

Promoting wellness & knowledge for Kodiak's Native People



Kodiak Area Native Association

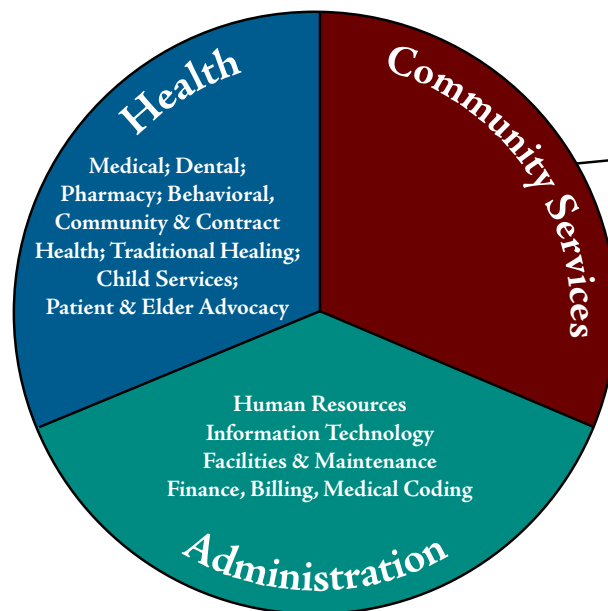
**2009 - 2010
Annual Report**



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KANA's Organization



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- Job Placement & Training
- Johnson O'Malley Preschools
- WIA Employment Assistance
- Supplemental Youth Programs
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- Safe & Stable Families
- Family Violence Prevention
- Economic Development
- General Assistance
- Indian Child Welfare
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- Tribal Vocational Rehabilitation
- Senior Meals
- Village Public Safety Officer
- Low Income Heating Energy Assistance Program
- Youth Leadership Development

President's Letter



As the Kodiak Area Native Association (KANA) concludes activities for our 2010 Fiscal Year, I'm pleased to provide you with this account of our activities over these last twelve months.

On page 5 of this Annual Report you will find the results of our Fiscal Year (FY) 2009 audit. KANA's fiscal year begins October 1 and concludes on September 30th of the following year. Our fiscal year coincides with the fiscal year of the United States Federal Government, in part because a large portion of KANA's annual budget involves managing federal funds. While we are proud

to demonstrate our organization's continued financial stability and success, I'd also like to provide an update on other measures of health for our organization.

Within the past year, KANA has conducted both a survey of our Beneficiaries and a survey of our employees. These surveys were intended to establish and measure a continual improvement process, both for our employees and for the services we provide.

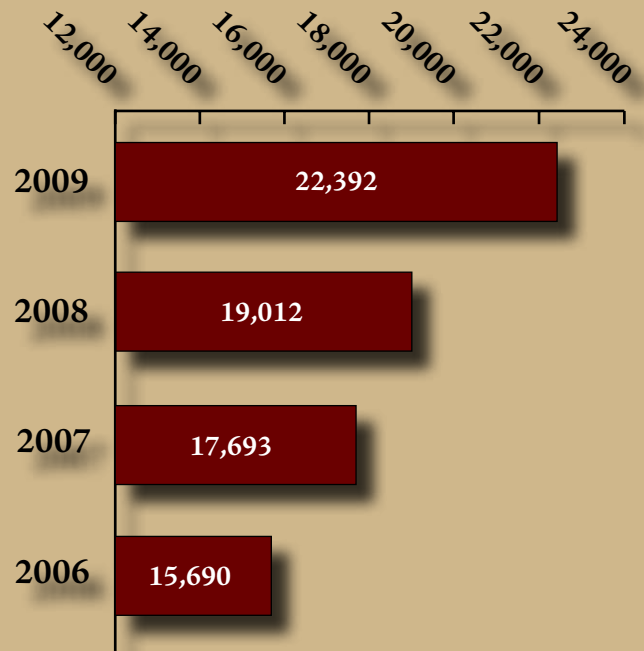
It's important to gauge the health and happiness of our employees, as their level of job satisfaction directly correlates to the quality of service they are able to deliver to you, our Beneficiaries. Beginning in May of 2010, KANA worked with Alaska Training & Consulting to interview KANA's employees to measure their level of job satisfaction. While we continue to work through the results of the survey, I'd like to relay that the findings indicate our employees are generally very pleased with both their positions at KANA and with their work environment. It was gratifying to observe the positive results of the employee survey, but we will work to address any deficiencies that are identified at KANA, both now and in the future.

