

SCOMM

#9:186

Outline for Discussion  
Organization of the Renewable  
Resources Development Fund (RRDF)

Principles/Observations

1. Appropriate organization is a function of purpose.
2. Effective performance can only be provided by competent persons.
3. Legislation should clearly state purpose and leave performance to the people in the organization.
4. Competent people are attracted by autonomy, professional challenge and adequate remuneration, in that order.

Working Assumption

1. The purpose of the RRDF is to fund development projects and programs that will increase the proportion of Alaska residents who derive their livelihood from the use of renewable resources, without significant detriment to the use of the same renewable resources by other Alaska residents.
2. This assumption requires the following terms/phrases be defined:  
  
fund --  
development projects --  
development programs --  
Alaska resident --  
livelihood --  
use of renewable resources --  
renewable resources --  
significant detriment --
3. Measurement of the accomplishment of this purpose is possible if information can be accumulated about:
  - (a) The present number (proportion) of Alaska residents who derive their livelihood from the use of each renewable resource.
  - (b) The other use (and users) of each renewable resource.

## Side Issue

The working assumption purpose implies that management and regulation of each resource remains the responsibility of other federal and state agencies. The RRDF will have the capacity to influence these functions, but not to control them.

### Organizing to Manage the RRDF

Any institution created to fund development projects and programs will require staff for the functions of planning, evaluation, monitoring, internal administration, and reporting. A high level of performance of these functions will be insured by recruitment of the most competent people available. In addition, the detailed organogram, manning tables and procedures required can be left to the executive staff to determine.

Legislation should be primarily concerned with establishment of the purpose and of conditions that are intended to insure acceptable levels of:

1. Quality and quantity of performance.
2. Fiscal stewardship.
3. Oversight by persons with ultimate responsibility.

Quality and quantity of performance are primarily conditioned by (a) the clarity of perception of the purpose by those persons with ultimate responsibility for its achievement and those persons to whom the responsibility is delegated, and (b) the competence of the latter.

Fiscal stewardship is primarily conditioned by (a) absence of normal political processes from implementation, and (b) reporting and disclosure of actions and results.

Oversight by persons with ultimate responsibility is conditioned by clear retention of the authority to (a) refuse funds for planned uses inappropriate to purpose, (b) remove executives who do not understand or conform to the perception of purpose held by those persons with ultimate responsibility, and (c) regular, systematic review of plans and decisions.

An organization that meets the above conditions would be:

1. removed from the normal executive structure of state government agencies.
2. responsive to changing legislative perception of its purpose.
3. flexible enough to deal with a variety of renewable resources and users.

## Outline for Legislation

Some of the provisions to be included in enabling legislation can be put in the form of a checklist:

1. Findings.
2. Purpose (derived from findings).
3. Legal form of organization corporation, agency, etc.
4. Legislative oversight.
5. Executive oversight.
6. Executive Budget Act.
7. Advisory committees.
8. Board with director powers.
9. Proper expenditures --  
    Operation costs  
    Loans  
    Grants  
    Equity
10. Requirements for and limits on diversification among renewable resources, users, projects and programs.
11. Status of personnel.
12. Reporting requirements.
13. Financial audit.
14. Operational.
15. Definitions.

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