC's website contains a link to a SurveyMonkey where the identical survey can be taken. Unfortunately, they only receive one or two responses every quarter from the digital version, but Michael Christian is hoping that updating the website will improve that.

Jessica Chapman suggested sending it out to each consumer's e-mail. Tristan Knutson-Lombardo stated that that is something they can do based on the individual's use of e-mail.

Ric Nelson also asked if the SILC has tried Facebook. Michael Christian stated that hopefully once the Outreach and Communication Committee gets going, they can help out with that.

IL FOCUSED SUPPORTED DECISION MAKING SYMPOSIUM

Anne Applegate, planner for the Governor's Council on Disabilities and Special Education, stated that the Supported Decision Making Act was passed in Alaska in 2018, and it allows for a formal recognition that allows people to choose individuals around them who provide support for them for making decisions. This agreement is a document that has to be honored by third parties.

Anne Applegate stated that she has reviewed the SILC's three-year plan, and she realized that everything within the plan refers to choice, options, and implementation of choices, and those all start with decision making. The root of all independent living is making choices from among meaningful options. She believes supported decision making and Supported Decision Making Agreements (SDMAs) are a tool to facilitate that, and it seems to be a natural fit with the independent living movement.

Anne Applegate explained that the Governor's Council has had a lot of success with creating understanding of SDMAs among institutions, services providers, and schools. They have hosted annual summits to discuss SDMAs and the successes and obstacles. She stated that this year she would like to change it up and wants to reflect the values that are in the DD Shared Vision. She believes it's time to transition SDMAs to a place where it belongs, which is in the peer advocacy/independent living movement. She offered to facilitate and provide support to a coalition or advisory board comprised of independent living constituents. She stated that she hopes this presentation today is the beginning of a greater conversation, and she would like to see something in place by March or April.

Ric Nelson asked how many people now have SDMAs. Anne Applegate stated that the program has taken off, and her best count now is 22. She stated that once the process is more widespread and simpler for people to complete, they will want to start taking data to demonstrate the value. Once they are able to demonstrate its value, they can advocate for institutional support for it as a paid service.

NATIONAL COUNCIL ON INDEPENDENT LIVING (NCIL) UPDATE

Doug Toelle stated that he has served on the NCIL board for a number of years, and NCIL is probably most known to people for their annual conferences and Congressional visits in Washington, D.C. NCIL's mission is to advance independent living and the rights of people with disabilities.

Doug Toelle noted that throughout the years, NCIL is probably the most successful committee-run organization there is. The staff is comprised of an executive director and about five or six staff members, but most of NCIL is committee driven. He stated that he is the chair of the International Subcommittee, and there are probably over 20 committees that work on advocacy issues and policy statements that are published yearly in a legislative and advocacy booklet that they can use for their Hill visits. NCIL has been instrumental in the writing of the American's with Disabilities Act and the Workforce Innovation and Opportunity Act.

TRIBAL VOCATIONAL REHABILITATION (TVR) UPDATE

Irma Goodwine reported that as far as she is aware, most of the state TVRs are working remotely. She stated that three or four of the TVRs were up for re-funding, and once everything had been submitted, RSA reached back out to them and cancelled the application. They were able to get another one year of continuation funding without having to write any proposals.

Irma Goodwine stated that this year is the 100th anniversary of the vocational rehabilitation program, and there is a video available on the State DVR website that includes some clips from TVR representatives.

Irma Goodwine stated that AVCP has had an increase of clientele referrals now that the only means of communication is through e-mail. She believes awareness has heightened since the pandemic. AVCP and a lot of the other TVR programs are doing a lot of outreach to the villages.

ALASKA COMMISSION ON AGING (ACoA) UPDATE

Lesley Thompson announced that Lisa Morley will be taking over as executive director of ACoA at the end of November. She also reminded SILC members that Nona Safra from ACoA sits on the SILC, and yesterday Nona did a presentation to the Trust on the importance of Medicaid services.

Lesley Thompson stated that ACoA is having their quarterly meeting on December 1st and 2nd. During this meeting they will review the Alaska State Plan for Senior Services FY'20 to '23. The meeting will be held via Zoom, and she encouraged everyone interested to participate.

Lesley Thompson reported that they will also be looking at their legislative priorities. They meet every other Thursday from 9:30 to 11:00 during the session and review bills and budgets that affect seniors. She noted that most groups will not be meeting with legislators in person at the Capitol this session and will meet via Zoom instead. She imagines this is what the Commission will do as well.

Lesley Thompson stated that ACoA is also working with the Trust and Kelda Barstad on the new ADRD State Plan, which should be finished up in the next month. Anecdotally they are hearing that there will be more people with ADRD that accelerates because of the isolation due to the pandemic.

