

## APFC Quiz 2

The information to help you answer these questions can be found on [apfc.org](http://apfc.org) or in [An Alaskan's Guide to the Permanent Fund \(pdf\)](#).

- 1. How does the Alaska Permanent Fund Corporation maximize the value of the Permanent Fund?**
  - a. By making prudent, long-term investments in a diversified portfolio
  - b. By keeping the Fund in the bank earning a steady, dependable rate of interest
  - c. By investing most of the Fund in promising high-tech stocks and hedge funds
- 2. What is the job of the Alaska Permanent Fund Corporation?**
  - a. To tell the Governor how to invest the Permanent Fund
  - b. To give out dividends every year to all qualified Alaskans
  - c. To manage the Permanent Fund investments
- 3. Who are the beneficiaries of the Permanent Fund?**
  - a. People born in Alaska before 1974
  - b. People who fill out their dividend applications correctly
  - c. Current and future generations of Alaskans
- 4. Which scenario is likely to happen in Alaska's future?**
  - a. Alaska's oil revenues will decline because oil is a non-renewable resource
  - b. Permanent Fund income increases as the amount of assets under investment increases
  - c. All of the above
- 5. What are the part/s of the Permanent Fund?**
  - a. There is only one part of the Fund: the principal, which cannot be spent
  - b. The Permanent Fund is comprised of 100% earnings from investments
  - c. The principal and the earnings reserve
- 6. Who decides how to spend Permanent Fund earnings?**
  - a. The Legislature
  - b. The voters, in a special election
  - c. The Permanent Fund Board of Trustees
- 7. How does money get into the Permanent Fund principal?**
  - a. The Legislature may appropriate money from the Earnings Reserve to the Principal
  - b. The Legislature may appropriate money from Earnings Reserve to the Principal to offset inflation.
  - c. From dedicated oil revenue the State receives
  - d. All of the above

8. **How does money flow into the Permanent Fund Earnings Reserve?**
  - a. Interest and profits from sales are earned on bond investments
  - b. Dividends and profits from sales are earned on stock investments
  - c. Rent and profits from sales are earned on real estate investments
  - d. All of the above
  
9. **Who administers the Permanent Fund Dividend program?**
  - a. The Alaska Permanent Fund Corporation
  - b. The Permanent Fund Dividend Division in the Department of Revenue
  - c. A board comprised of concerned citizens
  
10. **How much money is currently in the Permanent Fund Principal?**
  - a. Between \$25 and \$35 billion
  - b. Between \$40 and \$65 billion
  - c. None, it is all paid out in dividends each year
  
11. **How much money is currently in the entire Permanent Fund?**
  - a. There is no way of knowing this figure
  - b. Between \$50 and \$75 billion
  - c. \$597,340,000,000,000.00
  
12. **Which is the Fund's largest asset class?**
  - a. Stocks
  - b. Real estate
  - c. Bonds
  - d. Alternative investments, such as hedge funds
  
13. **Which will be most likely to add the most money to the Fund in the future?**
  - a. Oil/mineral revenues
  - b. Annual inflation proofing of the oil/mineral revenue deposits into the fund
  - c. Special appropriations from the Legislature into the fund
  - d. Appreciation of fund investments
  
14. **Where does the Legislature get money for special appropriations to Fund Principal?**
  - a. By selling state surplus equipment
  - b. From any Earnings Reserve money left over after dividends and inflation proofing
  - c. From the federal government
  
15. **Why does the Legislature inflation proof the Fund?**
  - a. To protect the purchasing power of the Fund
  - b. To prevent the Fund from inflating too fast
  - c. To prove that inflation exists
  
16. **What is the Earnings Reserve Account?**
  - a. Part of the Constitutional Budget Reserve
  - b. The part of the Permanent Fund that is not Principal
  - c. The part of the Fund that cannot be spent

17. **Who really owns the Permanent Fund?**
  - a. A group of private investors in New York City
  - b. The State of Alaska
  - c. The Trustees of the Alaska Permanent Fund Corporation
  
18. **Where is the Alaska Permanent Fund Corporation located?**
  - a. It is headquartered in Anchorage but has offices around the world
  - b. On Wall Street
  - c. In Alaska's capital city, Juneau
  
19. **How can students find out more about the Permanent Fund?**
  - a. Visit [www.apfc.org](http://www.apfc.org)
  - b. Watch the news on TV, listen to radio news, read the newspaper
  - c. Go to an APFC Board of Trustees meeting
  - d. All of the above