In April of this year, KANA worked with the McDowell Group to survey our beneficiaries to measure their satisfaction with our programs and services. This survey was a follow-up to a beneficiary survey that we conducted in 2008. As in the 2008 survey, the 2010 survey revealed that our beneficiaries have a high level of satisfaction with KANA services. Beneficiaries were "satisfied" or "very satisfied" with pharmacy services (99 percent), dental care (95 percent), and medical care (92 percent). There was also a positive shift in the degree of satisfaction for those three services since 2008. Clients reporting they were "very satisfied" increased from 29 to 42 percent for medical clinic care, 42 to 54 percent for dental care, and 57 to 65 percent for pharmacy services.

In addition to the efforts undertaken to gauge beneficiary and staff satisfaction with KANA in 2010, I'm very proud to reveal that in 2010 the KANA was the first and only organization in Alaska, and the first organization nation-wide, to meet the annual standards for healthcare measurement established by the Government Performance and Results Act (GPR). GPR, a federal law enacted by Congress in 1993, requires Federal agencies to demonstrate that they are using their funds effectively toward meeting their missions. The main area of reporting resides in clinical information in the categories of prevention and treatment. Examples include quality of care for patients with diabetes, cancer screening, and immunizations.

Looking ahead to next year, we are excited by the opportunity to improve upon the standard of care we offer to you, our Beneficiaries. We aim to define the cutting edge of service delivery, technology and infrastructure. 2009 was a very good year for KANA and our Beneficiaries. We plan to make 2010 even better.

Patient Encounters



Quyanaa,

Andy Teuber
President/CEO

KANA Board of Directors



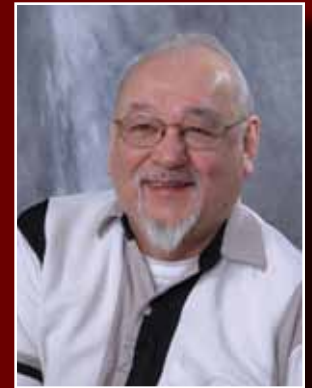
Margaret Roberts
Chairperson
Tangirnaq Native Village



Olga M. Malutin
Vice Chairperson
Sun'aq Tribe of Kodiak



Arnold Kewan
Secretary
Native Village of Port Lions



Alex Panamaroff, Jr.
Treasurer
Native Village of Larsen Bay



Kara Amodo
Member
Kaguyak Village



Jill Boskofsky
Member
Native Village of Ouzinkie



Dee Dee Christofferson
Member
Gwangkuta Suuget (At-Large)



Al Cratty
Member
Native Village of Old Harbor



Loretta Nelson
Member
Native Village of Afognak



Speridon M. Simeonoff, Sr.
Member
Native Village of Akhiok

Chairperson's Letter



Cama'i,

I am honored to write to you as the Chairperson of the Kodiak Area Native Association (KANA). When I visit our KANA facilities, I'm proud to recognize those who work tirelessly and selflessly to ensure the health and well-being of Kodiak's Native people.

KANA has, over the last few years, established itself as a leader at the State and even the National level in terms of our accomplishments. It is truly a testimony to the resourcefulness of our people, that, when working together, we can achieve great success. For example, this past year, in a wonderful and unique

display of regional unity with our partners at Koniag, Inc., we witnessed the completion of our new Community Services Center on Near Island.

I want to emphasize what we can accomplish collectively, as a family of Alutiiq peoples of the Koniag region. When KANA was created in 1966, our Elders envisioned KANA as an organization that would serve to meet the collective needs of the People of our region. Together we have created a health and social services organization that meets or exceeds all standards. And while we, as a people, occasionally have our differences and disagreements, we have always put those differences aside for the betterment of our People.

Together let's be proud of our accomplishments. This organization has, for the last 45 years, worked to improve the lives of our family and friends. Together, let's continue to collaborate and partner to ensure that KANA continues to provide the best services available, for us and for our children.

