



The Permanent Fund: Alaska's Renewable Revenue

Alaska's Renewable Revenue is curriculum developed in partnership with the Alaska Permanent Fund Corporation. Students will learn about the Alaska Permanent Fund, investing, how smart investors use diversification to ensure stability and maximize on returns, while learning about the value the Fund provides our state.

Check out the videos developed for the curriculum.

The Permanent Fund – Alaska's Renewable Revenue

<https://vimeo.com/akresource/alaskasrenewablerevenue?share=copy>



The Permanent Fund – Diversification

<https://vimeo.com/akresource/arrdiversity?share=copy>





Video 1 Questions

Video 1 - The Permanent Fund

Questions:

1. What are some benefits of the oil industry?
2. What was built in the 1970's to transport oil?
3. Oil is not a renewable resource, meaning it will run out someday and the money the state of Alaska makes will stop flowing with it. What was created to help ensure there is money for future generations, even after the oil stops flowing?
4. What percent of money from royalties for leasing land for oil, gas and mining goes into the Fund?

Stop video at 1:20 to answer and discuss above questions.

5. What is the name of the account where the profits from investing go?
6. Since 1976, how much income has the Permanent Fund provided for Alaska?
7. Is Alaska's Legislature allowed to spend as much money as they want from the Earning Reserves Account?
8. What are some examples of things the Fund pays for?

Answers:

1. Jobs, development, sweet work schedule (0:10)
2. The Trans-Alaska Pipeline (0:20)
3. Alaska Permanent Fund (0:39)
4. At least 25%, per The Alaska State Constitution (1:04)
5. The Earnings Reserve Account (1:30)
6. Portfolio diversification (1:58)
7. Over \$80 billion (1:44)
8. No, they made a rule that limits the amount they can take from the Fund every year (2:09)
9. Schools, public safety, natural resources, PFD (2:27)





Video 2 Questions

Video 2 - Renewable Revenue

Questions:

1. What are some of the natural resources in Alaska that fuel our economy?
2. What is Alaska's biggest single source of revenue?
3. What do the APFC team of experts do to help the Permanent Fund grow?
4. The APFC team of experts invest in which four categories?
5. What is diversification and why is that the strategy that APFC uses?

Stop video at 1:40 to answer and discuss above questions.

6. What is the savings account of the Permanent Fund called?
7. How does a diverse diet relate to diverse investments for the Fund?
8. Diversifying our investments is not about making a quick buck. It's about _____?

Answers:

1. Oil & gas, mining, fishing (0:08)
2. The Alaska Permanent Fund (0:19)
3. Invest the money from the Permanent Fund (0:48)
4. Stocks, bonds, real estate, and private equity (1:04)
5. Diversification is spreading your investments among different investment categories or asset classes. This is done so that if one investment goes badly, the others can still do well. (1:25)
6. The Principal (1:50)
7. A diverse diet means you eat a variety of foods, and if something goes wrong with one food source, it is ok, because you have other options. In that sense your diet is balanced and healthy and you are not relying on any one food source to keep you alive. (2:00-2:50)
8. Sustainable, long-term growth (3:00)