November is Family Caregiver and Alzheimer's Disease Month. ACoA is awaiting proclamations from the Office of the Governor.

Lesley Thompson stated that they have a fairly new staff person, Michelle Rogers, who will be doing rural outreach as ACoA's program manager. She will be looking for gaps in services in targeted communities to see if there is something ACoA can do to help.

Lisa Morley stated that she is excited for the opportunity to work for the Alaska Commission on Aging. She is excited to be able to develop services in rural areas that will help everyone.

DISABILITY LAW CENTER (DLC) UPDATE

Dave Fleurant stated that DLC was incorporated in 1977 in the state of Alaska, and they are part of the national network of protection and advocacy agencies that were created in response to an investigation in conditions at a developmental disabilities facility in Connecticut that revealed horrendous conditions that caused Congress to create the DD Act. For Alaska, the DD Act created the Governor's Council on Disabilities and Special Education, the Center for Human Development, and Disability Law Center of Alaska, which is the three-legged stool within the DD realm that exists in every state and territory in the country.

Dave Fleurant stated that DLC started as a DD-focused agency that has expanded over the years so that they now cover any type of disability and also focus on specific issue areas such as voting rights and discrimination related to Social Security benefits. They currently have offices in Anchorage, Fairbanks, and Juneau, although their Fairbanks office is currently vacant.

Dave Fleurant stated that it is important to note that the cases DLC takes on must have a nexus between the disability and the legal problem. Most of the cases they find themselves involved with include individuals seeking Social Security benefits, special education, Medicaid, housing or employment discrimination, and people who are trying to integrate into the community but are finding barriers that legal effort could resolve.

DLC also has the unique federal authority to investigate allegations of abuse and neglect happening in institutions or the community. They have monitored school districts, Department of Corrections facilities, Alaska Psychiatric Institute (API), North Star Hospital, and others that provide services to individuals with disabilities.

Dave Fleurant stated that DLC is currently working on the following:

- The inadequacy of the special education services being delivered remotely.
- Continue to monitor the ongoing issues with API.
- The representative payee situation that has developed in Alaska over the last couple of years, and they have a grant through the Social Security Administration to monitor rep payees on an ongoing basis.
- Assist individuals who are homeless or at risk of homelessness with Social Security applications through a grant from the Juneau Community Foundation. This program has been very successful in Juneau, and there is someone in Anchorage who does it as well.
- Potential tsunami of evictions once the federal pandemic support dries up.
- COVID-related issues such as Alaska Airlines no mask/no fly policy and family visits in facilities.
- Social Security administrative law judges (ALJ) and the historically low approval of appeal rate in Alaska. It was the lowest in the nation at 14 to 15 percent. A personnel change in the ALJ office occurred mid summer, which resulted in a 56 percent approval rate based on the latest statistics available.

Doug Toelle asked if DLC plans to fill the currently vacant Fairbanks office. Dave Fleurant stated that they would like to, and they still have the office space, but their

resources are limited because they have been flat funded for quite some time. The national network will be making a concerted push in Congress for additional funding.

ALASKANS TOGETHER FOR MEDICAID

Jessie Menkens stated that she is the policy and partnerships manager at the Alaska Primary Care Association (APCA), and their work focuses on supporting community health centers (CHCs) across the state with their services to patients. CHCs are safety-net providers, and anyone, regardless of their ability to pay, can go to a community health center. There are 170 CHC sites across Alaska.

Jessie Menkens stated that she serves on the APCA's policy team, and a couple of years ago, they gathered other key stakeholders to create a non-partisan coalition focused on Medicaid policy at the state and federal level, which is Alaskans Together for Medicaid.

She stated that over 32 percent of Alaskans right now are relying on Medicaid for their access to healthcare and well-being. This reflects not only the need, but also recognizes how the pandemic has impacted Alaskans. There has been quite a bit of job loss and loss of health insurance coverage in recent months, and there has been increased enrollment in Medicaid because of that.

Jessie Menkens stated that the coalition has been meeting weekly to prepare for the upcoming legislative session. The conversations focus on current issues that Alaska is contending with, challenges in relation to reimbursement, conversations around remote access, telehealth, and how those modes of delivery are intersecting with Medicaid policy. The coalition focuses on the value of Medicaid as it relates to lives and also Alaska's economy. Over the course of this last year, there has been a lot of interest and ongoing Medicaid reform work being done at the state level. A consultant with the Public Consulting Group will be developing and presenting a roadmap that could have a little more of an illustration of future work that the state will embark on around cost containment of the Medicaid program.

