

# **State of Alaska FY2011 Governor's Operating Budget**

## **Department of Revenue APFC Operations Component Budget Summary**

## Component: APFC Operations

### Contribution to Department's Mission

The mission of the Alaska Permanent Fund Corporation (APFC) is to maximize the value of the Permanent Fund within return objectives.

### Core Services

- Investment management for Alaska Permanent Fund assets

### Results at a Glance

(Additional performance information is available on the web at <http://omb.alaska.gov/results>.)

#### END RESULT A: Maximize the value of the Fund

- The Permanent Fund FY2009 year end value was \$29.9 billion, down \$6.6 billion from the prior year with a .6% long-term real rate of return 2000 - 2009, short of the 5% target

#### Status of Strategies to Achieve End Result

- For the 10-year period ended June 30, 2009, the Fund outperformed its benchmark by 0.3%. The Fund's total rate of return for the 10-year period was 3.4% compared to our benchmark of 3.1%. Over the 1-year period ended June 30, 2009, the Fund underperformed the benchmark by 1.3%. The Fund's total rate of return for the 1-year period was negative 18.0% compared to the benchmark return of negative 16.7%.

#### Major Activities to Advance Strategies

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Monitor and manage the Fund's investment risk</li> <li>• Selecting external investment managers for specific expertise managing stocks, bonds, real estate, and alternative investments</li> <li>• Internal bond portfolio management</li> <li>• Daily, monthly, quarterly, and annual performance and compliance reporting</li> <li>• Renegotiation of fees on an ongoing basis</li> </ul> | <ul style="list-style-type: none"> <li>• Preparation of financial statements and other reports</li> <li>• Produce print and web based publications</li> <li>• Maintenance of web site with up to date content</li> <li>• Research evolving alternative investment strategies</li> <li>• Continual review of corporate best practices and due diligence oversight</li> </ul> |
|--|---|

### Key Component Challenges

- Planning for and managing investment risk incorporating the capital market assumptions and projected volatility for the Fund.
- Maintaining corporate best practices and necessary due diligence relating to an ever growing and complex Permanent Fund.
- Ensuring that investment policies maintain the balance between the Fund's competing mandates of protecting the Fund to benefit future generations and producing income to benefit current generations.
- Attracting and retaining qualified investment officers.
- Educating the general public on the Fund's complex structure and investments.
- Maintaining independent data systems to better compete in global financial markets.

### Significant Changes in Results to be Delivered in FY2011

No changes in results delivered.

## Major Component Accomplishments in 2009

- The Permanent Fund weathered the most devastating financial markets since the great depression.
- The Fund's total rate of return for the 10-year period ended June 30, 2009 was 3.4% compared to its benchmark of 3.1%.
- Staff renegotiated six investment manager contracts which will result in savings over the next five years of approximately \$60 million.
- The Corporation successfully recruited a new Chief Investment Officer and Manager of Risk and Asset Allocation.
- The Trustees began a review of the Fund's corporate governance practices.
- The Corporation updated and published "An Alaskan's Guide to the Permanent Fund."
- The Corporation changed its method of accounting for direct real estate investments to comply with GASB 52.
- The Fund transferred \$850 million for distribution of Alaska Permanent Fund Dividends to qualifying Alaskans.
- Implemented a new internal fixed income trading software system which adds daily compliance capabilities.
- Revised the Alaska CD resolution and contract to change the interest rate baseline from T Bills to the Federal Home Loan Bank rates.
- Inflation proofed the principal of the Fund by \$1.1 billion.

## Statutory and Regulatory Authority

AS 37.13 Alaska Permanent Fund and Corporation  
15 AAC 137.410 - 15 AAC 137.990  
15 AAC 137.610

### Contact Information

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**APFC Operations  
Component Financial Summary**