Tangr'ciqamken,

Margaret Roberts
Chairperson

*Elder Lucille Davis.
Photo by Jay Barrett.*



Independent Auditor's Report

Board of Directors
Kodiak Area Native Association
Kodiak, Alaska

We have audited the accompanying statement of financial position of Kodiak Area Native Association as of September 30, 2009, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of Kodiak Area Native Association's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from Kodiak Area Native Association's 2008 financial statements and, in our report dated April 1, 2009, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kodiak Area Native Association as of September 30, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 11, 2010, on our consideration of Kodiak Area Native Association's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Kodiak Area Native Association taken as a whole. The additional information on pages 17 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Mikunda, Cottrell & Co.
Anchorage, Alaska
March 11, 2010

* Referenced pages and schedules included in
KANA's full audit, available upon request.

Financial Statements

Statement of Financial Position

September 30, 2009

(with comparative totals for 2007 & 2008)

Assets	2007	2008	2009
Current assets:			
Cash and cash equivalents	\$ 1,450,297	\$ 2,202,698	\$ 7,079,491
Investments	11,069,002	10,796,508	5,554,579
Receivables:			
Grantors	320,468	620,903	1,214,683
Patient accounts, net of contractual allowances	227,978	257,402	483,769
Other	235,294	236,224	91,843
Prepaid expenses	55,491	37,761	41,671
Total current assets	<u>\$ 13,358,530</u>	<u>\$ 14,151,496</u>	<u>\$ 14,466,036</u>
Investment in joint ventures	530,091	696,901	672,753
Note receivable from Staraaya, Inc.	208,554	208,554	208,554
Property and equipment, net of accumulated depreciation	3,915,887	3,896,968	5,393,492
Total assets	<u>\$ 18,013,062</u>	<u>\$ 18,953,919</u>	<u>\$ 20,740,835</u>
Liabilities and Net Assets			
Current liabilities:			
Accounts payable	\$ 358,943	\$ 389,563	\$ 577,483
Accrued compensation and related liabilities	338,186	369,891	454,581
Accrued interest payable	12,861	12,861	12,861
Deferred revenue	1,367,249	1,390,365	2,021,890
Current portion of long-term note payable	96,785	100,777	108,256
Current portion under capital lease	23,172	29,566	22,120
Total current liabilities	<u>\$ 2,197,196</u>	<u>\$ 2,293,023</u>	<u>\$ 3,197,191</u>
Derivative contract payable			
Note payable, net of current portion	167,888	255,011	314,263
Obligations under capital lease, net of current portion	1,962,482	1,861,705	1,753,449
Total liabilities	<u>62,258</u>	<u>72,058</u>	<u>53,509</u>
Net assets:	<u>\$ 4,389,824</u>	<u>\$ 4,481,797</u>	<u>\$ 5,318,412</u>
Unrestricted net assets-undesignated	13,623,688	14,472,122	15,422,423
Total liabilities and net assets	<u>\$ 18,013,512</u>	<u>\$ 18,953,919</u>	<u>\$ 20,740,835</u>

Financial Statements

Statement of Activities

Year Ended September 30, 2009

(with comparative totals for 2007 & 2008)

	2007	2008	2009
Revenues:			
Compacts, grants and contracts	\$ 11,765,461	\$ 12,109,758	\$ 13,433,655
Net patient service revenue	1,157,448	1,327,648	1,648,483
Investment income	706,445	437,669	294,145
Earnings from joint ventures	333,767	454,591	576,126
Other	9,245	36,632	4,289
Total revenues	<u>\$ 13,972,366</u>	<u>\$ 14,366,298</u>	<u>\$ 15,956,698</u>
Expenses:			
Program expenses:			
CHAP	1,063,842	1,033,979	989,641
Clinical services	7,052,174	6,731,534	8,819,460
Community health	1,537,580	1,685,056	1,902,646
Education and training	1,211,714	1,136,844	1,255,636
Public safety	978,597	1,029,077	578,537
Tribal operations	303,926	328,450	202,364
Total program expenses	<u>\$ 12,147,833</u>	<u>\$ 11,944,940</u>	<u>\$ 13,748,284</u>
General and administrative expenses	618,150	1,572,924	1,258,113
Total expenses	<u>\$ 12,765,983</u>	<u>\$ 13,517,864</u>	<u>\$ 15,006,397</u>
Change in net assets	1,206,383	848,434	950,301
Unrestricted net assets, beginning of year	<u>12,417,305</u>	<u>13,623,688</u>	<u>14,472,122</u>
Unrestricted net assets, end of year	<u>\$ 13,623,688</u>	<u>\$ 14,472,122</u>	<u>\$ 15,422,423</u>

