

Unknown

From: Bailey, Frank T (GOV) [/O=SOA/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=FTBAILEY]
Sent: Wednesday, February 20, 2008 1:47 PM
To: fek9wnr@yahoo.com
Subject: FW: AFN Financial Woes

-----Original Message-----

From: McBride, Rhonda (GOV)

Sent: Wednesday, February 20, 2008 1:37 PM

To: ExternalEmailgsp

Cc: Mason, Janice L (GOV); Mike Tibbles (michael.tibbles@alaska.gov); Nizich, Michael A (GOV); Monegan, Walt C (DPS); Notti, Emil R (CED); Kim, Anna C (GOV); Kelly, Russell T (GOV); Perry, Kristina Y (GOV); Bailey, Frank T (GOV)

Subject: AFN Financial Woes

AFN FINANCIAL WOES

The Alaska Federation of Natives will hold an important board meeting on Thursday, February 21st in Anchorage at CIRI's offices on San Jeronimo Drive, across from the Anchorage Daily News. Start time: 10:30am.

One issue that is sure to come up: AFN's financial meltdown.

Rumors have been circulating for some time. But if you visit AFN's "C" street office, you'll see confirmation -- lots of empty rooms on the third floor, a sign that AFN is now a smaller, leaner operation.

Talked with George Irwin, Vice President of AFN last week. He is currently working without pay -- and hopes to go back on salary, in a different position, when some other funding comes in.

Irwin says AFN has been downsized to about six people. He expects the staff to grow back to about eight or nine workers, still a skeleton crew.

So what happened?

Irwin says moving the annual convention to Fairbanks last year proved costly -- and while in the midst of planning it, AFN President Julie Kitka realized the convention would be followed by layoffs, to cover the costs. It was a tough choice to make.

Also, AFN dues, paid by the regional Native Corporations, have not changed much over the years to reflect the growing expenses.

AFN will ask Native Corporations to increase their dues. And while they may do so, it's not likely they will bail out the organization completely.

AFN is definitely in a tight spot.

Irwin says Native Corporations are now feeling their might -- enjoying unprecedented growth and many don't feel that AFN is needed as it once was. He put it this way, "The children are turning their parents out in the cold."

In talking with others who follow Native politics...

This financial crisis has precipitated a leadership tussle... a push to get longtime AFN President Julie Kitka to step aside.

AFN under Kitka's leadership, has done a virtuoso job of forwarding the Native agenda. It remains to be seen if she'll weather this.

Senator Albert Kookesh's office has been quiet about AFN's finances. Kookesh is co-chair of AFN, along with Tim Towarak, who once held the Rural Advisor position in the Knowles administration.

We may know more about what direction AFN's leadership takes, after AFN's board meeting tomorrow (Thursday).

AFN has invited the Governor, Commissioner Emil Notti, Frank Bailey and me to attend – in person or via teleconference.

So what's the administration's role in this? Not much right now, except to recognize that AFN is struggling, to stay tuned in and supportive.

For the state, a weakened AFN does not bode well.

Although AFN has sometimes clashed with the state on issues like subsistence, AFN, in its forty years, has done much to bring about consensus in Rural Alaska and furthered many good causes.

The only other statewide Native organization, the Alaska Inter-Tribal Council, has not had AFN's resources, nor its success. It has also had a more adversarial relationship with the state.

In recent years, AFN has been working hard with the state and federal government to promote economic development in villages.

By bringing in the World Bank and the Alaska Marketplace Program, AFN has done some good work. There is more awareness now about the basic financial infrastructure lacking in Rural Alaska.

As this administration attempts to strengthen public safety in Rural Alaska, combat sexual abuse, promote healthy lifestyles, deal with climate change and lower the cost of energy, it will need many partners, as well as AFN's expertise and support.

I will attempt to attend the AFN board meeting via telephone.

It would be great if Commissioner Emil Notti could be there in person. When Emil ran AFN in its early days, he worked out of a small BIA office with a phone and typewriter. He would be a great resource for AFN during this time of restructuring.

He knows the organization as an insider and as a founding father.