



SUMMARY OF PERFORMANCE AND FINANCIAL INFORMATION FY 2011

DENALI COMMISSION

CONTENTS

About the Denali Commission.....	1
2010-2011 Progress.....	2
Denali Commission Finances.....	3
FY 2011 Highlights.....	4

MISSION

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

CLEAN FINANCIAL AUDIT

The Denali Commission's Inspector General contracted with an auditor who conducted an audit under federal standards of the Commission's financial statements, controls, and compliance with related laws. The result of the audit was an unqualified opinion.

The Commission's full financial information is available at

WWW.DENALI.GOV

THE COMMISSIONERS

The Denali Commission Act designates seven leading Alaskan policy makers by position to form a team as the Denali Commissioners:

- Federal Co-Chair, appointed by the U.S. Secretary of Commerce
- The Governor of Alaska, who serves as the State Co-Chair
- President of the University of Alaska
- President of the Alaska Municipal League
- President of the Alaska Federation of Natives
- Executive President of the Alaska American Federation of Labor -Congress of Industrial Organization
- President of the Associated General Contractors of Alaska

Commissioners meet at least twice a year to develop and monitor annual work plans that guide the Commission's activities. Commissioners draw upon community-based comprehensive plans as well as comments from individuals, organizations and partners to guide funding recommendations. This approach helps provide basic services in the most cost-effective manner by moving the problem solving resources closer to the people best able to implement solutions.

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, established in 1999

Transportation Advisory Committee, established in 2006

Economic Development Committee, established in 2007

Energy Advisory Committee, established in 2007

Training Advisory Committee, established in 2007

Business Board, established in 2007



2010 - 2011 PROGRESS TOWARD GOALS

Alaska will have a healthy, well-trained labor force working in a diversified and sustainable economy that is supported by a fully developed and well-maintained infrastructure.

MODERNIZE AND DEVELOP STRONGER AND SUSTAINABLE INFRASTRUCTURE IN RURAL ALASKA

FY 2011 continued to reflect the Commission's commitment to infrastructure development in rural Alaska communities. The Commission's funding, along with leveraged funding from other program partners, has improved the standard of living across the state and has provided rural residents with access to fundamental facilities and opportunities that many urban residents take for granted.

Program Achievements	Sustainability Concept
Barge Landings and Mooring Points Study	Innovative Designs, Phased Schedule of Projects
Emerging Energy Technologies	Reducing energy costs in rural Alaska
Small Clinic Prototype Design	Reducing construction and operations costs
Training Projects Across Alaska (50+)	Construction trades, allied health care, facility maintenance career training

FORTIFY ACCOUNTABILITY POLICIES AND PROCEDURES

As a federal agency with stewardship for taxpayers' dollars, the Denali Commission attends to the issues of accountability earnestly. Renewed in FY 2011, the agency's commitment to accountability and transparency was made more evident through the development of more rigorous agency grant policies. These included an attention to facilitating vetted projects through the application process to funding. Another policy directs program managers to more aggressively manage the closing of projects, as appropriate, and efficiently reprogramming recovered funds (project savings).

Program Achievements	Accountability Concept
Project Selection Process Strengthened	Appropriate vetting and due diligence
Timely Closing of Projects	Accounting for grant finances and outcomes
Re-Program Recovered Funds	Encourage project savings and use best practices and vetted priority lists to enhance infrastructure development
Unqualified Audit Opinion	Sound accounting of financial and program resources

PROMOTE THE SUSTAINABILITY OF RURAL ALASKA COMMUNITIES

The Commission has shifted the agency's, partners' and the public's understanding of sustainability to apply more broadly to the entire community rather than just to a singular project. Thus, the agency has focused its energies on initiatives that bolster the overall sustainability of Alaska's rural communities.

Projects in FY 2011 included: a statewide barge landing and mooring points study, a wood pellet boiler conversion, the pilot of a small clinic design, and a partnership with the University of Alaska for health care professionals training and education.

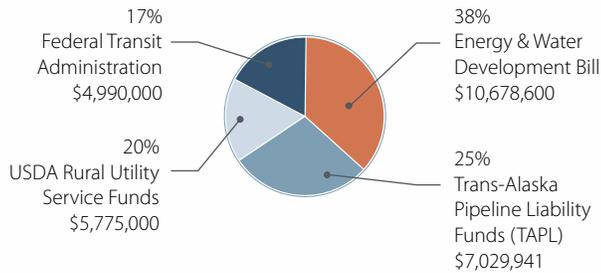
Program Achievements.....	FY 2011
Roads Projects	26
Boardroads Projects	2
Waterfront Projects.....	15
Bulk Fuel Storage Facilities.....	4
Rural Power System Upgrades.....	3
Energy Project Designs	4
Rural Primary Care Clinic Openings	5
Primary Care Clinic Assessments	4



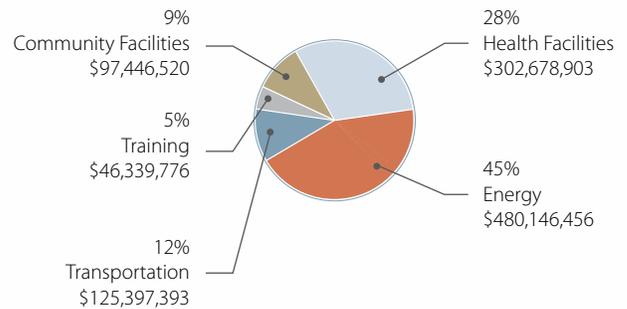
FY 2011 COMMISSION FINANCIALS

The Commission's FY 2011 budget authority once again included federal funds transfers from USDA-RUS, FTA and TAPL. However, historically routine transfers from FHWA, HRSA and DOL were not received in FY 2011.

