



Subject: Angela Rodell –  
Self Evaluation, December 1, 2019 – November 30, 2020

Date: December 1, 2020

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### APFC Performance 2020

It is very difficult to discuss the performance of APFC without discussing the performance of the Fund. The performance of the Fund provides a quantitative method of evaluating all the efforts of staff over the course of the year. In that light, while returns were lower than recent years at 2.01%, they were in the top quartile for large public plans (Callan). Since I joined 5 years ago, the Fund has continued to grow. I am especially proud of our 5-year return of 8.43% which was in the top quartile for large public plans and well above median for endowments and foundations (top quartile was 8.50% or better – Callan).

### Administration & Management/Staff

2020 has been a year like no other – for all of us. Early on signs of a global pandemic were being reported and meetings started cancelling. It became apparent as I met with our partners around the world that I would need to have a plan for keeping staff safe while still delivering on our mission and vision – to manage and invest the assets of the Permanent Fund and other funds designated by law and to deliver outstanding returns for the benefit of all current and future generations of Alaskans.

The first step I took was to have IT, Finance and Admin teams prepare needs assessments and test work remote systems in February. I assembled a COVID Crisis Management group consisting of representatives from all teams in order to have an ongoing coordinated response. I am deeply committed to the APFC team and it was important to provide a flexible work policy that recognized the unique challenges we faced. On March 2<sup>nd</sup> I curtailed business travel and by March 18<sup>th</sup> I had instituted a voluntary work from home policy. On March 24<sup>th</sup> we went into mandatory work from home in compliance with the Governor’s mandates.

Staff were invited to come back into the office on a voluntary basis in June and we have continued under that directive until the Governor requested all staff to work from home whenever possible starting November 16<sup>th</sup>. This mandate continues to be in effect through December 15<sup>th</sup>. Prior to that mandate, on any given day I am pleased to report a third of the staff were coming into the office. Staff chose their days based on work and meeting requirements and their ability to limit exposure to others.

During this time, staff have continued to deliver on our priorities. On March 31<sup>st</sup>, the value of the Fund was \$60.0 billion and by October 31<sup>st</sup> the Fund had grown to \$65 billion. We held our first

ever all virtual Board meeting in May. We hired 9 new professionals that included a fixed income credit analyst, a real estate asset manager, a risk officer, 2 portfolio accountants, 3 administrative assistants and a procurement officer while delivering on all the commitments we had to the State. This could not have been done without the coordinated effort and high level of communication and most importantly commitment by all the teams. I take great pride in these accomplishments.

My bigger challenge this year has been in the arena of recruitment. Staff turnover is occurring primarily in middle and back office operations and with junior level investment personnel. The most senior person to leave this past year was Rose Duran, Director of Real Estate, after 30 years of service. Tim Andreyka had been working with Rose for the past couple of years as part of a succession plan, recognizing Rose was approaching retirement. I was pleased to be able to promote him and he is now focused on finding a new senior portfolio manager.

Administrative services lost 2 administrative assistants to investment analyst positions, a third assistant to business school and the departure of our procurement specialist to a position at Sealaska. These departures happened in the span of approximately 8 weeks, creating a huge hole. Sara Race was able to move quickly with HR, get positions posted, interview remotely and fill all vacant positions by mid-September. I think this experience highlights a willingness on our part to hire and train internal candidates, find internal promotion opportunities, recognize that the APFC brand has created a demand for positions and we have the ability to act quickly.

Recruiting into investments continues to be a challenge for a variety of reasons. It is very time consuming, requiring managers to spend a significant portion of their day on non-investment matters. We have revisited our process for investment positions and HR has done a great job streamlining candidates by creating a resume scoring system along with video recorded interviews to specific questions that all members of a hiring team can watch on their own schedule. We cannot however wait two or three weeks to get back to a potential candidate because the market is competitive and we lose out. I am continuing to work with staff to prioritize filling our vacancies and believe we will be making offers for a couple of the investment positions by the end of the year. Filling vacancies with professionals who have a core sense of service, a passion for investing and fit well within our APFC culture will continue to be a priority in the coming year.

### **Community & Public Relations**

I do not think there has been a time when community and public relations has been more important to maintaining widespread support for the Fund and APFC. Increased focus by the public, the legislature and the administration on the Alaska Permanent Fund has given me an opportunity to engage in numerous public speaking opportunities around the state. I continue to seek out opportunities to meet with various interest groups in Alaska and with virtual meetings it has made it easier to schedule those.

Our website has been updated, highlighting the need for ongoing education. The 2009 Alaskans Guide to the Permanent Fund has been updated to 2020 and I believe this will be a helpful education tool for all. I am in the process of planning to meet with all freshman legislators prior to the start of session in order to introduce APFC and the Fund and discuss the Board's priorities. These first meetings will be key to a successful legislative session that is forecasted to be difficult.

## Board Relations

Of all the areas of responsibility, board relations have been the most difficult and this year marked both an all-time low as well as a source of improvement. There has been a lack of trust and confidence in the Board by me and in me by the Board. The reciprocal lack of trust was illustrated by the introduction of major charter changes to the ED responsibilities which included having the chief investment officer report directly to the Board. This was a new low that needed to be addressed and I believed one way to improve relations was to improve my communication with the trustees. I set for myself a goal to send the board an email every two weeks which touched on various successes and issues that had occurred. I believe it provides me with an opportunity to give trustees a sense of everything that is going on between meetings as well as providing an avenue for trustees to ask questions or raise concerns.

Improving board relations will continue to be a top priority for me in the upcoming year.

## 2021 Priorities

My vision for the Corporation since joining 5 years ago is to empower an organization that overwhelmingly delivers on its mission of providing and building value to the State. In that vein, I have identified the following as my top 3 priorities for 2021: (i) work on building a strong data operation, (ii) improve our regulatory infrastructure; and (iii) maintain robust public relations.

The importance of good data cannot be overstated and with an increasingly complex portfolio and the velocity at which decisions are made, having a robust internal data room will be integral to growing the Fund. In addition, the number of public records requests and analyses have made the need for accurate, accessible data a key component to maintaining transparency and public trust.

As the Fund has grown in size, certain Federal regulatory requirements have taken effect. For example, if we have more than \$8 billion in derivatives exposure, we are required to maintain certain records and filings. Compliance with these regulations will require that we continue to invest in the personnel, processes and technology going forward and highlights yet another need for good data.

Finally, transparency, thoughtful processes, measurable outcomes all lead to confidence in APFC and the ability to grow the Fund. It is with that in mind, that I look to expand on communications and public relations to ensure that we are properly resourced and that Alaskans can trust in the outcomes generated by APFC. This effort will require the addition of a full-time person, continued expansion into various social media outlets, persistent updating of the website and seeking out various public speaking and interview opportunities.

2021 will be a challenging year. The State will be facing unprecedented pressure to deliver essential services in the wake of the pandemic and we will be asked to step up and do our part and most likely more. I am committed to working with the Board and staff to ensure that we are aligned, that Alaskans fully understand what our strengths and limitations are and that we deliver the performance Alaskans have come to rely on.



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