

Fund Source Report

1176 Sci/T End Science and Technology Endowment

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|--------------------------------|------------------------------|----------------------|-----------------------------|--------------------------|---|
| Year Authorized 2003 | Year Repealed 2003 | Active? No | Mental Health? No | Duplicated? No | Fund Group Designated General |
|--------------------------------|------------------------------|----------------------|-----------------------------|--------------------------|---|

No Appropriations during last 10 years

Legal Authority

AS 37.17.020

Source of Revenue

The Science and Technology Endowment of \$100 million was created by SLA 88, to be invested by the Permanent Fund Corporation.

Restrictions on Use

This code applies to the principal of the endowment, not to earnings. Although statutes were not formally repealed, the fund was drained in FY03.

Description and History

The Alaska Science and Technology Foundation (ASTF) was formed by the Governor and the Alaska State Legislature in 1988 with an initial investment of \$100 million. By statute, ASTF is responsible for the development, funding, and monitoring of grant programs for basic and applied research. Funded projects are expected to substantially contribute to the economic development of the State, the health and well being of its citizens, the enhancement and promotion of innovation in telecommunications, and the sustained growth and development of the States scientific and engineering capabilities. The mission of ASTF is to enhance the development of science and technology for the direct benefit of Alaskans.

The Alaska Science and Technology Endowment Fund (the Endowment) was created to provide financial support to the ASTF. By statute, the Endowment is to be held and invested by the Alaska Permanent Fund Corporation under the same investment authority as the Fund is managed. Net income from the Endowment is distributed to the Foundation after appropriation by the legislature and is not included in the computation of permanent fund dividends. The balance of the realized earnings may equally divided between principal and uses of the endowment, but the endowment has not been systematically increased in this way.

No fund code was required for the Endowment (because no money was intended to be appropriated from principal) until the endowment was terminated in 2003.

During the FY04 budget process, the legislature appropriated the endowment balance to the general fund on the last day of FY03, effectively terminating the Foundation (Ch 83, sec 21(d), SLA 2003). There is no transaction in the budget system to reflect this transfer.

See code 1025, Science and Technology Endowment Income