*All dollars shown in thousands*

	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	4,953.9	5,446.8	5,835.7
72000 Travel	219.1	355.0	370.5
73000 Services	3,112.6	3,710.4	4,306.5
74000 Commodities	78.6	114.9	114.9
75000 Capital Outlay	118.7	80.0	80.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>8,482.9</b>	<b>9,707.1</b>	<b>10,707.6</b>
<b>Funding Sources:</b>			
1105 Alaska Permanent Fund Corporation Receipts	8,482.9	9,707.1	10,707.6
<b>Funding Totals</b>	<b>8,482.9</b>	<b>9,707.1</b>	<b>10,707.6</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2009 Actuals	FY2010 Conference Committee	FY2010 Authorized	FY2010 Authorized	FY2011 Governor
<b>Unrestricted Revenues</b>						
None.		0.0	0.0	0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>						
Permanent Fund Earnings Reserve Account	51373	8,482.9	0.0	0.0	9,707.1	10,707.6
<b>Restricted Total</b>		<b>8,482.9</b>	<b>0.0</b>	<b>0.0</b>	<b>9,707.1</b>	<b>10,707.6</b>
<b>Total Estimated Revenues</b>		<b>8,482.9</b>	<b>0.0</b>	<b>0.0</b>	<b>9,707.1</b>	<b>10,707.6</b>

**Summary of Component Budget Changes  
From FY2010 Management Plan to FY2011 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2010 Management Plan</b>	<b>0.0</b>	<b>0.0</b>	<b>9,707.1</b>	<b>9,707.1</b>
<b>Adjustments which will continue current level of service:</b>				
-FY2011 Health Insurance Cost Increase Non-Covered Employees	0.0	0.0	70.7	70.7
<b>Proposed budget increases:</b>				
-Trustee Board Meeting Travel	0.0	0.0	15.5	15.5
-Contractual Services Increases	0.0	0.0	78.1	78.1
-Investment Financial Network Information and Analytical Systems	0.0	0.0	438.0	438.0
-IT System Security Services	0.0	0.0	80.0	80.0
-Funding to Lower Vacancy	0.0	0.0	318.2	318.2
<b>FY2011 Governor</b>	<b>0.0</b>	<b>0.0</b>	<b>10,707.6</b>	<b>10,707.6</b>

**APFC Operations  
Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2010 Management Plan	FY2011 Governor		
Full-time	35	35	Annual Salaries	4,114,425
Part-time	0	0	Premium Pay	0
Nonpermanent	2	2	Annual Benefits	1,739,399
			<i>Less 0.86% Vacancy Factor</i>	<i>(50,264)</i>
			Lump Sum Premium Pay	4,600
			Board Honoraria	27,540
<b>Totals</b>	<b>37</b>	<b>37</b>	<b>Total Personal Services</b>	<b>5,835,700</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant	0	0	6	0	6
Admin Support Specialist	0	0	2	0	2
Administrative Assistant	0	0	1	0	1
Administrative Officer	0	0	2	0	2
Administrative Specialist	0	0	2	0	2
Chief Financial Officer	0	0	1	0	1
Chief Investment Officer	0	0	1	0	1
Controller	0	0	1	0	1
Dir of Information Technology	0	0	1	0	1
Director of Communications-PFC	0	0	1	0	1
Executive Director, PFC	0	0	1	0	1
General Counsel	0	0	1	0	1
Information Technology Spec	0	0	2	0	2
Intern	0	0	2	0	2
Investment Associate	0	0	4	0	4
Investment Officer	1	0	7	0	8
Sr Information Technology Spec	0	0	1	0	1
<b>Totals</b>	<b>1</b>	<b>0</b>	<b>36</b>	<b>0</b>	<b>37</b>

**Component Board Summary**

Board Description	Member Count	Pay Per Day	Budgeted Days	Additional Pay	Total Cost
Permanent Fund Corporation	4	400.00	16	0.00	27,540.48
<b>Total</b>					<b>27,540.48</b>