Jessie Menkes stated that because of the pandemic, people are becoming more and more aware of how critical it is right now to ensure Alaskans continue to have access to the support then need, and at this point in time, it would be a huge step backwards to be limiting that access, especially given where Alaska is at during this current pandemic. As they enter the upcoming legislative session, it is increasingly important that they have experts, individuals with lived experience,

providers that are providing care, and community leaders playing an active role in helping to inform good policy at the state level. As the legislature grapples with the current status of Alaska's state budget and lack of resources, there will be some tough decisions on the horizon, which is why it is important for advocates to come together and work effectively in a non-partisan way to educate decision makers.

Jessie Menkens invited members of the SILC to be involved with the steering committee to help this coalition grow and be strong.

ALASKA ASSOCIATION ON DEVELOPMENTAL DISABILITIES (AADD)

Lizette Stiehr reported that AADD is an association of providers 60 members strong. AADD represents on a number of different committees and collaboratives, and they provide a lot of written communication monthly. They have a grant from the Alaska Community Foundation to do direct service provider (DSP) recruitment work, and they are working closely with a DSP hire app that will be funded through pandemic funding and is moving forward.

Lizette Stiehr stated that AADD is a strong proponent of the DD Shared Vision, which is now in statute in the state of Alaska. AADD is working hard to bring some alignment between the system and this vision. Kim Champney with the DD Collaborative has pulled together a coalition of disability-related organizations that have met several times and includes:

- Key Coalition
- AADD
- Peer Power
- Governor's Council on Disabilities and Special Education
- SILC

This coalition has identified that the system is threatened, and the lack of workforce and sustainability of providers is very real. Kim Champney and Jay Carpenter gave a powerful presentation to the Trust on the workforce crisis.

Lizette Stiehr stated that the coalition has identified expanding technology as a service option as well as providing lower cost services like companion services. Additional talking points the coalition identified include the number of Alaskans served and the DSP workforce in a snapshot with the cost and rates of turnover.

7,000 DSPs are estimated to be working in Alaska, and there will be an increasing need for more and more. Vacancy rates are endangering lives. Insufficient compensation is one of the very large issues in that DSPs are not paid a living wage. The system is fragile and cannot afford further reductions.

ALASKA CENTER FOR THE BLIND

Nate Kile, program director for the Alaska Center for the Blind, stated that there were some staffing changes prior to COVID, and the board asked him to step in to fill the vacant leadership positions. He stated that it has been a great experience because of the team of staff and instructors at the Center and the key partner agencies in the state.

Nate Kile stated that they have had to adapt during the pandemic to start providing virtual assessments, and those virtual services became so successful that they have actually provided more service than they have done during the same time period in previous years with their doors open.

Nate Kile stated that the Center for the Blind has a training program that consists of manual skills, literacy skills, technology skills, independent travel, and activities of daily living. They have a rural grant where they would travel to rural areas to provide low vision clinics that provide assessments and opportunities to try out various assistive technology and provide referrals to other services. They also have part of the Older Blind Grant that offers similar services, but it's just for seniors. Their Braille Grant allows the Center for Blind to distribute pieces of equipment to school districts throughout the state.

Nate Kile stated that throughout the year they also try to do youth programs. This year they are looking at their first one since the pandemic. Last March they had a youth transition program that was based on community and sustainability. They visited Seeds of Change and Re-Made and learned their processes. Their virtual youth program this coming January will focus on what it takes to be ready for the workforce.

Nate Kile stated that all of the programs Alaska Center for the Blind offers are meant to carry out their mission of empowering blind Alaskans for work and for home so they can be part of the community, experience independence, make a contribution, and enhance their quality of life. Part of their purpose also includes building advocates among their constituency.

LIVING WELL ON THE LAST FRONTIER

Maggie Winston stated that her position with Senior and Disabilities Services began on February 24th, and she was the first person to be hired by the state of Alaska to telework using her own equipment. Then the pandemic happened, and everyone else went to telework status.

Maggie Winston stated that the Living Well grant has been interesting and slow going, but they have been working away on the enormous work plan that the Governor's Council has laid out. She is thankful for the partnerships she has had with a lot of SILC members. She noted that she has recently been partnering with SAIL on a provider agreement for home assessments.

Maggie Winston stated that they put out a COVID Toolkit for individuals with intellectual and developmental disabilities earlier this spring, and she has been working on some updates to that.

