

SUMMARY OF PERFORMANCE AND FINANCIAL INFORMATION

DENALI COMMISSION FY2009



MISSION

The Denali Commission works with partners to develop basic public infrastructure, opportunity, and quality of life in Alaska communities.

HISTORY OF THE COMMISSION

In 1998 Congress focused national attention on the immense infrastructure and economic challenges faced by rural Alaskan communities when they passed the Denali Commission Act. The Act became law on October 21, 1998 (Title III of Public Law 105-277, 42 USC 3121). The Denali Commission (Commission) is an innovative federal-state partnership designed to provide critical utilities, infrastructure and support for economic development in Alaska by delivering federal services in the most cost-effective manner possible. By creating the Commission, Congress mandated that all parties involved partner together to find new and innovative solutions to the unique infrastructure and economic development challenges of America's most remote communities. This approach gives the Denali Commission its unique scope and breadth of services.

DEAR FRIENDS OF THE DENALI COMMISSION

The Denali Commission has opted to produce an alternative to the consolidated Performance and Accountability Report (PAR) this year. The Denali Commission (Commission) Agency Financial Report (AFR) and our Annual Performance Report (APR) can be found on our website. The Commission has chosen to participate in the FY 2009 Pilot pursuant to Circular A-136. We are pleased to present you with this Summary of Performance and Financial Information and happy to share our progress this past year.

The Commission has funded over 1,900 projects within program areas including energy, healthcare facilities, transportation, training, economic development, community multi-use facilities, teacher housing, public broadcasting, and government coordination. There is an ongoing need for additional basic infrastructure for the state of Alaska.

With the ever increasing energy costs, the impacts of climate change and the affects of global economies on rural Alaska, the need is apparent. The Denali Commission, as an independent federal agency, can play a unique role of bringing stakeholders together to discuss how the villages and boroughs can proactively plan for the future. I look forward to rolling up my sleeves and getting started in partnership with the Commission's fellow funders and the rural Alaska communities we collectively serve.



JOEL NEIMEYER
Federal Co-Chair
Denali Commission

A handwritten signature in black ink, appearing to read "Joel Neimeyer".

The Denali Commission (Commission) is an independent federal agency. The Commission has opted to produce an alternative to the consolidated Performance and Accountability Report (PAR) for reporting on agency fiscal year activities. This brief Summary of Performance and Financial Information provides a brief overview of the Commission's financial and program activities this past year. See the complete Agency Financial Report (AFR) and Annual Performance Report (APR) on our website at www.denali.gov

FINANCIAL SUMMARY

As of September 30, 2009 the financial condition of the Denali Commission was sound with respect to having sufficient funds to meet program needs and adequate control of these funds in place to ensure obligations did not exceed budget authority. Agency audits are conducted in accordance with auditing standards generally accepted in the United States of America, OMB Bulletin 07-04 (Audit Requirements for Federal Financial Statements) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our complete Agency Financial Report (AFR) and Annual Performance Report (APR) can be found on our website at www.denali.gov.



FUNDING SUMMARY (IN MILLIONS)

	FY09	FY08
Assets		
Fund balance with Treasury	174.1	216.1
Other assets	0.0	1.8
Total assets	\$174.1	\$217.9
Liabilities		
Accounts payable, intragovernmental	0.08	0.0
Other intragovernmental liabilities	.01	.78
Accounts payable, public	0.10	0.03
Other public liabilities	18.29	16.25
Total liabilities	\$18.48	\$17.06
Net Position		
Total Net Position	\$155.7	\$200.8
Statement of Net Cost		
Program costs	94.4	119.2
Less: earned revenue	0.0	0.0
Net Costs of Operations	\$94.4	\$119.2