**Component Detail All Funds**  
Department of Revenue

**Component:** APFC Operations (109)

**RDU:** Alaska Permanent Fund Corporation (45)

	<b>FY2009 Actuals</b>	<b>FY2010 Conference Committee</b>	<b>FY2010 Authorized</b>	<b>FY2010 Management Plan</b>	<b>FY2011 Governor</b>	<b>FY2010 Management Plan vs FY2011 Governor</b>	
71000 Personal Services	4,953.9	5,252.2	5,252.2	5,446.8	5,835.7	388.9	7.1%
72000 Travel	219.1	355.0	355.0	355.0	370.5	15.5	4.4%
73000 Services	3,112.6	3,905.0	3,905.0	3,710.4	4,306.5	596.1	16.1%
74000 Commodities	78.6	114.9	114.9	114.9	114.9	0.0	0.0%
75000 Capital Outlay	118.7	80.0	80.0	80.0	80.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
<b>Totals</b>	<b>8,482.9</b>	<b>9,707.1</b>	<b>9,707.1</b>	<b>9,707.1</b>	<b>10,707.6</b>	<b>1,000.5</b>	<b>10.3%</b>
<b>Fund Sources:</b>							
1105 PFund Rcpt	8,482.9	9,707.1	9,707.1	9,707.1	10,707.6	1,000.5	10.3%
<b>General Funds</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Federal Funds</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Other Funds</b>	<b>8,482.9</b>	<b>9,707.1</b>	<b>9,707.1</b>	<b>9,707.1</b>	<b>10,707.6</b>	<b>1,000.5</b>	<b>10.3%</b>
<b>Positions:</b>							
Permanent Full Time	35	35	35	35	35	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	2	2	2	2	2	0	0.0%

**Change Record Detail - Multiple Scenarios With Descriptions**  
**Department of Revenue**

**Component:** APFC Operations (109)  
**RDU:** Alaska Permanent Fund Corporation (45)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2010 Conference Committee To FY2010 Authorized *****												
<b>FY2010 Conference Committee</b>												
ConfCom		9,707.1	5,252.2	355.0	3,905.0	114.9	80.0	0.0	0.0	35	0	2
1105 PFund Rcpt		9,707.1										
<b>Subtotal</b>		<b>9,707.1</b>	<b>5,252.2</b>	<b>355.0</b>	<b>3,905.0</b>	<b>114.9</b>	<b>80.0</b>	<b>0.0</b>	<b>0.0</b>	<b>35</b>	<b>0</b>	<b>2</b>
***** Changes From FY2010 Authorized To FY2010 Management Plan *****												
<b>ADN 0401013 Funding of FY2010 Performance Based Increases</b>												
LIT		0.0	190.0	0.0	-190.0	0.0	0.0	0.0	0.0	0	0	0
<p>Alaska Statute 39.25.110(11)(B) exempts the APFC from the State Personnel Act, thereby authorizing the APFC to design and implement a salary program to provide the framework for salary decisions. In 1998 the Board of Trustees adopted the current APFC Personnel Management Program. This Personnel Management Program has two primary strategies for adjusting staff compensation - 1) performance based merit increases, and 2) market salary adjustments (COLA and other market considerations).</p> <p>Last year APFC was excluded from a series of COLA adjustments authorized by HB417 to other exempt employees in the executive branch not covered by a collective bargaining unit - 5.5% retro in 2008, 3% in FY2009, and 3% in FY2010.</p> <p>This line item transfer is necessary to provide funding for the Corporation's system of performance based merit increases. These increases are provided to each permanent employee based on the results of their annual performance review. They are an essential component in the APFC Personnel Management Program to motivate staff to achieve outstanding performance and to retain highly competent staff.</p> <p>APFC proposes to decrease the scope of some planned contractual services work, delay some projects, or to use existing funding made available due to service level changes.</p>												
<b>ADN 0401017 Adjustment for Electronic Equipment Allowance</b>												
LIT		0.0	4.6	0.0	-4.6	0.0	0.0	0.0	0.0	0	0	0
<p>This adjustment between contractual and personal services will allow for the correct IRS accounting of employee allowances for electronic devices. State employees that are required to carry cell phones (or other electronic devices) are given the option of receiving a state-owned phone or using a personal cell phone for which they receive an allowance to maintain a personal phone plan. Equipment allowances paid to employees are taxable, and therefore issued through the payroll system as a personal services expenditure rather than paid directly to a vendor as a contractual service.</p>												
<b>Subtotal</b>		<b>9,707.1</b>	<b>5,446.8</b>	<b>355.0</b>	<b>3,710.4</b>	<b>114.9</b>	<b>80.0</b>	<b>0.0</b>	<b>0.0</b>	<b>35</b>	<b>0</b>	<b>2</b>
***** Changes From FY2010 Management Plan To FY2011 Governor *****												
<b>Trustee Board Meeting Travel</b>												
Inc		15.5	0.0	15.5	0.0	0.0	0.0	0.0	0.0	0	0	0
1105 PFund Rcpt		15.5										



**Change Record Detail - Multiple Scenarios With Descriptions**  
**Department of Revenue**

**Component:** APFC Operations (109)  
**RDU:** Alaska Permanent Fund Corporation (45)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	

This increment is necessary to support increased Trustee travel costs that will result due to holding additional board meetings in Juneau. This change in meeting location is anticipated to result in an overall savings in meeting related costs. It will also allow more staff contact with Trustees and staff participation at board meetings.