Compacts, Grants & Contracts



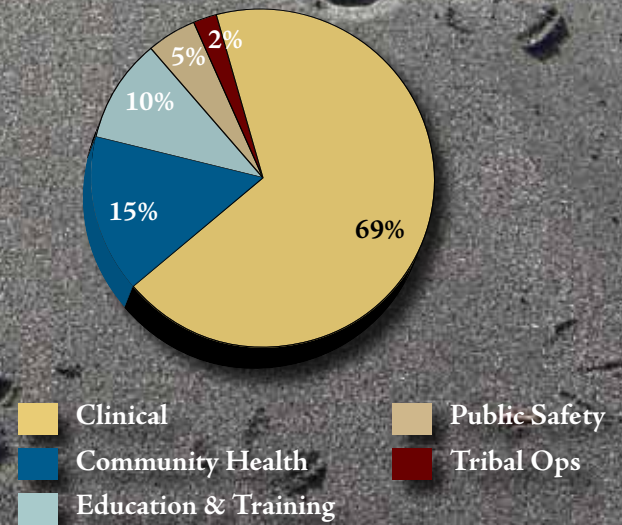
Assets & Beneficiaries' Equity



Revenues



2009 Program Expenses



KANA Health Measures

The Kodiak Area Native Association has made significant changes in its health care delivery system this year. By implementing a service delivery model that is built upon a foundation of wellness promotion through a dedicated team approach, KANA has been able to offer patients more personalized care, enhanced screenings and health education opportunities.

Through this process, KANA achieved the accomplishment of being the first Tribal Health Organization ever within the State of Alaska and one of only four organizations in the nation to meet or exceed all of the 21 treatment and prevention goals established by the Indian Health Services and reported to Congress through the Government Performance and Results Act of 1993 (GPRA) in 2010. By using GPRA for benchmarking KANA has been able to show marked improvements in patient outcomes in chronic disease management. Additionally, this model allows providers and patients a greater ability to plan strategies to meet the patient's health goals.

National GPRA Measures	KANA Performance as of 6/2010	National Goal	Yes	No
Poor Glycemic Control (should be below goal)	4.20%	16%	X	
Ideal Glycemic Control	51.70%	33%	X	
Blood Pressure Control	43.20%	40%	X	
Lipids Assessment	78.00%	69%	X	
Nephropathy Assessment	67.80%	54%	X	
Retinopathy Assessment	56.80%	55%	X	
General Dental Access	47.80%	27%	X	
Dental Sealants	997	775	X	
Topical Fluoride - # of Patients	988	831	X	
Influenza - Adults 65+	62.50%	60%	X	
Pneumovax - Adults 65+	89.90%	83%	X	
Childhood Immunizations - Active IMM pkg Pts.	89.40%	80%	X	
Pap Smear	62.50%	60%	X	
Mammogram	60.00%	47%	X	
Colorectal Cancer Screen	56.70%	36%	X	
Tobacco Cessation	31.10%	27%	X	
FAS Prevention	63.50%	55%	X	
IPV/DV Screen	54.50%	53%	X	
Depression Screen	55.00%	53%	X	
Comp. CVD - All Assessments	64.40%	33%	X	
Prenatal HIV Screen	80.70%	77%	X	