ELECTIONS DISCUSSION

Michael Christian stated that the SILC elections are staggered. In even years they elect the incoming chair and treasurer, and in the odd years they elect the incoming secretary and vice-chair. These are all two-year terms, and the staggered process was developed intentionally so that there is a better bridge in leadership where the chair and vice-chair are not being replaced at the same time. The SILC also has an opening for a representative for the State Vocational Rehabilitation Committee. Anyone interested in serving as the SVRC rep, chair, or treasurer are welcomed to express their interest by writing up a statement of why they should be considered for a position, which can then be sent out to the full board for a vote.

PUBLIC TESTIMONY

Public testimony was offered, and no members of the public appeared to provide testimony.

Michael Christian stated that he is looking forward to the Outreach and Communication Committee getting started so they can work on the issue of public testimony advertising.

Lisa Morley suggested participating in a joint listening session in collaboration with the CILs, senior centers, or rural health centers. This could help with the

local community getting the word out to people. It also helps if people can be prompted to talk about a specific topic.

Ric Nelson noted that he has seen public testimony decline across many boards. Many different tactics have been attempted, but it seems that a lot of people don't want to provide public testimony anymore. What some councils are doing is limiting their public comment period to a half an hour. He also noted that the SVRC communicates that people are welcomed to provide their testimony via e-mail that can be read at the quarterly meetings with their permission. They have had success in receiving testimony through that method. Kathy Munk read the statement on the SVRC's website regarding providing testimony via e-mail, and Michael Christian again noted that he is anxious to get their website updated.

RECESS

The meeting recessed at 5:00 p.m.

Friday, November 20, 2020

CALL TO ORDER – 1:00 p.m.

ROLL CALL – Quorum Established

ETHICS TRAINING

Maria Bahr from the Department of Law appeared before the SILC to provide training on the Executive Branch Ethics Act and reviewed her PowerPoint presentation as follows:

Public Officer:

- Public employee
- Member of a board or commission.

Financial Interest:

- An interest held by you or an immediate family member which includes involvement or ownership in a business, including property, or a professional or private relationship that is the source of income or from which you have received or expect to receive income.
- Also means holding a position in a business, such as officer, director, trustee, partner, employee, or a position of management.

Personal Interest:

- An interest held by you or your immediate family, including membership in any organization – fraternal, nonprofit, charitable, for profit, political – from which you derive a benefit.
- Membership broad definition - not just voting member, even advisory, on the rolls.

Benefit:

- Anything that is to your advantage or self-interest, or from which you gain financially, including dividend, pension, salary, acquisition, agreement to purchase, transfer of money, deposit, loan, promise to pay, grant, contract, lease, money, goods, services, privileges, patronage, advantage, advancement, or anything else of value.
- Very broad definition: If you like it, it's a benefit.

Immediate Family Member:

- Spouse
- Conjugal partner
- Children, step-children
- Parents, siblings, grandparents, aunts, uncles
- Parents-in-law, brother and sister-in-law.

Official Action:

- Giving advice, participating, assisting, making a recommendation, making a decision, approving, disapproving, voting, or other similar action by a public officer.

Partisan Political Activity

- Those activities that are intended to benefit or harm a candidate, potential candidate, political party or group.
- Exceptions: Governor's home, phones, plane.

Designated Ethics Supervisor

- The person you go to for assistance and guidance in navigating the provisions and requirements of the Ethics Act.
- Depends on the agency. ED for staff, chair for board members and ED, Governor for chair.

Basic Premise:

- Avoid substantial and material conflicts of interest.
- You and your immediate family members may not benefit financially or personally from your position and actions as a state officer.
- You may not confer unwarranted benefits on others.

Independent Pursuits:

- The Act does recognize that independent pursuits should not be discouraged
- Many of you are here precisely because of your independent pursuits and interests,
- And some minor and inconsequential conflicts of interest are unavoidable:
 - Stocks and bonds: If your ownership interest or value in a company is less than \$5,000, it is presumed to be insignificant.
 - Held by a larger class of persons: Your personal or financial interest in a matter is also presumed to be insignificant if it is held generally by the public at large, or by a larger class of persons – example: PFD.
 - Insignificant or conjectural: If your action or influence would have insignificant or merely conjectural effect on a matter, the conduct is not prohibited.

Misuse of Official Position:

- AS 39.52.120
 - Can't use position for personal gain, or to give unwarranted benefit or treatment to another person (hiring a friend who is unqualified).
 - Can't use your position to secure other employment or contracts.
 - Can't use your position to accept or solicit outside compensation.
 - Can't use state resources to benefit a personal or financial interest,
 - Can't take or withhold official action on matters in which you have a personal or financial interest, unless it's an insignificant interest or interest possessed generally by public at large, or action would have insignificant or conjectural effect on the matter.
 - Can't coerce subordinates to do something for your own personal or financial benefit.
 - Can't attempt to influence the outcome of an administrative hearing by privately contacting the hearing officer.

