

# Memo

To: Senator Natasha von Imhof, Co-Chair  
Senator Bert Stedman, Co-Chair  
Senate Finance Committee, Alaska State Senate

From: Angela Rodell, CEO  
Alaska Permanent Fund Corporation

Date: February 13, 2020

Re: Follow Up to Questions posed in SFIN February 10

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*1. Senator Wielechowski asked about how the procurement exemption if granted, would affect public accountability?*

APFC has built our reputation on ensuring that best practices of good governance and transparency are adhered to in our stewardship of the assets entrusted to our management. We are accountable to Alaskans on a daily basis for more than \$65 billion of financial assets and are diligent in ensuring that our business and investment practices meet the highest of standards. This standard and commitment to best practices will not change should this exception be granted.

Our APFC team is trusted to make multi-million dollar investments; we ask that we are also entrusted with procuring the resources necessary to diligence those investments in a timely and efficient manner as needed.

Additionally, APFC's Board of Trustees and staff are subject to the Alaska Executive Branch Ethics Act under Chapter AS 39.52. This ethical code of conduct applies to the investments that we make, as well as the resources we acquire to ensure prudent management and investment of financial resources.

*2. Senator Wielechowski asked if contracts would be public information and the current confidentiality standards.*

APFC's state contracts are currently available for inspection and would remain so with the passage of this legislation. Based on the financial and investment industry standards, APFC does enter into non-disclosure agreements, as necessary, to protect proprietary information. To the extent that information, contractual or otherwise, is considered proprietary, it is redacted prior to public release.

APFC complies with Alaska Public Records Disclosures under AS 40.25.

*3. Senator Wielechowski asked what oversight if any, would the legislature have over this process?*

APFC's staff is trained and certified in state procurement practices. The same standards that are currently utilized for procurements would continue to be applied to exempt procurements, the main difference being APFC's ability to act within a more condensed timeline and focused process. The financial and investment services industry that APFC relies upon to manage the portfolio is often at odds with a standard procurement process. While APFC will continue to adhere to best practices, the ability to adapt our procurement process to remain competitive within the global investment community is essential to continued success.

APFC has a long history of providing Alaskans and the Alaska Legislature with detailed and accurate information pertaining to the Alaska Permanent Fund and the work that the Corporation does on behalf of Alaskans. We are accountable to the public, and participating in legislative hearings has been, is, and will continue to be an essential part of demonstrating we are responsible and can be trusted with the tools given to us.

As always, please feel free to contact us if there are further questions. Our Communications Manager, Paulyn Swanson, can be reached via email [pswanson@apfc.org](mailto:pswanson@apfc.org) or at 907-796-1520.