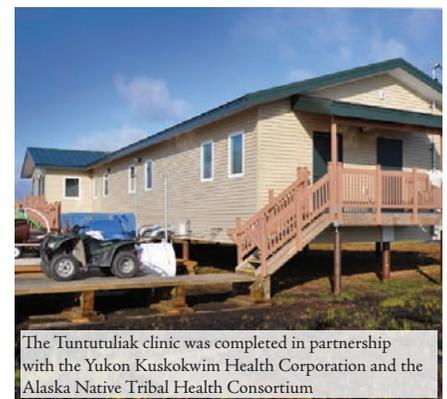
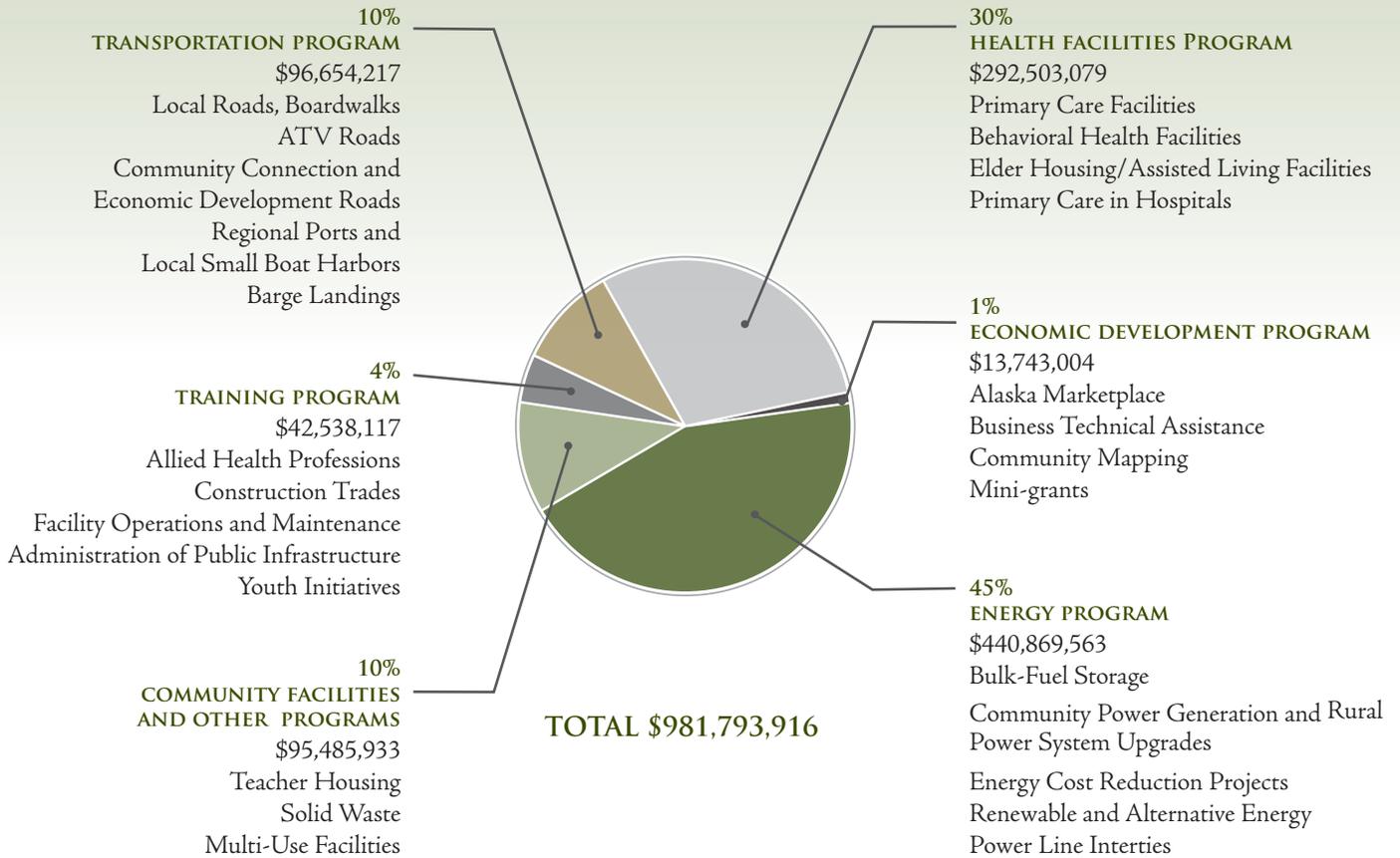
FUNDING SOURCES FY99 - FY09

Funding shown in millions.