Politics:

- Can't use state funds, equipment, or facilities for partisan political purposes. These are activities that are intended to benefit or harm a candidate, potential candidate, political party or group.
- Exceptions:

- Governor's residence
- Communications equipment in Governor's house
- Airplane.
- If you want to campaign, you must do it on your own time.
- Even off work hours, staff cannot use state equipment for political purposes.

Staff Time:

- When determining whether a state employee is considered to be performing a task on government time, the AG and the Personnel Board shall consider the employee's work schedule as set by the employee's immediate supervisor.
- Default is 8:00 – 4:30.

Gifts:

- Can't accept or solicit a gift if that gift is intended to influence your action or judgment in your official duties.
- Gifts are money, services, loans, travel, entertainment, hospitality, lunch, a place to stay, tickets to an event.
- All gifts from lobbyists are presumed to be improper.
- A gift worth more than \$150 to you or your immediate family must be reported if:
 - You could take official action that would affect the gift-giver, or
 - The gift is being given to you because of your position as a public employee.
- A gift of an amount less than \$150 should still be disclosed if one could "reasonably infer from the circumstances" that the gift was intended to influence your action or judgment.
- When in doubt, disclose.
- Any gift received from another government, regardless of value, must be disclosed. This includes foreign, federal, state, municipal, and tribal governments.
- You must report a gift that a family member receives if it would be reportable if you received it.

Gift Questions:

- Can I keep this gift basket?
- Can I keep this bottle of wine?
- Can I keep this gift card?
- \$50 presumption
- 9 AAC 52.060 (a)

Information:

- AS 39.52.140
 - A current or former public officer may not disclose or use information gained in the course of official duties that could in any way result in a benefit to the officer or their immediate family member if the information has not been publicly disseminated, or is confidential by law.
 - No insider trading.

Non-Public and Confidential Information:

- It is only publicly disseminated if follows 9 AAC 52.070:
 - Newspaper, broadcast, press release, newsletter, legal notice, non-confidential court filing, published report, agency's website, Alaska Online Public Notice System, public speech, public testimony.
 - Not just if discoverable under a FOIA request.

Improper Influence in State Grants, Contracts, Leases, or Loans:

- A public officer or immediate family member cannot attempt to acquire, receive, apply for, or have a personal or financial interest in a state grant, contract, lease or loan, if the public officer may take action that affect the award. AS 39.52.150(a).
- A public officer shall report in writing to the designated ethics supervisor a personal or financial interest held by the officer, or an immediate family member, in a state grant, contract, lease, or loan that is awarded by the agency the officer serves. AS 39.52.150(d).

Special Considerations for Board Members:

- Declaration of Potential Violations by Members of Boards or Commissions - AS 39.52.220
- Improper Representation - AS 39.52.160.

Declaration of Potential Conflicts:

- Special provision for members of boards and commissions:
 - A member of a board or commission who is involved in a matter that may result in a violation of any of the other provisions of the Ethics Act must disclose the matter on the public record, in writing (the in-writing requirement may be met by disclosing on the record at a public meeting if a written record or electronic recording is kept of the meetings).
 - The DES (the chair) shall determine whether the member's involvement in the matter violates any of the provisions of the Ethics

Act and will provide a written determination (or a determination on the record if the meeting is being recorded).

- If a member objects to the ruling/determination of the DES, the members present (minus the one with the potential conflict) will vote on the matter.
- If the DES or a majority of the members determine there is a conflict, then the member will refrain from voting, deliberating, or participating in the matter.
- If the DES or a majority of the members determine there is a conflict, then the member will refrain from voting, deliberating, or participating in the matter. AS 39.52.220

Improper Representation – AS 39.52.160

- General Rule: You cannot advise or assist a person in matters pending before your administrative unit for compensation, or if your assistance would in any way benefit your personal or financial interests.
- Non-salaried members of boards or commissions are allowed to represent, advise, or assist in any matter in which the member has a personal or financial interest regulated by the board, but must do so in accordance with AS 39.52.220.

Outside Employment and Services - AS 39.52.170

- A public employee may not render services to benefit a personal or financial interest or engage in or accept employment outside the agency the employee serves, if the outside employment or service is incompatible or in conflict with the proper discharge of official duties.
- Second job cannot be incompatible or in conflict.
- Must fill out disclosure form.
- Have it signed by work supervisor and designated ethics supervisor.
- Update every July 1.
- Available on Department of Law website.