**Contractual Services Increases**

1105 PFund Rcpt	Inc	78.1	78.1	0.0	0.0	78.1	0.0	0.0	0.0	0.0	0	0	0
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This request increases the Corporation's contractual services authorization for existing business obligations.

Professional services -- \$56.6. The Corporation will be entering into new multi-year contractual arrangements for auditing, investment performance measurement, and external legal services. This funding will meet the expected FY2011 service cost increases for these agreements.

State support charge backs -- \$21.5. This increment will cover the increasing chargeback costs that the Department of Administration and the Department of Revenue pass through to the Corporation.

**Investment Financial Network Information and Analytical Systems**

1105 PFund Rcpt	Inc	438.0	438.0	0.0	0.0	438.0	0.0	0.0	0.0	0.0	0	0	0
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\$117.0. -- The Corporation has existing agreements for investment information and analytical systems which are used by staff in the Fund's investment management and decision making processes. This funding will cover the anticipated increases for these existing services.

\$321.0 -- New investment risk management information and analytical services to enable our internal risk management staff to perform the risk analysis.

**IT System Security Services**

1105 PFund Rcpt	Inc	80.0	80.0	0.0	0.0	80.0	0.0	0.0	0.0	0.0	0	0	0
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This funding will support three critical IT projects:

- A network security audit.
- Firewall security upgrades. Alaska Permanent Fund Corporation firewalls are nearing end of life status. This project will move corporate firewalls to comply with State firewall standards.
- Fixed income trade order management system enhancements to enable our internal trading staff to be more competitive through extended access opportunities.

**FY2011 Health Insurance Cost Increase Non-Covered Employees**

1105 PFund Rcpt	SalAdj	70.7	70.7	70.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
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Costs associated with Health Insurance Increases: \$70.7

**Change Record Detail - Multiple Scenarios With Descriptions**  
**Department of Revenue**

**Component:** APFC Operations (109)  
**RDU:** Alaska Permanent Fund Corporation (45)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
<b>Funding to Lower Vacancy</b>												
1105 PFund Rcpt	Inc	318.2	318.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
		318.2										
This increment will lower the budgeted vacancy rate to approximately 1% to allow existing positions to be filled that otherwise would have to be held vacant. The size of the staff does not make it practical or workable to support a higher vacancy factor.												
	<b>Totals</b>	<b>10,707.6</b>	<b>5,835.7</b>	<b>370.5</b>	<b>4,306.5</b>	<b>114.9</b>	<b>80.0</b>	<b>0.0</b>	<b>0.0</b>	<b>35</b>	<b>0</b>	<b>2</b>