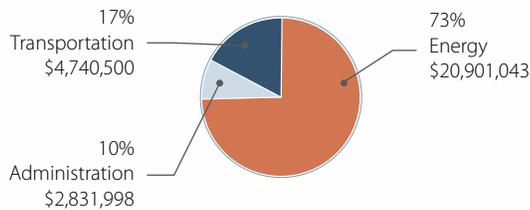
FY 2011 SOURCES OF FUNDS



FY 1999 - FY 2011 PROGRAM FUNDING USES



FY 2011 FUNCTIONAL USES



FY 2011 BUDGETARY AUTHORITY

Appropriations Received.....	\$17,708,541
Offsetting Collections.....	5,775,000
Nonexpenditure Transfers.....	4,990,000
Total Budget Authority.....	\$28,473,541

FUNDING SOURCES (in millions)	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11
	\$20.0	\$25.0	\$66.4	\$97.3	\$99.2	\$120.5	\$140.1	\$140.6	\$133.8	\$108.9	\$74.5	\$58.4	\$28.4
U.S. Department of the Interior							\$1.0						
U.S. Department of Labor						\$5.0	\$6.9	\$6.9	\$6.9	\$6.8	\$3.4		
USDA Solid Waste						\$1.0	\$1.5	\$0.7	\$0.7	\$0.4	\$0.4		
U.S. Department of Housing & Urban Development						\$2.0	\$1.3						
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	\$10.0	
U.S. Department of Agriculture			\$15.0	\$25.0	\$18.5	\$15.0	\$15.0	\$15.0	\$15.0	\$10.0	\$8.5	\$8.0	\$5.8
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	\$7.1	\$7.0
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	\$12.0	\$10.7
U.S. Department of Transportation (FTA & FHWA)								\$25.0	\$18.4	\$25.5	\$23.5	\$21.3	\$4.9



510 L STREET, SUITE 410 ANCHORAGE, ALASKA 99501
 T: 888-480-4321 OR 907-271-1414
 WWW.DENALI.GOV

DEAR FRIENDS OF THE DENALI COMMISSION



JOEL NEIMEYER
 Federal Co-Chair
 Denali Commission

We find ourselves returning again to the core mission of the Commission in our 12th year of administering critical infrastructure and job training initiatives across Alaska. In a time of declining federal funding, our mission to work with partners to develop basic public infrastructure, opportunity, and quality of life in Alaskan communities has never been more important.

In 2011 we continued to advance our goals to:

- Modernize and develop stronger and sustainable infrastructure in rural Alaska
- Promote the sustainability of rural Alaskan communities
- Fortify accountability policies and procedures

Some of the nation's poorest and most underserved people live in rural Alaska, facing the unique and daunting hardships of remote and inhospitable geography, harsh climate, high energy and transportation costs, and atypical infrastructure designed for Arctic conditions. The difficulties under which rural Alaskans continue to live make the Commission's work as important today as it was in 1999.

I hope this 2011 Summary provides readers with some insight into the great people and heritage of rural Alaska, and the positive role that the Commission has played over the past 12 years and our evolving role in future years. In support of the goal to modernize and develop stronger and sustainable infrastructure in rural Alaska, during FY 2011, the Commission continued in concert with our program partners to construct code compliant fuel tanks, power plants, rural health clinics, and many roads and docks.

In FY 2011 the Commission's work to strengthen the sustainability of rural communities helped to further efforts to develop renewable and alternative energy, sponsor regional planning efforts, conduct studies of docks and mooring points across Alaska, and provide more than 50 training opportunities across the state in construction trades, allied health occupations, leadership and management. The Commission continues to be a lead agency in Alaska on the concepts of tribal consultation and governmental coordination at the federal level.

I am pleased to share this Summary report with the Alaskans we serve and the stakeholders who allow our work to continue.

Sincerely,

FY 2011 HIGHLIGHTS

KWIGILLINGOK KUICUAG SLOUGH SUBSISTENCE ATV TRAIL

Kwigillingok is a community in Western Alaska which depends on ATV's, snow machines and most importantly, safe trails, for accessing public facilities and subsistence hunting trails.

This project provided 11 jobs within the community; provides a safe trail system to access public facilities and other subsistence trails; and participated in the market purchase of an innovative material (geo-grid that was used for the trail) which indirectly impacts the economy by helping to drive costs down and increase the variety/competition of goods and commodities throughout the United States.

STEBBINS BULK FUEL PROJECT: 6 RURAL RESIDENTS TRAINED

Denali Commission contributed to the design and construction of up to 860,000 gallons of code-compliant bulk fuel storage for diesel fuel and gasoline, underground fill and distribution pipelines, a marine header, and three dispensing stations in Stebbins, Alaska.

During the construction of the Stebbins Bulk Fuel project, the Commission provided funding to train 6 residents who were trained and ultimately hired by the contractor on the project. Trainees earned welding certificates in order to work on the construction phase of this project.