Post-State Employment – AS 39.52.180

- After leaving state service:
 - Two-year restriction on
 - a matter
 - for compensation
 - in which you participated personally and substantially
 - through the exercise of official action.
- Each phrase subject to interpretation and analysis; all must be met

What is a Matter?

- Matter includes case, proceeding, application, contract, determination, proposal or consideration of a legislative bill, a resolution, a constitutional amendment, or other legislative measure, or proposal, consideration, or adoption of an administrative regulation. AS 39.52.180(a)
- Matter does not include the general formulation of policy. 9 AAC 52.100
- Construed narrowly.
- For purposes of AS 39.52.180(a), routine processing of documents, general supervision of employees without direct involvement in a matter, or ministerial functions not involving the merits of a matter under consideration by an administrative unit do not constitute personal or substantial participation in a matter by a public officer. 9 AAC 52.100

Personal and Substantial:

- Being a supervisor and being aware of the work of others does not necessarily constitute “personal and substantial” involvement for purposes of post-state employment restrictions.

Official Action:

- Official action means advice, participation, or assistance, including, for example, a recommendation, decision, approval, disapproval, vote, or other similar action, including inaction, by a public officer. AS 39. 52.960(14)

Post-State Employment Exceptions:

- Can contract with former agency.
- Can get public interest waiver (approved by your agency and the Attorney General).
- AS 39.52,180(b)(c)

Restrictions on Employment After Leaving State Service:

- The Ethics Act’s restriction on employment after leaving state service prohibits certain former officials from working as paid lobbyists for one year after leaving state service.
- The one-year lobbying restriction applies to the following positions:
 - Governor and Lt. Governor;
 - Head of an executive branch department;
 - Deputy head of an executive branch department;
 - Director of a division within an executive branch department;
 - Legislative liaison within an executive branch department;

- Legislative liaison, administrative assistant, or other policy-making position in the Office of the Governor or Office of the Lt. Governor;
- Member of a board or commission having regulation-adoption authority; and
- Member of the governing board and executive officer of a state public corporation.
- The Ethics Act’s restriction on employment after leaving state service prohibits certain former officials from serving on certain boards for one year after leaving state service.
- The restriction on board service prohibits, for one year, a former head of a principal department from serving on the governing board of any organization that was regulated by that department; or that the former department head worked with as part of his or her official duties.

Confidentiality:

- Ethics Act 39.52.140
 - Forever
 - Penalties - Up to \$5,000/violation, pay back up to two times the financial benefit received via the infraction, any other civil penalties, any actions related to the infraction (such as a contract or lease) are voidable.

DIVISION OF VOCATIONAL REHABILITATION (DVR) UPDATE

Duane Mayes reported that up until last week, approximately 70 percent of their staff were working both in the office and at home. 16 percent of their staff were full-time teleworking in their home, and about 14 percent of staff were working full time in the office. DVR has 11 offices, including the Disability Determination Services Unit. Given the mandate from the Governor last week, all 135 employees are teleworking from home with the exception of 7 staff who are unable to do so.

Duane Mayes reported that the Division did a consumer survey to gauge how DVR clients are feeling about virtual services. Some of the results were as follows:

- 20% return rate.
- 80% agreed or strongly agreed that their rehabilitation counselor keeps in touch with them once a month.
- 83% agreed or strongly agreed that they have a good relationship with their counselor.
- 79% agreed or strongly agreed that their counselor understood the complexities of COVID-19.

- 72% agreed or strongly agreed that they were satisfied with the progress of their case.
- 24% responded that they were fearful about using services due to COVID.
- 10% reported that they have stopped using public transportation.
- 20% reported that they need training on technology, but 80% feel comfortable with using it.
- 9% of people indicated that they would prefer not to use technology and would rather be in person in front of a counselor.

Duane Mayes believes strongly that virtual service delivery will be a permanent fixture in the world, even after the pandemic is over, based on what he is hearing nationally, and he believes it is going to elevate the employment opportunities for people with disabilities. He has heard from people with disabilities that love working from home and are very productive.

Duane Mayes stated that there will be a virtual leadership retreat for three days in December, and as part of that they will discuss the survey results and see what they can do to improve some of those percentages.

Duane stated that in the beginning of the pandemic, many states lost about 80 percent of their DVR referrals. Many of the directors nationally believe it's just a matter of time before it will explode, and VRs will need to be at the ready to provide services for people with disabilities that want to go to work. Duane noted that for the end of the last fiscal year, Alaska's percentage of DVR referrals had dropped by about 26 percent. DVR has done a lot of work to let Alaskans know that DVR is still open for business and that they are online. They have an online video orientation and an application process. They can meet with the counselor, and the counselor can guide the applicant through the process and get all the releases signed to get the appropriate records to determine eligibility. In the last three months, they have seen an uptick in referrals.