Total Met or Not Met

21

Kodiak Offices

KANA Central Office
Phone: 907.486.9800
1.800.478.5721

KANA Medical
Phone: 907.486.9870

KANA Dental
Phone: 907.486.9850

KANA Pharmacy
Phone: 907.486.9860

KANA Community Services Center
Phone: 907.486.9879

KANA WIC
Phone: 907.486.1372

KANA Infant Learning Program
Phone: 907.486.1366

KANA Fitness Center
Gym Phone: 907.486.1377

Village Clinics

Akhiok Health Clinic
Phone: 907.836.2230

Karluk Health Clinic
Phone: 907.241.2212

Larsen Bay Health Clinic
Phone: 907.847.2208

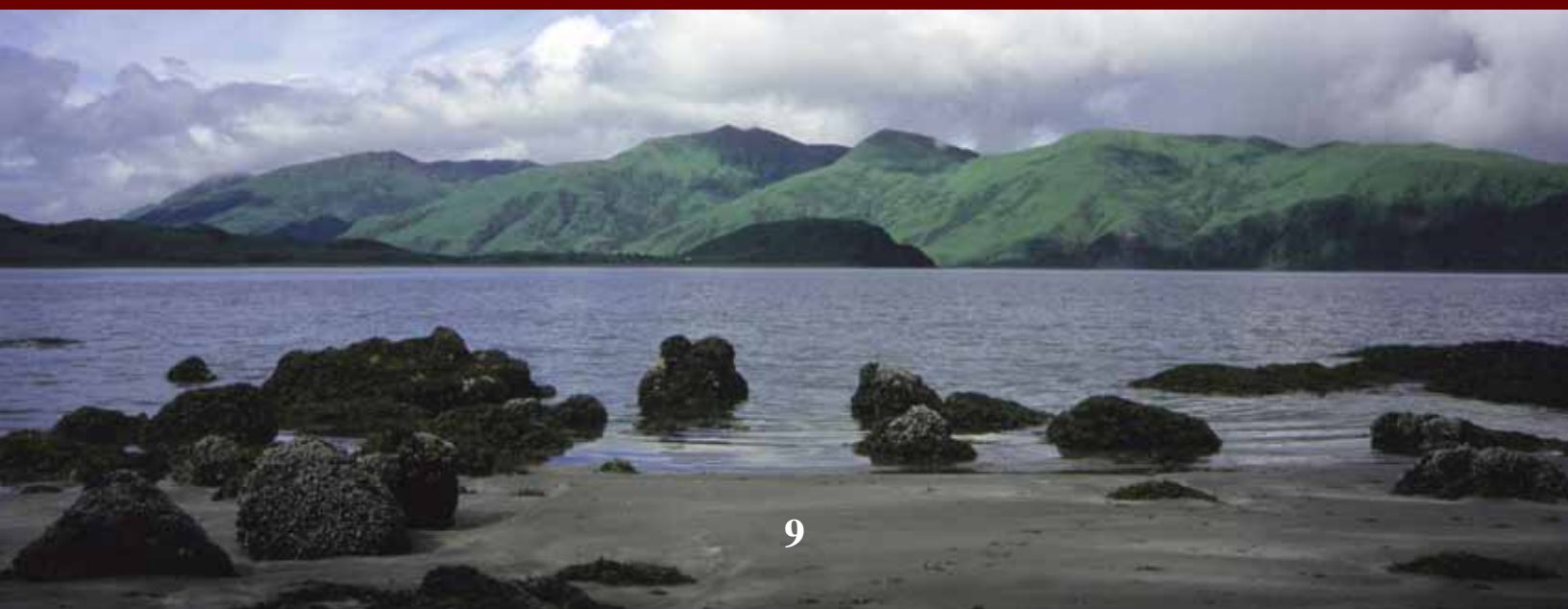
Old Harbor Health Clinic
Phone: 907.286.2205 or 907.286.2307

Ouzinkie Health Clinic
Phone: 907.680.2265 or 907.680.2262

Port Lions Health Clinic
Phone: 907.454.2275

*Photo on cover courtesy of Jay Barrett.
Photos on back cover and below courtesy of
Patrick Saltonstall and the Alutiiq Museum.*

*Annual Report Graphic Design &
Editing by Alisha Drabek.*





KANA's Mission

The mission of this tribal organization is to promote pride and self-determination on the part of the sovereign and indigenous peoples of the Kodiak Island area in their cultural heritage and traditions; to preserve and promote their language, customs, folklore and arts; to promote the health, educational, physical, economic and social well-being of the Native individual, family and community; to prevent and overcome racial prejudice and its inequities; and to restore effective self-government, reminding those who govern and those who are governed of their mutual and joint responsibilities.

Kodiak Area Native Association

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1-800-478-5721

907-486-9800 phone 907-486-9898 fax

www.kanaweb.org