

December 15, 2021

House and Senate Rules Committees
Representative Bryce Edgmon, House Rules Chairman
Senator Gary Stevens, Senate Rules Chairman
Alaska State Legislature
120 4th St. State Capitol
Juneau, AK 99801

Sent via email only

Chairman Edgmon,
Chairman Stevens,

The Alaska Permanent Fund Corporation's ("APFC" or "Corporation") Board of Trustees ("Board") writes in response to your December 10, 2021 letter regarding the Board's decision to remove former Executive Director Angela Rodell, and to undertake a search for a new executive director.

As fiduciaries, each Board member is obligated to make determinations based solely on what they believe to be in the best interests of the Alaska Permanent Fund ("Fund"). That occurred in this Board decision, and politics did not influence this decision.

This year, like every year, the Board reviewed and evaluated the Executive Director's performance using the process set out in the "Executive Director Performance Evaluation Policy," which is one of seven standing Board policies set out in the APFC's Board of Trustees Charters and Governance Policies (this document can be found on the APFC website under the Education/Report Archive/Governance and Corporate Policies tab). The Board's decision to remove Ms. Rodell was based on reviewing and discussing the Executive Director's performance, including the consideration of materials compiled pursuant to the annual review process. The evaluation materials included a comprehensive survey, with comments from the Board and APFC staff, and a self-assessment provided by Ms. Rodell.

Because a public discussion of these performance evaluation materials could be harmful to the reputation or character of Ms. Rodell, this discussion was held in an executive session of the Board. The Alaska Open Meetings Act provides for the use of an executive session to discuss matters that tend to prejudice the reputation or character of any person (AS 44.62.310(c)(2)). So, the executive session was designed to protect Ms. Rodell's reputation, not to obfuscate the Board's grounds for its decision.

During the review of Ms. Rodell's performance, the Board determined that it was necessary to seek a new executive director. As required by the Alaska Open Meetings Act, in an open session, the Board took action to remove Ms. Rodell from the executive director position. This decision was not unanimous, and this matter was not taken lightly by the Board. However, given the changing role of the Fund and the growing complexity of the investments that make up the Fund, the Board decided this action was warranted. Before commencing a search for a new executive director, the Board will be assessing other fund management/governance models to identify the best governance model to suit APFC's evolving role and investment sophistication.

We look forward to working with you in the coming session.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig Richards", with a long horizontal flourish extending to the right.

Craig Richards, Chairman
Board of Trustees
Alaska Permanent Fund Corporation

Cc:
Senate President Peter Micciche
House Speaker Louise Stutes