**Personal Services Expenditure Detail**  
**Department of Revenue**

**Scenario:** FY2011 Governor (7749)  
**Component:** APFC Operations (109)  
**RDU:** Alaska Permanent Fund Corporation (45)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Month	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
04-001X	Executive Director, PFC	FT	A	XE	Juneau	AA	30 /	12.0		278,609	0	0	94,075	372,684	0
04-002X	Administrative Officer	FT	A	XE	Juneau	AA	18 /	12.0		94,003	0	0	43,945	137,948	0
04-003X	Controller	FT	A	XE	Juneau	AA	24 /	12.0		100,651	0	0	46,130	146,781	0
04-004X	Investment Officer	FT	A	XE	Juneau	AA	25 /	12.0		139,690	0	0	56,942	196,632	0
04-005X	Information Technology Spec	FT	A	XE	Juneau	AA	20 /	12.0		87,114	0	0	41,682	128,796	0
04-007X	Investment Officer	FT	A	XE	Anchorage	AA	25	12.0		175,000	0	0	66,380	241,380	0
04-008X	Chief Investment Officer	FT	A	XE	Juneau	AA	30 /	12.0		344,019	0	0	111,559	455,578	0
04-009X	Director of Communications-PFC	FT	A	XE	Juneau	AA	24 /	12.0		102,121	0	0	46,613	148,734	0
04-010X	Chief Financial Officer	FT	A	XE	Juneau	AA	30 /	12.0		134,216	0	0	55,479	189,695	0
04-011X	Investment Officer	FT	A	XE	Juneau	AA	25 /	12.0		184,952	0	0	69,041	253,993	0
04-012X	Administrative Assistant	FT	A	XE	Juneau	AA	12 /	12.0		35,328	0	0	24,665	59,993	0
04-013X	Administrative Specialist	FT	A	XE	Juneau	AA	16 /	12.0		52,820	0	0	30,413	83,233	0
04-014X	Investment Associate	FT	A	XE	Juneau	AA	20 /	12.0		103,585	0	0	47,094	150,679	0
04-015X	Accountant	FT	A	XE	Juneau	AA	18 /	12.0		76,982	0	0	38,352	115,334	0
04-016X	Accountant	FT	A	XE	Juneau	AA	16 /	12.0		63,448	0	0	33,905	97,353	0
04-017X	Administrative Specialist	FT	A	XE	Juneau	AA	16 /	12.0		68,829	0	0	35,673	104,502	0
04-018X	Investment Associate	FT	A	XE	Juneau	AA	20 /	12.0		72,367	0	0	36,836	109,203	0
04-019X	Investment Officer	FT	A	XE	Juneau	AA	25 /	12.0		191,135	0	0	70,693	261,828	0
04-022X	Information Technology Spec	FT	A	XE	Juneau	AA	20 /	12.0		86,472	0	0	41,471	127,943	0
04-023X	Admin Support Specialist	FT	A	XE	Juneau	AA	14 /	12.0		43,564	0	0	27,371	70,935	0
04-046X	Investment Officer	FT	A	XE	Juneau	AA	25A /	12.0		176,584	0	0	66,804	243,388	0
04-084X	Dir of Information Technology	FT	A	XE	Juneau	AA	24 /	12.0		148,447	0	0	59,283	207,730	0
04-097X	Accountant	FT	A	XE	Juneau	AA	16 /	12.0		91,535	0	0	43,134	134,669	0
04-103X	Investment Associate	FT	A	XE	Juneau	AA	16 /	12.0		59,870	0	0	32,729	92,599	0
04-104X	Sr Information Technology Spec	FT	A	XE	Juneau	AA	21 /	12.0		72,060	0	0	36,735	108,795	0
04-225X	Admin Support Specialist	FT	A	XE	Juneau	AA	15 /	12.0		60,424	0	0	32,911	93,335	0
04-226X	Administrative Officer	FT	A	XE	Juneau	AA	20 /	12.0		93,015	0	0	43,621	136,636	0
04-227X	Investment Officer	FT	A	XE	Juneau	AA	25 /	12.0		172,874	0	0	65,812	238,686	0
04-228X	Accountant	FT	A	XE	Juneau	AA	16 /	12.0		64,622	0	0	34,291	98,913	0
04-229X	Investment Associate	FT	A	XE	Juneau	AA	20 /	12.0		83,044	0	0	40,344	123,388	0
04-230X	Investment Officer	FT	A	XE	Juneau	AA	25	12.0		110,000	0	0	49,006	159,006	0
04-N23X	Intern	NP	N	XE	Juneau	AA	0	3.5		8,663	0	0	851	9,514	0
04-N24X	Intern	NP	N	XE	Juneau	AA	0	7.5		18,563	0	0	1,823	20,386	0
04-X007	Accountant	FT	A	XE	Juneau	AA	19A /	12.0		90,803	0	0	42,894	133,697	0

Note: If a position is split, an asterisk (\*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (\*\*) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

