

POVERTY WAR JEOPARDIZED BY OEO RE-ORGANIZATION

Head Start, Legal Aid, Others May Be In Difficulty

A good many of Alaska's poverty programs, including Project Head Start and the Legal-Aid Service, will not get underway this year unless leaders of the statewide community action group (ASCAP), can find \$9,600 somewhere.

The money would have been put up by the state, but Gov. William Egan has indicated that the state will not be able to

provide matching funds under a new re-organization of the state-level Office of Economic Opportunity.

The \$9,600 is 10 per cent of a recent federal grant of \$96,000 from the federal OEO to the statewide CAP group.

Federal regulations require a percentage of all poverty war funds to be put up by local sources. The matching is on a 90 to 10 per cent basis, with the federal government chipping in the larger share.

Until now, the smaller portion was contributed by the state.

Egan, contacted by telephone yesterday, told the Tundra Times that a special authorization from the state legislature would be necessary before state funds could be given to the new OEO.

Under the new plan, the state community action group, a private non-profit corporation, would administer programs formerly handled by the state OEO office.

"Under state law, it would be illegal to authorize state

Poverty War Jeopardized . . .

(Continued from Page 1)

funds for a private corporation," Egan said. "It would be illegal for me to do this."

"I've suggested that the leaders of ASCAP try and raise funds from the Native associations and other groups in the state to make up for what the state can't provide right now."

Egan said that he was personally in complete accord with the OEO programs, and with his staff has worked to get Alaska more than its share of federal funding under the Poverty Act.

Only poverty programs sponsored by the OEO are affected by the re-organization on the state level.

The new plan does not affect the Neighborhood Youth Corps project or VISTA.

Egan said that Jefferson Barry, Egan's Administrative Assistant, is in San Francisco today meeting with high-level OEO officials.

The San Francisco office has given ASCAP leaders in the state 45 days to come up with the \$9,600 to match the federal grant, and has given Gov. Egan a 15-day extension on his time limit to approve or disapprove the controversial grant, according to Miss Phoebe Felk, in Fairbanks yesterday, a representative of the San Francisco OEO office.

Egan has the power, under the Economic Opportunity Act, to veto any federal poverty program grant in the state. He has 30 days in which to use the veto power.

The special 15-day extension given by the San Francisco office lengthens the time to 45 days, to match the time limit given to ASCAP.

The state community action group was formed in Alaska to cover all areas of the state not covered by a local CAP group, according to Alfred Fothergill, Director of the state OEO.

Fothergill is Director of the state OEO, a "technical assistance group" under the Governor, and is also Executive Director of ASCAP, Inc.—the statewide group.

He will soon be leaving the state post to work full time on the ASCAP staff.

Fothergill held a Tuesday press conference with Fairbanks newsmen to explain the new OEO re-organization.

The state group, he said, recently asked for and was given \$96,000 in federal funds to hire a staff to administer OEO projects in the state.

ASCAP was already the "official" sponsor of poverty programs under the OEO.

The state Office of Economic Opportunity just acts as the administrative staff for ASCAP. Applications for village projects, such as Wainwright's electrification project and Huslia's community building, are actually made to ASCAP.

The state office, under Egan, just handles the paperwork.

The \$96,000 grant would give ASCAP their own administrative staff and would tend to consolidate OEO functions in the state into a more efficient machine.

However, a 10 per cent matching from local sources is still needed, by law, before the federal money can actually be given to ASCAP.

Fothergill told the Tundra Times yesterday that if the state cannot provide the money, then ASCAP leaders will have to ask other sources—Native associations and community improvement groups in the state for contributions.

If the money cannot be raised, then many projects such as Head Start, Grass Roots, and the new Legal Aid to the poor, will not get rolling this year, Fothergill said.

The state OEO staff is funded only to November. Although it is possible that an extension could be granted to keep the state office op-

erating until the legislature can authorize state money to ASCAP, a private corporation, the way plans are laid out now the state OEO, after November, will be reduced to two or three "specialists"—one in education, one in community development, and so forth, according to Miss Felks.

By then the actual administrative job now being handled by the state office would have been under ASCAP's own staff.

A release from Fothergill to the Tundra Times yesterday stated: "The grant made to ASCAP will be used to administer OEO projects in Alaska's rural villages."

"Some of the projects are, the Winter Head Start program, Project Grass Roots, the Legal Aid Service."

Fifty village teachers were just graduated from the Uni-

versity of Alaska for the winter Head Start program which now may not go into effect.

The teachers were selected in the villages and sent to the U of A for a special summer training course (see story and picture on page 4 of this issue).

Many villagers sacrificed summer jobs and fishing income to attend the university training session. The lack of summer income would have been made up by winter pay checks as Project Head Start teachers.

The Legal Aid Service would provide professional legal help to poor people in Alaska's rural areas. The need for such a program has been felt for some time, but only under the OEO funding and help from the Alaska Bar Association was it actually made possible.