Duane Mayes stated that he has been very clear with state organizations that DVR needs to be front and center as a part of working with the Governor to develop a plan of recovery. He stated that people with disabilities will not be an afterthought in this process. A leadership coalition has made the recommendation for the creation of a Work Matters Task Force that will receive technical assistance from the State Exchange on Employment and Disabilities.

Duane Mayes stated that the At-Risk Youth Initiative had to take a break because of the pandemic, but it continues to be a priority for the Department of Labor and

the Department of Health and Social Services. The Senior Employment Initiative also had to be placed on hold because of the pandemic, but he has the support of the Commissioner, and they will be moving forward on that.

Duane Mayes stated that they have also been celebrating 100 years of public vocational rehabilitation through social media, employer recognition events, and panel discussions.

Based on a question from Michael Christian, Duane Mayes stated that DVR receives 70 percent federal dollars and 30 percent state matching funds. Because of the pandemic and the drop in referrals to DVR, they have been unable to expend all of their federal funds, which can result in a significant penalty. He has been in contact with Alaska's Congressional delegation and has done a variety of presentations to the effect that language needs to be included in national legislation that allows state VRs to move those dollars forward without penalty.

READING FINANCIAL STATEMENTS TRAINING

Chellie Skoog began her presentation to the SILC by explaining what Foraker Group can provide to Alaskan non-profits and tribes. She then reviewed her PowerPoint presentation with the SILC members as follows:

Financial Statements Are:

1. **Accurate** –Information must be reliable and accurate.
2. **Timely** –Information should be available to the board monthly or quarterly at the latest. When meeting to discuss interim financial statements, the statements should be for the previous month.
3. **Regular and comparative** - Information should be presented in relationship to the history, goals, and programs.
4. **Appropriate** – The reporting format needs to match knowledge.

Why is this Important?

Financial statements are decision making tools.

- Reading and understanding financial statements is key to determining:
 - How is the organization doing?
 - Are we in alignment with our strategic plan and financial goals?
 - Are we living our values?
 - Are we mitigating financial risks?
 - Are we safeguarding assets?

Financial Terms:

- **Cash-Basis Accounting:** When cash is received or spent.
- **Accrual-Basis Accounting:** Transactions are recorded as expenses are incurred and when income is earned rather than when paid or received.
- **Operating Statement/ Profit and Loss / Income:** A financial report that summarizes income and expenses for a given period of time.
- **Restricted Funds/With Donor Restrictions:** Contributions restricted by a donor or a grantor for a specific use.
- **Unrestricted Funds/Without Donor Restrictions:** Contributions given without restrictions.
- **Working Capital:** The capital of a business that is used in its day-to-day operations, calculated as the current assets minus the current liabilities.

Financial Reports:

- Statement of Financial Position –Balance Sheet
- Statement of Activities –Income Statement/ Profit & Loss/ P&L
- Statement of Cash Flows
- Statement of Functional Expenses –Form 990
- You may have others that are meaningful to you/your industry and that help you to stay on track.

Statement of Financial Position:

- AKA The Balance Sheet.
- Shows assets and liabilities as of a given date.
- It is a snapshot of your available resources and outstanding obligations, showing what you have to work with.
- Shows management of cash (growing or shrinking).
- Provides information on capacity to expand financially.
- Important information for funders.
- Restrictions.

Statement of Financial Position: Terminology

- **Assets:** What is owned by the organization.
- **Liabilities:** What is owed to others.
- **Net Assets:** The difference between total assets and total liabilities.
- **Restrictions:**
 - Unrestricted Net Assets / Undesignated Net Assets Without Donor Restrictions: Accumulated operating surpluses/deficits from all years of business.

- Restricted Net Assets / With Donor Restrictions: funds limited by donor stipulations that can be met by the organization or expire over time.

Financial Trouble Brewing - What to look for:

Cash:

- Low or negative balance
- Operating deficits for longer than a year, trend of dipping into reserves to pay routine expenses
- Regular cash flow issues
- Little or no unrestricted cash reserves.

Accounts Receivable:

- Remains constant throughout year and does not decrease or grows.

Accounts Payable:

- Remains constant or steadily increases.

Payroll Liabilities:

- Payroll taxes constant or steadily increasing
- Employee-related liabilities constant or steadily increasing.

Current and Long-Term Debt:

- Borrowed amount excessively high.

Fund Balance / Net Assets:

- Declining (unless special project) or negative balance
- No net assets
- Higher percentage of restricted assets vs. unrestricted assets.