**Personal Services Expenditure Detail**  
**Department of Revenue**

**Scenario:** FY2011 Governor (7749)  
**Component:** APFC Operations (109)  
**RDU:** Alaska Permanent Fund Corporation (45)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Month	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
04-X009	Investment Officer	FT	A	XE	Juneau	AA	25A /	12.0		189,591	0	0	70,281	259,872	0
04-X011	Accountant	FT	A	XE	Juneau	AA	16A /	12.0		63,685	0	0	33,983	97,668	0
04-X022	General Counsel	FT	A	XE	Juneau	99	25A /	12.0		175,740	0	0	66,578	242,318	0
													<b>Total Salary Costs:</b>	4,114,425	
													<b>Total COLA:</b>	0	
													<b>Total Premium Pay:</b>	0	
													<b>Total Benefits:</b>	1,739,399	
		<b>Total Positions</b>	<b>New</b>	<b>Deleted</b>											
<b>Full Time Positions:</b>		35	0	0											
<b>Part Time Positions:</b>		0	0	0											
<b>Non Permanent Positions:</b>		2	0	0											
<b>Positions in Component:</b>		37	0	0											
<b>Total Component Months:</b>		431.0													
													<b>Total Pre-Vacancy:</b>	5,853,824	
													<b>Minus Vacancy Adjustment of 0.86%:</b>	(50,264)	
													<b>Total Post-Vacancy:</b>	5,803,560	
													<b>Plus Lump Sum Premium Pay:</b>	4,600	
													<b>Plus Board Honoraria Pay:</b>	27,540	
													<b>Personal Services Line 100:</b>	5,835,700	

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1105 Alaska Permanent Fund Corporation Receipts	5,853,824	5,803,560	100.00%
<b>Total PCN Funding:</b>	<b>5,853,824</b>	<b>5,803,560</b>	<b>100.00%</b>

Lump Sum Funding Sources:	Amount	Percent
1105 Alaska Permanent Fund Corporation Receipts	4,600	100.00%
<b>Total Lump Sum Funding:</b>	<b>4,600</b>	<b>100.00%</b>

Note: If a position is split, an asterisk (\*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (\*\*) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

**Line Item Detail**  
**Department of Revenue**  
**Travel**

**Component:** APFC Operations (109)  
**RDU:** Alaska Permanent Fund Corporation (45)

Line Number	Line Name		FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
72000	Travel		219.1	355.0	370.5
Expenditure Account	Servicing Agency	Explanation	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
<b>72000 Travel Detail Totals</b>			<b>219.1</b>	<b>355.0</b>	<b>370.5</b>
72110	Employee Travel (Instate)	Staff instate airfare, surface transportation, lodging, meals & incidentals. Additional staff will be traveling to participate in Board meetings in FY09 and FY10.	45.0	85.0	80.5
72120	Nonemployee Travel (Instate Travel)	Nonemployee airfare, surface transportation, lodging, meals and incidentals	0.0	12.0	20.0
72120	Nonemployee Travel (Instate Travel)	Board of Trustees instate airfare, surface transportation, lodging, meals and incidentals	17.3	23.3	38.9
72410	Employee Travel (Out of state)	Staff out of state airfare, surface transportation, lodging, meals and incidentals. FY09 and FY10 includes funding for additional due diligence travel associated with investment management.	117.9	150.0	167.5
72420	Nonemployee Travel (Out of state Emp)	Board of Trustees out of state airfare, surface transportation, lodging, meals and incidentals	23.2	12.7	12.6
72700	Moving Costs	Moving costs: airfare, per diem, shipment of household goods.	15.7	72.0	51.0