	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09
	\$20.0	\$25.0	\$66.4	\$97.3	\$99.2	\$120.5	\$140.1	\$140.6	\$133.8	\$108.9	\$74.5
U.S. Department of Labor						\$5.0	\$6.9	\$6.9	\$6.9	\$6.8	\$3.4*
U.S. Department of the Interior							\$1.0				
U.S. Department of Transportation (FTA & FHWA)								\$25.0	\$18.4	\$25.5	\$23.5
Energy & Water Appropriation	\$20.0	\$20.0	\$30.0	\$38.0	\$48.0	\$55.0	\$66.5	\$49.5	\$49.5	\$21.8	\$11.8
U.S. Environmental Protection Agency				\$3.0	\$3.0	\$3.5	\$4.0				
U.S. Department of Health & Human Services			\$10.0	\$19.9	\$27.2	\$34.7	\$39.5	\$39.3	\$39.3	\$38.6	\$19.6
U.S. Department of Housing & Urban Development						\$2.0	\$1.3				
USDA Rural Utilities Service			\$15.0	\$25.0	\$18.5	\$15.0	\$15.0	\$15.0	\$15.0	\$10.0	\$8.5
USDA Solid Waste						\$1.0	\$1.5	\$0.7	\$0.7	\$0.4	\$0.4
Trans-Alaska Pipeline Liability Fund		\$5.0	\$11.4	\$11.4	\$2.5	\$4.3	\$4.4	\$4.2	\$4.0	\$5.8	\$7.3

*FY09 U.S. Department of Labor funding received in FY10.

GRANTS AWARDED BY THE DENALI COMMISSION FY99 - FY09



SUMMARY OF MANAGEMENT CHALLENGES IN FY09

In FY09 the Denali Commission realized a 31% decrease in appropriations from FY08, a significant decline. While the cost of meeting basic infrastructure needs in rural Alaska increases due to higher fuel and shipping costs, our funding decreases proved to be a management challenge in the project selection process.

While Alaskans continue to face many economic hardships, especially those in rural communities, none has been more pressing than the recent energy crisis. The Commission has funded over 1,900 projects with program areas including energy, healthcare facilities, transportation, training, economic development, community multi-use facilities, teacher housing, public broadcasting, and government coordination. There is an urgent need to continue providing this basic infrastructure for Alaska.

The Commission has worked diligently this past year to improve and enhance our program delivery in-house. On October 1, 2009 the Commission implemented the Financial Line of Business through the U.S. Treasury, Bureau of Public Debt. This significant change has already enhanced controls over financial reporting and provided Federal Managers' Financial Integrity Act compliance. Also the Commission, in accordance with the National Institute of Standards and Technology (NIST) under the Federal Information Security Management Act (FISMA) of 2002, has completed all requirements for 2009 security certification and accreditation of information systems supporting the agency's mission. Implementation of these types of important procedures enhances the Commission's program delivery and strengthens Commission grants management practices. We are pleased to complete this work and do not expect these issues to be a management challenge in future years.

THE COMMISSIONERS

The Denali Commission Act teams seven leading Alaska policy makers together. Commissioners meet at least twice a year to develop and monitor an annual work plan that guides the Commission's activities.

Joel Neimeyer, Federal Co-Chair, Denali Commission
Karen Rehfeld, State Co-Chair, Director of the Office of Management & Budget, State of Alaska
Vince Beltrami, Executive President, Alaska AFL-CIO
Julie Kitka, President, Alaska Federation of Natives
John MacKinnon, Executive Director, Associated General Contractors of Alaska
Karen Perdue, Associate Vice-President, Health Programs University of Alaska
Kathie Wasserman, Executive Director, Alaska Municipal League

WORK PLAN PROCESS

Every year the Denali Commission develops and implements an annual work plan. The plan provides the strategies and focus the Commission will embark on for the coming fiscal year. This plan is submitted to the Federal Co-Chair for review who then publishes the work plan in the Federal Register for 30 days for an opportunity for public comment.

This public process takes into consideration the information, views, and comments received from interested parties through the public review and comment process. The completed document defines the areas the Commission will allocate dollars to for the coming year. The Federal Co-Chair then provides the plan to the Secretary of Commerce who issues the Commission a notice of approval, disapproval, or partial approval of the plan.

ADVISORY COMMITTEES

The Commission incorporated an advisory committee model for all major program areas. These committees consist of experts in the field to assist and advise on future program guidelines.

Health Steering Committee 1999
Transportation Advisory Committee 2006
Economic Development Committee 2007
Energy Advisory Committee 2007
Training Advisory Committee 2007
Financial Management Advisory Committee 2007

510 L Street, Suite 410 Anchorage, AK 99501 T: 888/480-4321 or 907/271-1414

DENALI.GOV