Statement of Activities:

- AKA The Income Statement, Operating Statement, Profit & Loss or PNL.
- Displays revenue and expenses and the difference between the two, known as net income or surplus; net loss or deficit.
- Statement focused on:
 - Whole organization
 - All major programs
 - All major events.
- Terminology:

- **Revenue:** The amount of money the organization receives from its activities.
- **Expense:** An outgoing payment made.
- **Depreciation:** The process by which the cost of a capitalized item is allocated across the years of its useful life.
- **Allocation:** The process of spreading costs to two or more activities.
- **Matching Principle:** Presenting related income and expenses together in the appropriate period. A benefit of accrual basis accounting.

Financial Trouble Brewing – What to look for:

Revenue:

- Decrease in annual revenue
- Revenue trends: Up or down? If down, what are we doing about it?
- Little or no funding diversity
- Loss of significant funding source.

Expenses:

- Primary costs of the organization do not relate to program/mission.
- Salaries seem out of line in comparison to similar organizations.
- Program, admin and/or fundraising costs seem too high or too low relative to annual budget.
- Are there large variances comparing budget to actual? What changes need to be made?

Statement of Cash Flows:

- The timing of cash receipts and disbursements.
- Shows how changes in balance sheet accounts and income affect cash and cash equivalents.
- It breaks down the sources and uses of cash into three categories, operations, investing and financing.
- As an analytical tool, it is useful in determining the short-term viability of a company, particularly its ability to pay bills.

Ratios:

- Ratios that reveal large deviations from the norm merely indicate the possibility of a problem.
- A single ratio does not generally provide sufficient information from which to judge the overall performance of the firm.
- The ratios being compared should be calculated using financial statements dated at the same point in time during the year.

- It is preferable to use audited financial statements.
- The financial data being compared should have been developed in the same way.

Financial Trouble Brewing – What to look for:

- Financial reporting is outdated and/or financial data does not make sense.
- Unusual items.
- Late audits (more than 6 months after close of fiscal year) and/or problems listed in audit notes.
- Indications of altered financial statements and/or missing documentation related to account balances.
- High dependence on one or two funders.
- Significant delays in providing standard financial information (audits, current budget, balance sheet, cash flow projection).
- Payroll taxes not being paid.
- Bank statements not being reconciled.
- Resignation of key employees/high turnover/ board disengagement / low staff morale.
- Unfamiliar vendors.
- Reports of unhappy vendors, client/customer complaints, donor satisfaction.

Final Thoughts

- Financial statements should be timely, accurate, regular, comparative and appropriate.
- Financial statements are a management tool for you.
- Let them work for you. Review them often. When necessary, make operational changes to impact outcomes.
- Take the mystery out of the numbers. There's always more to the story than what's provided in the statements. Provide notes or a narrative to articulate major changes or items of concern during the period (e.g.: red light, yellow light, green light).
- Ask questions. If no one is asking questions (or if they're asking the wrong questions), the statements need to be modified in order to be meaningful.

Michael Christian explained to the SILC members that the SILC is funded by the Division of Senior and Disabilities Services for their basic operations to fulfill their statutory duties. For FY'21, that contract is for \$200,000. They also have a couple of grants with Mat-Su Health Foundation and the Trust, for which the SILC receives a 10 percent administrative fee to help the SILC cover the cost of expenses.

Kathy Munk noted that a challenge has been that the SILC pays their expenses and submits for reimbursement from SDS to be paid after the fact. It becomes difficult when SDS is late getting money to the SILC. Michael Christian noted that they have had delays as long as three months to get payment from SDS.

Chellie Skoog referred to example format documents Foraker Group has drafted for the SILC's consideration and reviewed the SILC's financial information for consideration for approving the 2021 SILC budget. She asked what council members thought of the formats, and members were in approval. She noted that the Finance Committee can utilize the more detailed financial statements they receive from Foraker to review and scrutinize, and a more simplified version can be presented to the full SILC board for their approval.

Michael Christian and other members of the council appreciated this training and thanked Chellie Skoog for her presentation.

APPROVAL OF 2021 SILC BUDGET

Kathy Munk and Michael Christian reviewed the FY'21 budget with members of the SILC.

Ric Nelson **MOVED** to approve the budget, **SECONDED** by Jessica Chapman. Hearing no objections, the motion **PASSED**.

ADJOURN

Jessica Chapman **MOVED** to adjourn, and there was no second. Hearing no objection, the motion **PASSED**, and the meeting adjourned at 4:05 p.m.

Minutes Approved: 2/10/21 – P.D.