**Line Item Detail**  
**Department of Revenue**  
**Services**

**Component:** APFC Operations (109)  
**RDU:** Alaska Permanent Fund Corporation (45)

Line Number	Line Name		FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
73000	Services		3,112.6	3,710.4	4,306.5
Expenditure Account	Servicing Agency	Explanation	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
<b>73000 Services Detail Totals</b>			<b>3,112.6</b>	<b>3,710.4</b>	<b>4,306.5</b>
73025	Education Services	Training, conferences, memberships, and employee tuition	84.8	95.5	95.5
73050	Financial Services	Public Education / Information Program. Actual expenditures fluctuate between fiscal years depending on the communication plan approved.	86.0	164.0	164.0
73050	Financial Services	Audit, consulting, performance measurement, manager searches.	485.6	699.4	724.1
73075	Legal & Judicial Svc	Meeting transcription	27.8	25.8	27.0
73075	Legal & Judicial Svc	Legal services	91.4	160.0	180.7
73150	Information Technlgy	Financial networks: shared market; access; FI; equities; real estate; and alternative investments. Increase over FY08 actuals due to implementation of a new fixed income trade order management system and other contractual cost and service changes.	1,363.3	1,516.1	1,954.1
73150	Information Technlgy	IT consulting, MIS system services, and software licensing & support.	123.1	154.5	234.5
73156	Telecommunication	Lines, long distance, cell phones, sat phones, PBX phone system service / maintenance	92.3	97.9	86.5
73225	Delivery Services	Courier / express mail services	4.7	7.0	7.0
73450	Advertising & Promos	Board of Trustees meeting notices, RFP regulatory notices, publication of annual financial statements, and recruitment notices.	38.6	49.5	49.0
73665	Rentals/Leases (Non IA-Struct/Infs/Land)	APFC office lease and records storage costs.	364.1	385.0	396.0
73675	Equipment/Machinery	IT equipment and office equipment repair and maintenance.	40.2	65.0	65.0
73686	Rentals/Leases (Non IA-	Meeting equipment / space rental	11.9	15.0	10.0

**Line Item Detail**  
**Department of Revenue**  
**Services**

**Component:** APFC Operations (109)

**RDU:** Alaska Permanent Fund Corporation (45)

Expenditure Account	Servicing Agency	Explanation	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
<b>73000 Services Detail Totals</b>			<b>3,112.6</b>	<b>3,710.4</b>	<b>4,306.5</b>
		Eq/Machinery)			
73686		Rentals/Leases (Non IA-Eq/Machinery) Copier / other rentals	9.2	7.5	7.5
73750		Other Services (Non IA Svcs) Miscellaneous expenses	3.2	4.5	3.7
73750		Other Services (Non IA Svcs) Printing of APFC publications: annual report, newspaper insert and other publications; fluctuations in cost related to a differing publication schedule for the Alaskan's Guide and Trustee papers.	29.4	25.5	26.0
73750		Other Services (Non IA Svcs) Board meeting catering and other miscellaneous meeting expenses.	8.7	13.0	10.9
73805	IT-Non-Telecommnctns	Admin Computer services EPR	16.8	11.0	20.0
73806	IT-Telecommunication	Admin EPR	31.3	33.0	33.0
73809	Mail	Admin DOA mailroom includes pickup and delivery, postage, and other mailing services	4.4	8.5	7.5
73810	Human Resources	Admin Human resource and payroll services provided by the Division of Personnel	29.1	28.3	33.0
73812	Legal	Law Legal services provided by Law	67.5	48.2	67.5
73814	Insurance	Admin Risk Management	1.5	1.3	1.5
73815	Financial	Admin Division of Finance AKSAS / AKPAY	1.8	1.8	2.0
73816	ADA Compliance	Admin Share of cost for ADA compliance	0.5	0.4	0.5
73979	Mgmt/Consulting (IA Svcs)	Revenue-ASD Support services provided by the Administrative Services Division.	15.9	18.2	20.0
73979	Mgmt/Consulting (IA Svcs)	Revenue-CO Support services provided by the Commissioner's Office	79.5	74.5	80.0

**Line Item Detail**  
**Department of Revenue**  
**Commodities**

**Component:** APFC Operations (109)  
**RDU:** Alaska Permanent Fund Corporation (45)

Line Number	Line Name		FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
74000	Commodities		78.6	114.9	114.9
Expenditure Account	Servicing Agency	Explanation	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
<b>74000 Commodities Detail Totals</b>			<b>78.6</b>	<b>114.9</b>	<b>114.9</b>
74222	Books And Educational	Reference materials	1.8	2.5	2.5
74226	Equipment & Furniture	General office equipment <\$5,000: desk and conference room chairs, phones and audio conference equipment	8.8	11.0	14.0
74229	Business Supplies	IT and general office supplies	21.9	22.5	24.5
74233	Info Technology Equip	IT equipment < \$5,000: workstations, monitors, keyboards, printers, UPS, and security hardware.	33.3	55.9	55.9
74236	Subscriptions	Trade periodicals, newspapers, and other reports	12.8	23.0	18.0



**Line Item Detail**  
**Department of Revenue**  
**Capital Outlay**

**Component:** APFC Operations (109)  
**RDU:** Alaska Permanent Fund Corporation (45)

Line Number	Line Name		FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
75000	Capital Outlay		118.7	80.0	80.0
Expenditure Account	Servicing Agency	Explanation	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
<b>75000 Capital Outlay Detail Totals</b>			<b>118.7</b>	<b>80.0</b>	<b>80.0</b>
75700	Equipment	IT Equipment > \$5,000: servers and other network equipment, firewall and remote access equipment, tape backup devices	118.7	80.0	80.0

**Restricted Revenue Detail**  
Department of Revenue

**Component:** APFC Operations (109)  
**RDU:** Alaska Permanent Fund Corporation (45)

<b>Master Account</b>	<b>Revenue Description</b>	<b>FY2009 Actuals</b>	<b>FY2010 Management Plan</b>	<b>FY2011 Governor</b>
51373	Permanent Fund Earnings Reserve Account	8,482.9	9,707.1	10,707.6

**Detail Information**

<b>Revenue Amount</b>	<b>Revenue Description</b>	<b>Component</b>	<b>Collocation Code</b>	<b>AKSAS Fund</b>	<b>FY2009 Actuals</b>	<b>FY2010 Management Plan</b>	<b>FY2011 Governor</b>
51373	Permanent Fund Earnings				8,482.9	9,707.1	10,707.6
	AS 37.13.150 Corporation budget						

**Inter-Agency Services**  
**Department of Revenue**

**Component:** APFC Operations (109)  
**RDU:** Alaska Permanent Fund Corporation (45)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2010		
				FY2009 Actuals	Management Plan	FY2011 Governor
73805	IT-Non-Telecommnctns	Computer services EPR	Inter-dept Admin	16.8	11.0	20.0
<b>73805 IT-Non-Telecommnctns subtotal:</b>				<b>16.8</b>	<b>11.0</b>	<b>20.0</b>
73806	IT-Telecommunication	EPR	Inter-dept Admin	31.3	33.0	33.0
<b>73806 IT-Telecommunication subtotal:</b>				<b>31.3</b>	<b>33.0</b>	<b>33.0</b>
73809	Mail	DOA mailroom includes pickup and delivery, postage, and other mailing services	Inter-dept Admin	4.4	8.5	7.5
<b>73809 Mail subtotal:</b>				<b>4.4</b>	<b>8.5</b>	<b>7.5</b>
73810	Human Resources	Human resource and payroll services provided by the Division of Personnel	Inter-dept Admin	29.1	28.3	33.0
<b>73810 Human Resources subtotal:</b>				<b>29.1</b>	<b>28.3</b>	<b>33.0</b>
73812	Legal	Legal services provided by Law	Inter-dept Law	67.5	48.2	67.5
<b>73812 Legal subtotal:</b>				<b>67.5</b>	<b>48.2</b>	<b>67.5</b>
73814	Insurance	Risk Management	Inter-dept Admin	1.5	1.3	1.5
<b>73814 Insurance subtotal:</b>				<b>1.5</b>	<b>1.3</b>	<b>1.5</b>
73815	Financial	Division of Finance AKSAS / AKPAY	Inter-dept Admin	1.8	1.8	2.0
<b>73815 Financial subtotal:</b>				<b>1.8</b>	<b>1.8</b>	<b>2.0</b>
73816	ADA Compliance	Share of cost for ADA compliance	Inter-dept Admin	0.5	0.4	0.5
<b>73816 ADA Compliance subtotal:</b>				<b>0.5</b>	<b>0.4</b>	<b>0.5</b>
73979	Mgmt/Consulting (IA Svcs)	Support services provided by the Administrative Services Division.	Intra-dept Revenue-ASD	15.9	18.2	20.0
73979	Mgmt/Consulting (IA Svcs)	Support services provided by the Commissioner's Office	Intra-dept Revenue-CO	79.5	74.5	80.0
<b>73979 Mgmt/Consulting (IA Svcs) subtotal:</b>				<b>95.4</b>	<b>92.7</b>	<b>100.0</b>
<b>APFC Operations total:</b>				<b>248.3</b>	<b>225.2</b>	<b>265.0</b>
<b>Grand Total:</b>				<b>248.3</b>	<b>225.2</b>	<b>265.0</b>